Journal of the Senate

State of Indiana

119th General Assembly Second Regular Session

Thirty-third Meeting Day Wednesday Afternoon March 9, 2016

The Senate convened at 2:08 p.m., with the President Pro Tempore of the Senate, David C. Long, in the Chair.

Prayer was offered by Senator Brent E. Steele.

The Pledge of Allegiance to the Flag was led by Senator Steele.

The Chair ordered the roll of the Senate to be called. Those present were:

Alting	Leising
Arnold	Long
Banks	Merritt
Bassler	Messmer
Becker	Miller, Patricia
Boots	Miller, Pete
Bray	Mishler
Breaux	Mrvan
Broden	Niemeyer
Brown	Perfect
Buck	Raatz
Charbonneau	Randolph
Crider	Rogers
Delph	Schneider
Eckerty	Smith
Ford	Steele
Glick	Stoops
Grooms	Tallian
Head	Taylor
Hershman	Tomes
Holdman	Walker
Houchin	Waltz
Kenley	Yoder
Kruse	Young, M.
Lanane	Zakas

Roll Call 364: present 50; excused 0. [*Note: A ⊡ indicates those who were excused*.] The Chair announced a quorum present. Pursuant to Senate Rule 5(d), no motion having been heard, the Journal of the previous day was considered read.

RESOLUTIONS ON FIRST READING

Senate Resolution 68

Senate Resolution 68, introduced by Senators Charbonneau, Long, Niemeyer, Arnold, Boots, Buck, Ford, Holdman, Kruse, Pete Miller, Mrvan, Randolph, Rogers, Tallian, Yoder, and M. Young:

A SENATE RESOLUTION urging Indiana's federal legislators to fight for strong enforcement of our nation's trade laws to level the playing field with China and other countries, taking whatever action necessary to protect the domestic steel industry from unfair foreign competition, and urging the Department of Commerce to maintain China's "non-market economy" status, which preserves the ability of U.S. companies and American workers to access domestic trade remedy laws.

Whereas, Manufacturing is a critical part of Indiana's economy, representing a 29.45 percent share of the gross state product, 515,700 manufacturing jobs, and 16.02 percent of total state employment;

Whereas, Industrial manufacturing sectors are at risk of sliding back into recession, though, due to an alarming surge of unfairly-priced imports from China and other nations;

Whereas, The United States trade deficit with China set a new record in 2015 at $366 billion;

Whereas, Manufacturing gained only 30,000 jobs nationwide in 2015, compared to the 2.7 million gained in the entire economy;

Whereas, The Institute for Supply Management manufacturing index shows that the sector contracted in February 2016 for the fifth consecutive month;

Whereas, The steel industry, in particular, is suffering from an unprecedented surge in imports from a number of countries around the world, including China;

Whereas, Steel is both a fundamental building block of our economy, ranging from trucks and autos, to energy production and transmission, to transportation infrastructure, to public safety infrastructure, to construction of hospitals, schools, industrial plants and commercial buildings;

Whereas, Steel is used in a broad range of military applications, ranging from aircraft carriers and nuclear submarines, to tanks and armored transports;

Whereas, The steel sector is an engine for good-paying jobs for over one million Americans;

Whereas, Indiana has the sixth most jobs supported by domestic steel production of all states, and each steel job supports up to seven other jobs in the economy;

Whereas, Major steel mills have been recently idled with over 12,000 layoffs announced;

Whereas, Finished steel imports increased by a dramatic, record-setting 36 percent in 2014, captured 29 percent of the U.S. market in 2015, and 23 percent in 2013;

Whereas, Domestic steel shipments declined by over 12 percent in 2015 and plant activity (capacity utilization) averaged just 70 percent for 2015, well below levels necessary to be profitable;

Whereas, A major cause of the steel import surge is global steel industry overcapacity, a measure of excess production capacity above what is necessary to meet market demand;

Whereas, China's steel industry is almost completely state-owned and state-supported by China's central and provincial governments, with nine out of its top ten producers state-owned, and now represents half of all global steel production;

Whereas, The Organization for Economic Cooperation and Development estimates that there is almost 700 million metric tons of excess steel capacity globally today;

Whereas, Overcapacity is especially severe in China, where the American Iron and Steel Institute estimates that 425 million metric tons of the worldwide overcapacity total is represented;

Whereas, The United States produces less than 100 million metric tons annually, while China continues to overproduce steel with the backing of aggressive government support and trade policies;

Whereas, Chinese crude steel production soared from 128 million metric tons in 2000, to 823 million metric tons in 2014, an increase of almost 700 million tons;

Whereas, China's steel exports surged 20 percent from 2014 to 2015, and the exported steel was more than any other country produced, flooding every market around the world and creating a domino effect on trade flows; and

Whereas, Much of the world's steel ends up in the United States due to our free market and other countries' aggressive safeguards and tariffs: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana Senate urges Indiana's federal elected officials in Washington, D.C. – including the President of the United States of America, U.S. Senators Dan Coats and Joe Donnelly, and the Indiana members of the U.S. House of Representatives – to fight for strong enforcement of our nation's trade laws to level the playing field with China and other countries, taking whatever action necessary to protect the domestic steel industry from unfair foreign competition, and to urge the Department of Commerce to maintain China's "non-market economy" status, which preserves the ability of U.S. companies and American workers to access domestic trade remedy laws.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to AK Steel, US Steel, Nucor, Steel Dynamics, and ArcelorMittal.

The resolution was read in full and referred to the Committee on Rules & Legislative Procedure.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Pursuant to Senate Rule 86(k), your Committee on Rules and Legislative Procedure to which was referred Conference Committee Reports filed on Engrossed Senate Bills 146, 177, 187, 301, and 357 and Engrossed House Bills 1012, 1130, 1136, 1231, 1233, and 1344 have had the same under consideration and begs leave to report back to the Senate with the recommendation that said Conference Committee Reports are eligible for consideration.

LONG, Chair

Report adopted.

COMMITTEE REPORT

Mr. President: The Senate Committee on Homeland Security & Transportation, to which was referred House Concurrent Resolution 47, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.
Committee Vote: Yeas 7, Nays 0.

YODER, Chair

Report adopted.

COMMITTEE REPORT

Mr. President: The Senate Committee on Homeland Security & Transportation, to which was referred House Concurrent Resolution 56, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.
Committee Vote: Yeas 7, Nays 0.

YODER, Chair

Report adopted.

COMMITTEE REPORT

Mr. President: The Senate Committee on Homeland Security & Transportation, to which was referred House Concurrent Resolution 58, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.
Committee Vote: Yeas 7, Nays 0.

YODER, Chair

Report adopted.

COMMITTEE REPORT

Mr. President: The Senate Committee on Judiciary, to which was referred Senate Resolution 40, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.
Committee Vote: Yeas 8, Nays 0.

STEELE, Chair

Report adopted.

COMMITTEE REPORT

Mr. President: The Senate Committee on Local Government, to which was referred Senate Resolution 55, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said resolution do pass.
Committee Vote: Yeas 6, Nays 0.

HEAD, Chair

Report adopted.

JOINT RULE 20 COMMITTEE REPORTS

COMMITTEE REPORT

Mr. President: Pursuant to Joint Rule 20, your Committee on Rules & Legislative Procedure, to which was referred Engrossed Senate Bill 366-2016 because it conflicts with HEA 1053-2016 without properly recognizing the existence of HEA 1053-2016, has had Engrossed Senate Bill 366-2016 under consideration and begs leave to report back to the Senate with the recommendation that Engrossed Senate Bill 366-2016 be corrected as follows:

Page 12, line 21, delete "P.L.13-2013,".

Page 12, line 22, delete "SECTION 148," and insert "HEA 1053-2016, SECTION 1,".

Page 13, between lines 16 and 17, begin a new line block indented and insert:

"(13) The power to adopt or enforce an ordinance described in section 8.5 of this chapter.

(14) The power to take any action prohibited by section 8.6 of this chapter.".

Page 13, line 17, delete "(13)" and insert "**(15)**".

(Reference is to ESB 366 as reprinted March 1, 2016).

LONG, Chair
LANANE, R.M.M.
BROWN

Report adopted.

COMMITTEE REPORT

Mr. President: Pursuant to Joint Rule 20, your Committee on Rules & Legislative Procedure, to which was referred Engrossed Senate Bill 321-2016 because it conflicts with HEA 1036-2016 without properly recognizing the existence of HEA 1036-2016, has had Engrossed Senate Bill 321-2016 under consideration and begs leave to report back to the Senate with the recommendation that Engrossed Senate Bill 321-2016 be corrected as follows:

Page 16, line 34, delete "P.L.183-2014," and insert "THE TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY,".

Page 16, line 35, delete "SECTION 21,".

Page 19, line 39, after "statutes," insert "and notwithstanding IC 6-1.1-18-1,".

(Reference is to ESB 321 as reprinted March 1, 2016).

LONG, Chair
LANANE, R.M.M.
MILLER PETE

Report adopted.

COMMITTEE REPORT

Mr. President: Pursuant to Joint Rule 20, your Committee on Rules & Legislative Procedure, to which was referred Engrossed House Bill 1365-2016 because it conflicts with HEA 1259-2016 without properly recognizing the existence of HEA 1259-2016, has had Engrossed House Bill 1365-2016 under consideration and begs leave to report back to the Senate with the recommendation that Engrossed House Bill 1365-2016 be corrected as follows:

Page 53, line 36, delete "P.L.2-2014," and insert "HEA 1259-2016, SECTION 4,".

Page 53, line 37, delete "SECTION 48,".

Page 54, line 13, delete "." and insert ", which may not be unreasonably withheld.".

(Reference is to EHB 1365 as reprinted February 26, 2016).

LONG, Chair
LANANE, R.M.M.
CRIDER

Report adopted.

SENATE MOTION

Mr. President: I move that the following memorial resolution be adopted:

SCR 62 Senator Zakas
Memorializing Richard Leib.

LONG

Motion prevailed.

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 62

Senate Concurrent Resolution 62, introduced by Senators Zakas, Yoder, and Mishler:

A CONCURRENT RESOLUTION memorializing Richard Leib, an Elkhart Truth weekly newspaper columnist and longtime Elkhart furniture business owner.

Whereas, Richard Leib wrote a weekly newspaper column for the Elkhart Truth for 11 years after retiring from owning and operating Leib's Furniture, Inc., in Elkhart, Indiana for 48 years;

Whereas, Leib was a graduate of Elkhart High School and Valparaiso University, where he met his wife of 58 years, Lois;

Whereas, Upon graduation from high school, Leib served in the U.S. Army before returning to take over his father's business, and eventually, becoming a columnist for the local newspaper;

Whereas, As a conservative columnist, Leib loved to write about national politics, was a fierce defender of the printed word, and fought for differing viewpoints receiving editorial space fairness;

Whereas, Photography, gardening, technology, and cars were just some of Leib's diverse interests, and he was a member of Faith United Methodist Church;

Whereas, Leib passed away on March 1, 2016, and is survived by his loving wife, Lois, three children, and two grandchildren; and

Whereas, It is fitting that Leib is honored for his long-standing contributions to the City of Elkhart and his passion for editorial writing: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly memorializes Richard Leib, an Elkhart Truth weekly newspaper columnist and longtime Elkhart furniture business owner.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to Lois Leib.

The resolution was read in full and adopted by standing vote. The Chair instructed the Secretary to inform the House of the passage of the resolution. House sponsors: Representatives Miller, Wesco, and Culver.

SENATE MOTION

Mr. President: I move that the following resolutions be adopted:

SCR 63 Senator Mishler
Congratulating Penn High School Girls Basketball team.

SCR 64 Senator Zakas
Congratulating the Granger Christian School Girl's Basketball team.

LONG

Motion prevailed.

Senate Concurrent Resolution 63

Senate Concurrent Resolution 63, introduced by Senators Mishler and Zakas:

A CONCURRENT RESOLUTION congratulating the Penn High School Girls Basketball team on its first 4A State Championship title.

Whereas, The Penn High School Girls Basketball team beat Columbus North 68-48 to win its first state championship title on February 27, 2016 at Bankers Life Fieldhouse in Indianapolis;

Whereas, The Penn Kingsmen secured the win by shooting 52.3 percent from the floor and out rebounding the Columbus Bull Dogs 16-14 in the second half;

Whereas, Penn's highest scorers in the game, Cameron Buhr and Kaitlyn Marenyi, scored 24 and 21 points respectively; and

Whereas, Penn High School honored the school's 19th Indiana High School Athletic Association state championship during a community celebration in the school's main basketball arena: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly congratulates the Penn High School Girls Basketball team on its first 4A State Championship title.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to Penn High School Principal Steve Hope, Athletic Director Aaron Leniski, Girls Basketball Coach Kristi Ulrich, and each member of the Girls Varsity Basketball team.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution. House sponsors: Representatives DeVon, Wesco, Bauer, Dvorak, and Niezgodski.

Senate Concurrent Resolution 64

Senate Concurrent Resolution 64, introduced by Senators Zakas, Broden, Mishler, Arnold, and Yoder:

A CONCURRENT RESOLUTION congratulating the Granger Christian School Girl's Basketball team on its NCSAA Division II National Championship title.

Whereas, The Granger Christian School Girl's Basketball team defeated Grace Brethren Christian of Maryland 50-39 on March 5, 2016 to win the National Christian School Athletic Association Division II Championship title;

Whereas, The title was the second one in three years for the Granger Knights, who finished their regular season 31-2;

Whereas, The Knights' Kylie Steele, Kara Kline, and Krista Kline scored 13, 11, and 10 points respectively to clinch the team's win;

Whereas, The 2015-2016 team was made up of 11 members including Andrea Couture, Emily Twiddy, Kara Kline, Krista Kline, Kylie Steele, Emma Ladwig, Emily Stump, Allison Emswiler, Tayah Smith, Alex Tan, and Liz Tan; and

Whereas, The team made it to nationals after defeating Arthur Christian School 46-36 at the Indiana Christian State Tournament game on February 27, 2016 in Lafayette, Indiana: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly congratulates the Granger Christian School Girl's Basketball team on its NCSAA Division II National Championship title.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to Granger Christian School's Administrator Mark Wever, Athletic Director Joshua Galvin, Girl's Basketball Coaches Lynda Dunbar and Kayla Kline, and each member of the Girl's Varsity Basketball team.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution. House sponsors: Representatives DeVon and Dvorak.

Senate Concurrent Resolution 51

Senate Concurrent Resolution 51, introduced by Senator Delph:

A CONCURRENT RESOLUTION congratulating the Carmel High School Greyhounds girls swim team on its 30th consecutive state championship title, surpassing the nationwide high school record for most consecutive state titles in any sport.

Whereas, On Saturday February 13, 2016, the Carmel High School Greyhounds girls swim team, won its 30th consecutive state championship title at IUPUI's Natatorium, setting a nationwide record for the most consecutive state championships in any sport;

Whereas, Carmel broke the national record, scoring 438 points and winning nine out of the 11 events, with the next closest team, Hamilton Southeastern, scoring 193.5 points;

Whereas, At the meet, Senior Claire Adams became the first swimmer in Indiana history to win 16 state titles, the first woman to win the 100-yard backstroke all four years of her high school career, and set a personal record of never losing a race at the IHSAA state championships;

Whereas, Adams also took home the Mental Attitude Award at the championship meet;

Whereas, Senior Veronica Burchill set the lone state record for the day, beating her previous 100 fly record with a 51.79 time;

Whereas, Junior Sammie Burchill won the 200-yard individual medley and created an upset by beating world junior bronze medalist Hannah Kukurugya of Crown Point with a time of 1:57.99, compared to Kukurugya's 1:59.28;

Whereas, Junior Emma Nordin also made history by taking home two individual wins at the meet in the 200 and 500 yard freestyle;

Whereas, With its 30th consecutive state championship title, the Carmel girls swim team overtook the national record of 29 successive state titles set by Honolulu's Punahou High School boys swim team, the only other high school team to do so; and

Whereas, It is fitting that the Indiana General Assembly gives special recognition to the hard work of these student athletes, Head Coach Chris Plumb, and the incredible support staff of the Carmel High School girl's swim team: Therefore

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly congratulates the Carmel High School women's swim team on its 30th consecutive state championship title, surpassing the nationwide high school record for most consecutive state titles in any sport.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the Carmel High School Principal, John Williams, Girl's Swim Team Head Coach, Chris Plumb, and the girl's swim team members.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution. House sponsors: Representatives Schaibley and Torr.

Senate Concurrent Resolution 61

Senate Concurrent Resolution 61, introduced by Senator M. Young:

A CONCURRENT RESOLUTION celebrating the 100th running of the Indianapolis 500.

Whereas, The Indianapolis 500 is known as "The Greatest Spectacle in Racing" and will celebrate its 100th running on May 29, 2016 at the Indianapolis Motor Speedway;

Whereas, In 1909, the Indianapolis Motor Speedway was founded by Carl Fisher, Jim Allison, Art Newby, and Frank Wheeler, with the driving force behind the endeavor being Fisher;

Whereas, The original surface of the track was made up of gravel-and-tar, which disintegrated before the first running of the 500 during other racing events, resulting in the repavement of the entire track with 3.2 million bricks in 1909;

Whereas, In 1911, 40 cars qualified for the first "500-mile Sweepstakes" at the Indianapolis Motor Speedway, with Ray Harroun winning the inaugural running and $25,000 prize;

Whereas, Paying $1 each for grandstand seats, 80,200 spectators turned out for the first 500-mile racing event;

Whereas, Of the 23 types of cars represented in the inaugural 500, only three survive today: Buick, Fiat, and Mercedes;

Whereas, In 1927, Eddie Rickenbacker purchased the Speedway for $700,000, which was also the same year that the Purdue All-American Marching Band began performing on the track, who have been the host band ever since;

Whereas, In 1935, asphalt was laid over the bricks at all four turns and the concrete outer walls were angled inward; and then in 1961, the remaining brick surfaces were paved with asphalt, except for one yard at the start-finish;

Whereas, In 1936, Louis Meyer won his third Indianapolis 500 and drank buttermilk in the winner's circle, which led to the establishment of race winners drinking milk in the winner's circle;

Whereas, 1936 was the same year the first Borg-Warner Trophy, one of the most recognizable trophies in all of sports, was awarded to the Indianapolis 500 winner;

Whereas, In 1945, three-time Indianapolis 500 winner, Wilbur Shaw, brokered a $750,000 deal that made him Speedway president and made Tony Hulman the new owner of the track;

Whereas, The Hulman-George family still own and operate the Indianapolis Motor Speedway in 2016;

Whereas, In 1946, the song, "Back Home Again in Indiana," was sung for the first time track side by James Melton, of the New York Metropolitan Opera Company, with the accompaniment of the Purdue All-American Marching Band;

Whereas, 1947 is believed to be the first year multi-colored balloons were released on race morning;

Whereas, In 1957, The 500 Festival Parade took place for the first time as part of a series of celebrations leading up to race day;

Whereas, In 2016, The Indianapolis 500 will have 33 drivers competing for a purse that is upwards of more than $13,000,000, with the winner receiving more than $2.5 million, and the event is expected to draw a crowd of approximately 300,000 spectators;

Whereas, The 100th anniversary of the race was celebrated in 2011, but the 100th running will be celebrated in 2016, due to the suspension of the race during WWI and WWII; and

Whereas, It is fitting that the Indianapolis 500's 100th running should be celebrated and honored for its historical significance in the State of Indiana and for the long-standing global impact it has had in the sport of racing: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly celebrates the 100th running of the Indianapolis 500 and honors the long-history and significance of the race.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to the Indianapolis Motor Speedway.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution. House sponsors: Representatives Frizzell and Macer.

Senate Resolution 62

Senate Resolution 62, introduced by Senator Breaux:

A SENATE RESOLUTION honoring the Metropolitan Youth Orchestra on their 20th anniversary,

Whereas, The Metropolitan Youth Orchestra (MYO) was founded by Betty Perry in 1995;

Whereas, The MYO was designed to use the life skills learned through music instruction to engage youth in activities that discourage at-risk behaviors and keep them committed to staying in school;

Whereas, The MYO program is about developing life skills through the rehearsal and performance of music;

Whereas, The MYO focus is about creating an experience that accomplishes developing life skills; this is done by setting expectations that are designed to aid in reaching these goals;

Whereas, The MYO program works to develop these life skills in the following six major ways; ensemble, lessons, performance, parent engagement, community support, and college readiness;

Whereas, The MYO program currently has 21 teaching artists who serve over 200 students in kindergarten through high school on violin, viola, cello, and bass;

Whereas, MYO has seven ensembles which includes a small group of high school students that have performed across the state;

Whereas, All of the students involved in the program have recitals at Broadway Methodist Church and concerts at Hilbert Circle Theater twice a year; and

Whereas, Students with the MYO program have performed at many places around the state, including The Children's Museum, the State Museum, Arts Garden, the Madam C. J. Walker Theater, Spirit and Place Festival, UNCF Masked Ball, United Way Conference, International Swim Competition, the Hilbert Mansion, and the ISO Gala at the Indiana Roof Ballroom: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana:

SECTION 1. The Indiana General Assembly honors the Metropolitan Youth Orchestra on their 20th anniversary.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to the Metropolitan Youth Orchestra.

The resolution was read in full and adopted by voice vote.

MESSAGE FROM THE PRESIDENT PRO TEMPORE

Mr. President and Members of the Senate: I have on

Wednesday, March 9, 2016, signed Senate Enrolled Acts: 11,15, 31, 41, 61, 142, 147, 160, 167, 174, 216, 221, 248, 250, 255, 297, 306, 310, 323, 335, 339, 350, 375, 380, 381, and 383.

DAVID C. LONG
President Pro Tempore

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has passed Senate Concurrent Resolution 55 and the same is herewith returned to the Senate.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has adopted conference committee report 1 on Engrossed House Bills 1130 and 1344.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has passed House Concurrent Resolution 73 and the same is herewith transmitted for further action.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has reconsidered its dissent from the Senate amendments to Engrossed House Bill 1081 and has now concurred in those amendments.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has adopted conference committee report 1 on Engrossed Senate Bills 187 and 206.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has adopted conference committee report 1 on Engrossed House Bill 1263.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has adopted conference committee report 1 on Engrossed House Bill 1231.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has passed Senate Concurrent Resolutions 24, 46, 56, and 57 and the same are herewith returned to the Senate.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has reconsidered its dissent from the Senate amendments to Engrossed House Bill 1353 and has now concurred in those amendments.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has adopted conference committee report 1 on Engrossed House Bills 1012 and 1233.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has adopted conference committee report 1 on Engrossed Senate Bills 146, 301, and 357.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the House has passed Senate Concurrent Resolution 55 and the same is herewith returned to the Senate.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the Speaker of the House has removed Representative Moseley as a conferee on Engrossed Senate Bill 20 and now appoints Representative Lyness as a conferee thereon.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the Speaker of the House has removed Representative V. Smith as a conferee on Engrossed House Bill 1005 and now appoints Representative Behning as a conferee thereon.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the Speaker of the House has made the following changes to the conference committee on Engrossed House Bill 1005:

Remove:

Representative Behning as advisor

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Mr. President: I am directed by the House to inform the Senate that the Speaker of the House has removed Representative Lyness as advisor on Engrossed Senate Bill 20.

M. CAROLINE SPOTTS
Principal Clerk of the House

Senator Long yielded the gavel to Senator Hershman.

SENATE MOTION

Mr. President: I move that Senate Rules 82(c) and 86(a) be suspended with regard to their application to all Motions to Concur and all Conference Committee Reports filed on March 9, 2016 and March 10, 2016.

LONG

Motion prevailed.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. President: The Senate Committee on Rules & Legislative Procedure, to which was referred the motion of Senator Long requesting suspension of Senate Rule 82(c) with regard to its application to all Motions to Concur filed on March 9, 2016 and March 10, 2016 and Senate Rule 86(a) with regard to its application to all Conference Committee Reports filed on March 9, 2016, and March 10, 2016, has had the same under consideration and begs leave to report back to the Senate with the recommendation that said motion be adopted.

LONG, Chair

Report adopted.

Senator Hershman yielded the gavel to Senator Long.

MOTIONS TO CONCUR IN HOUSE AMENDMENTS

SENATE MOTION

Mr. President: I move that the Senate concur with the House amendments to Engrossed Senate Bill 30.

PATRICIA MILLER

Roll Call 365: yeas 49, nays 0. Motion prevailed.

CONFERENCE COMMITTEE REPORTS

CONFERENCE COMMITTEE REPORT

ESB 146–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill 146 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning civil law and procedure.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 34-13-3-2, AS AMENDED BY P.L.145-2011, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011 (RETROACTIVE)]: Sec. 2. This chapter applies to a claim or suit in tort against any of the following:

(1) A member of the bureau of motor vehicles commission established under IC 9-15-1-1.

(2) An employee of the bureau of motor vehicles commission who is employed at a license branch under IC 9-16, except for an employee employed at a license branch operated under a contract with the commission under IC 9-16.

(3) A member of the driver education advisory board established by IC 9-27-6-5.

(4) An approved postsecondary educational institution (as defined in IC 21-7-13-6(a)(1)), or an association acting on behalf of an approved postsecondary educational institution, that:

(A) shares data with the commission for higher education under IC 21-12-12-1; and

(B) is named as a defendant in a claim or suit in tort based on any breach of the confidentiality of the data that occurs after the institution has transmitted the data in compliance with IC 21-12-12-1.

SECTION 2. IC 34-13-3-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011 (RETROACTIVE)]: **Sec. 2.5. The addition of section 2(4) of this chapter by SEA 146-2016, SECTION 1, does not apply to a claim or suit in tort against a postsecondary educational institution if filed before March 30, 2016.**

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

(Reference is to ESB 146 as reprinted March 3, 2016.)

Charbonneau, Chair	Friend
Taylor	C. Brown
Senate Conferees	House Conferees

Roll Call 366: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

ESB 177–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill 177 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 7.1-3-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a) As used in this section, "proprietor of a package liquor store" means the person that:**

(1) holds the financial investment in; and

(2) exercises the financial and operational oversight of; a package liquor store.

~~(a)~~ **(b)** The commission may issue a beer dealer's permit only to an applicant who is the proprietor of a drug store, grocery store, or package liquor store.

~~(b)~~ **(c) Subject to subsection (d),** the commission may issue a beer dealer's permit to an applicant that is a foreign corporation if:

(1) the applicant is duly admitted to do business in Indiana;

(2) the sale of beer is within the applicant's corporate powers; and

(3) the applicant is otherwise qualified under this title.

(d) Except as provided under IC 7.1-3-21-5.6, the commission may issue a beer dealer's permit under subsection (c) for the premises of a package liquor store only if the proprietor of the package liquor store satisfies the Indiana resident ownership requirements described in IC 7.1-3-21-5(b), IC 7.1-3-21-5.2(b), or IC 7.1-3-21-5.4(b).

~~(c)~~ **(e)** The commission shall not issue a beer dealer's permit to a person who is disqualified under the special disqualifications. However, the special disqualification listed in IC 7.1-3-4-2(a)(13) shall not apply to an applicant for a beer dealer's permit.

~~(d)~~ **(f)** Notwithstanding subsection ~~(a),~~ **(b),** the commission may renew a beer dealer's permit for an applicant who:

(1) held a permit before July 1, 1997; and

(2) is the proprietor of a confectionery or a store that:

(A) is not a drug store, grocery store, or package liquor store;

(B) is in good repute; and

(C) in the judgment of the commission, deals in merchandise that is not incompatible with the sale of beer.

SECTION 2. IC 7.1-3-20-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 17.5. (a) As used in this section, "banquet or gathering space" means a room or space in which social events are hosted that is located on the licensed premises of a hotel or restaurant.**

(b) As used in this section, "social event" means a party, banquet, wedding or other reception, or any other social event.

(c) Subject to subsection (d), the holder of a retailer's permit issued for the premises of a hotel or restaurant that has a banquet or gathering space without a permanent bar over which alcoholic beverages may be sold or dispensed may temporarily amend the floor plans of the licensed premises to use the banquet or gathering space to sell or dispense alcoholic beverages from a temporary bar or service bar in

the banquet or gathering space.

(d) The holder of a retailer's permit shall notify and submit the amended floor plans described in subsection (c) to the commission not later than twenty-four (24) hours before the date the holder intends to sell or dispense alcoholic beverages from a temporary bar or service bar.

(e) A holder of a retailer's permit who intends to sell or dispense alcoholic beverages from a temporary bar or service bar as described in this section remains subject to laws and rules requiring that the area in which minors are allowed be separate from the room or area in which the bar is located.

SECTION 3. IC 7.1-3-20-18.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 18.7. (a) This section applies to the premises of a hotel that is owned by an accredited college or university (as described in IC 24-4-11-2).**

(b) Subject to subsection (c), the holder of a retailer permit that is issued for the premises of a hotel may sell or dispense, for on premise consumption only, alcoholic beverages, for which the permittee holds the appropriate permit, from a:

(1) nonpermanent bar located on an outside patio or terrace; or

(2) service window located on the licensed premises that opens to an outside patio or terrace;

that is contiguous to the main building of the licensed premises of the hotel.

(c) The holder of a retailer permit that is issued for the premises of a hotel may sell or dispense alcoholic beverages as provided under subsection (b) only if all the following conditions are met:

(1) The patio or terrace area described in subsection (b) is:

(A) part of the licensed premises; and

(B) clearly delineated and completely enclosed on all sides by a fence, rail, wall, or hedge that is at least four (4) feet in height.

(2) Access to the nonpermanent bar or service window is limited by a barrier that reasonably deters free access by minors to the bar or window.

(3) A conspicuous sign is posted by the barrier described in subdivision (2) that states that minors are not allowed to cross the barrier to enter the area near the nonpermanent bar or service window.

SECTION 4. IC 7.1-3-20-27 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 27. (a) This section applies to the premises of a restaurant.**

(b) Subject to subsection (c), the holder of a retailer permit that is issued for the premises of a restaurant may sell or dispense, for on premise consumption only, alcoholic beverages, for which the permittee holds the appropriate permit, from a service window located on the licensed premises that opens to an outside patio or terrace that is contiguous to the main building of the licensed premises of the restaurant.

(c) The holder of a retailer permit that is issued for the premises of a restaurant may sell or dispense alcoholic beverages as provided under subsection (b) only if all the following conditions are met:

(1) The patio or terrace area described in subsection (b) is:

(A) part of the licensed premises; and

(B) clearly delineated and completely enclosed on all sides by a barrier that is at least eighteen (18) inches in height.

(2) Access to the service window is limited by a barrier that reasonably deters free access by minors to the window.

(3) A conspicuous sign is posted by the barrier described in subdivision (2) that states that minors are not allowed to cross the barrier to enter the area near the service window.

SECTION 5. IC 7.1-3-21-5, AS AMENDED BY P.L.107-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commission shall not issue an alcoholic beverage retailer's ~~or dealer's~~ permit of any type to a corporation unless sixty percent (60%) of the outstanding common stock is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) The commission shall not issue an alcoholic beverage dealer's permit of any type for the premises of a package liquor store to a corporation unless:

(1) sixty percent (60%) of the outstanding stock in the corporation is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years; and

(2) the stock described in subdivision (1) constitutes a controlling interest in the corporation.

~~(b)~~ **(c)** Each officer and stockholder of a corporation shall possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 6. IC 7.1-3-21-5.2, AS AMENDED BY P.L.107-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.2. (a) The commission shall not issue an alcoholic beverage retailer's ~~or dealer's~~ permit of any type to a limited partnership unless at least sixty percent (60%) of the partnership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) The commission shall not issue an alcoholic beverage dealer's permit of any type for the premises of a package liquor store to a limited partnership unless:

(1) at least sixty percent (60%) of the partnership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years; and

(2) the partnership interest described in subdivision (1) constitutes a controlling interest in the limited partnership.

~~(b)~~ **(c)** Each general partner and limited partner of a limited partnership must possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 7. IC 7.1-3-21-5.4, AS AMENDED BY P.L.107-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.4. (a) The commission shall not issue an alcoholic beverage retailer's ~~or dealer's~~ permit of any type to a limited liability company unless at least sixty percent (60%) of the membership interest is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years.

(b) The commission shall not issue an alcoholic beverage dealer's permit of any type for the premises of a package liquor store to a limited liability company unless:

(1) at least sixty percent (60%) of the outstanding membership interest in the limited liability company is owned by persons who have been continuous and bona fide residents of Indiana for five (5) years; and

(2) the membership interest described in subdivision (1) constitutes a controlling interest in the limited partnership.

~~(b)~~ **(c)** Each manager and member of a limited liability company must possess all other qualifications required of an individual applicant for that particular type of permit.

SECTION 8. IC 7.1-3-21-5.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5.6. (a) Notwithstanding section 5, 5.2, or 5.4 of this chapter, the commission may renew or transfer ownership of a dealer's permit of any type for the holder of a dealer's permit who:**

(1) held the permit for the premises of a package liquor store before January 1, 2016; and

(2) does not qualify for the permit under section 5(b), 5.2(b), or 5.4(b) of this chapter.

(b) The commission may transfer ownership of a dealer's permit under this section only to an applicant who satisfies the Indiana resident ownership requirements under this chapter.

SECTION 9. IC 7.1-5-3-4, AS AMENDED BY P.L.79-2015, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) This section does not apply to the following:

(1) The necessary refilling of a container by a person holding a permit that authorizes the person to manufacture, rectify, or bottle liquor.

(2) An establishment where alcoholic beverages are sold that is owned, in whole or part, by an entity that holds a brewer's permit ~~issued under IC 7.1-3-2-2(b).~~ **for a brewery described in IC 7.1-3-2-7(5).**

(3) An establishment where alcoholic beverages are sold that is owned, in whole or part, by a statewide trade organization consisting of members, each of whom holds a brewer's permit issued under IC 7.1-3-2-2(b).

(4) The refilling of a bottle or container or possession of a refilled bottle or container if the refilling or possession is not for resale or another commercial purpose.

(5) The refilling of a bottle or container with hard cider in an establishment where alcoholic beverages are sold that is owned, in whole or in part, by an entity that manufactures hard cider under the appropriate permit issued under this title.

(6) The refilling of a bottle or container with a product from a farm winery in an establishment in which alcoholic beverages are sold that is owned, in whole or in part, by the holder of a farm winery permit.

(b) Except as provided in section 6 of this chapter, it is unlawful for a person to:

(1) refill a bottle or container, in whole or in part, with an alcoholic beverage; or

(2) knowingly possess a bottle or container that has been refilled, in whole or in part, with an alcoholic beverage;

after the container of liquor has been emptied in whole or in part.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 10. **An emergency is declared for this act.**

(Reference is to ESB 177 as printed February 26, 2016.)

Messmer, Chair	Lehman
Arnold	GiaQuinta
Senate Conferees	House Conferees

Roll Call 367: yeas 43, nays 7. Report adopted.

CONFERENCE COMMITTEE REPORT

ESB 187–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill 187 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 16-18-2-298.5, AS ADDED BY P.L.138-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 298.5. **(a)** "Public health authority", for purposes of IC 16-22-8 and IC 16-41-9, means:

(1) the state health commissioner of the state department;

(2) a deputy or an assistant state health commissioner appointed by the state health commissioner, or an agent expressly authorized by the state health commissioner;

(3) the local health officer; or

(4) a health and hospital corporation established under IC 16-22-8-6.

(b) "Public health authority", for purposes of IC 16-42-27, means any of the following who is a licensed prescriber:

(1) A deputy or assistant state health commissioner appointed by the state health commissioner to act as a public health authority.

(2) An agent employed by the state department that is expressly authorized by the state health commissioner to act as a public health authority.

SECTION 2. IC 16-19-4-4, AS AMENDED BY P.L.126-2012, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) The state health commissioner is governed in the performance of the state health commissioner's official duties by IC 4-2-6 and IC 35-44.1-1-4 concerning ethics and conflict of interest.

(b) To learn professional skills and to become familiar with new developments in the field of medicine, **and except as provided in IC 16-42-27-2(f),** the state health commissioner may, in an individual capacity as a licensed physician and not in an official capacity as state health commissioner, engage in the practice of medicine if the practice of medicine does not interfere with the performance of the state health commissioner's duties as state health commissioner.

SECTION 3. IC 16-19-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. **This section does not apply to the prescribing, dispensing, or issuance of a standing order for an overdose intervention drug under IC 16-42-27-2.** Any medical care provided to a patient by the state health commissioner is provided by the state health commissioner in an individual capacity as a licensed physician and the state is not liable for any act performed by the state health commissioner in this capacity.

SECTION 4. IC 16-31-3-23.7, AS ADDED BY P.L.32-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 23.7. **(a)** An advanced emergency medical technician, an emergency medical responder, an emergency medical technician, a firefighter, a volunteer firefighter, a law enforcement officer, or a paramedic who:

(1) administers an overdose intervention drug; or

(2) is summoned immediately after ~~administering the~~ **an** overdose intervention drug **is administered;**

shall ~~report~~ **inform the emergency ambulance service responsible for submitting the report to the commission of** the number of times an overdose intervention drug ~~is dispensed to the state department under the state trauma registry in compliance with rules adopted by the state department.~~ **has been administered.**

(b) The emergency ambulance service shall include information received under subsection (a) in the emergency ambulance service's report to the commission under the emergency medical services system review in accordance with the commission's rules.

SECTION 5. IC 16-42-27-1, AS ADDED BY P.L.32-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. As used in this chapter, "prescriber" means any of the following:

(1) A physician licensed under IC 25-22.5.

(2) A physician assistant licensed under IC 25-27.5 and granted the authority to prescribe by the physician assistant's supervisory physician and in accordance with IC 25-27.5-5-4.

(3) An advanced practice nurse licensed and granted the authority to prescribe drugs under IC 25-23.

(4) The state health commissioner, if the state health commissioner holds an active license under IC 25-22.5.

(5) A public health authority.

SECTION 6. IC 16-42-27-2, AS ADDED BY P.L.32-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) A prescriber may, directly or by standing order, prescribe or dispense an overdose intervention drug without examining the individual to whom it may be administered if all of the following conditions are met:

(1) The overdose intervention drug is dispensed or prescribed to:

(A) a person at risk of experiencing an opioid-related overdose; or

(B) a family member, a friend, or any other individual or entity in a position to assist an individual who, there is reason to believe, is at risk of experiencing an opioid-related overdose.

(2) The prescriber instructs the individual receiving the overdose intervention drug or prescription to summon emergency services either immediately before or immediately after administering the overdose intervention drug to an individual experiencing an opioid-related overdose.

(3) The prescriber provides education and training on drug overdose response and treatment, including the administration of an overdose intervention drug.

(4) The prescriber provides drug addiction treatment information and referrals to drug treatment programs, including programs in the local area and programs that offer medication assisted treatment that includes a federal Food and Drug Administration approved long acting, nonaddictive medication for the treatment of opioid or alcohol dependence.

(b) A prescriber may provide a prescription of an overdose intervention drug to an individual as a part of the individual's addiction treatment plan.

(c) An individual described in subsection (a)(1) may administer an overdose intervention drug to an individual who is suffering from an overdose.

(d) An individual described in subsection (a)(1) may not be considered to be practicing medicine without a license in violation of IC 25-22.5-8-2, if the individual, acting in good faith, does the following:

(1) Obtains the overdose intervention drug from a prescriber **or entity acting under a standing order issued by a prescriber.**

(2) Administers the overdose intervention drug to an individual who is experiencing an apparent opioid-related overdose.

(3) Attempts to summon emergency services either immediately before or immediately after administering the overdose intervention drug.

(e) An entity acting under a standing order issued by a prescriber must do the following:

(1) Annually register with either the:

(A) state department; or

(B) local health department in the county where services will be provided by the entity;

in a manner prescribed by the state department.

(2) Provide education and training on drug overdose response and treatment, including the administration of an overdose intervention drug.

(3) Provide drug addiction treatment information and referrals to drug treatment programs, including programs in the local area and programs that offer medication assisted treatment that includes a federal Food and Drug Administration approved long acting, nonaddictive medication for the treatment of opioid or alcohol dependence.

(4) Submit an annual report to the state department containing:

(A) the number of sales of the overdose intervention drug dispensed;

(B) the dates of sale of the overdose intervention drug dispensed; and

(C) any additional information requested by the state department.

(f) The state department shall ensure that a statewide standing order for the dispensing of an overdose intervention drug in Indiana is issued under this section. The state health commissioner or a designated public health authority who is a licensed prescriber may, as part of the individual's official capacity, issue a statewide standing order that may be used for the dispensing of an overdose intervention drug under this section. The immunity provided in IC 34-13-3-3 applies to an individual described in this subsection.

(g) A law enforcement officer may not take an individual into custody based solely on the commission of an offense described in subsection (h), if the law enforcement officer, after making a reasonable determination and considering the facts and surrounding circumstances, reasonably believes that the individual:

(1) obtained the overdose intervention drug as described in subsection (a)(1);

(2) complied with the provisions in subsection (d);

(3) administered an overdose intervention drug to an individual who appeared to be experiencing an opioid-related overdose;

(4) provided:

(A) the individual's full name; and

(B) any other relevant information requested by the law enforcement officer;

(5) remained at the scene with the individual who reasonably appeared to be in need of medical assistance until emergency medical assistance arrived;

(6) cooperated with emergency medical assistance personnel and law enforcement officers at the scene; and

(7) came into contact with law enforcement because the individual requested emergency medical assistance for another individual who appeared to be experiencing an opioid-related overdose.

(h) An individual who meets the criteria in subsection (g) is immune from criminal prosecution for the following:

(1) IC 35-48-4-6 (possession of cocaine).

(2) IC 35-48-4-6.1 (possession of methamphetamine).

(3) IC 35-48-4-7 (possession of a controlled substance).

(4) IC 35-48-4-8.3 (possession of paraphernalia).

(5) IC 35-48-4-11 (possession of marijuana).

(6) IC 35-48-4-11.5 (possession of a synthetic drug or synthetic drug lookalike substance).

(Reference is to ESB 187 as reprinted February 26, 2016.)

Merritt, Chair	McNamara
Mrvan	Goodin
Senate Conferees	House Conferees

Roll Call 368: yeas 47, nays 3. Report adopted.

CONFERENCE COMMITTEE REPORT

ESB 301–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill 301 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-19-6-7, AS ADDED BY P.L.53-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~(a) This section applies after December 31, 2013.~~

~~(b)~~ **(a)** A council may develop an alternative career, technical, or vocational educational curriculum for high school students in its region in order to **do either of the following:**

(1) Offer those students opportunities to:

~~(1)~~ **(A)** pursue internships and apprenticeships;

~~(2)~~ **(B)** learn from qualified instructors; and

~~(3)~~ **(C)** have a goal of:

~~(A)~~ **(i)** earning an industry certification;

~~(B)~~ **(ii)** earning credits toward an associate degree; or

~~(C)~~ **(iii)** establishing a career pathway toward a high wage, high demand job that is available in the region.

(2) Provide a career, technical, or vocational educational curriculum that is aligned with the workforce needs and training and education requirements of the region identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10.

~~(c)~~ **(b)** Before an alternative curriculum developed under subsection ~~(b)~~ **(a)** may be offered, the state board shall approve the alternative curriculum.

SECTION 2. IC 20-20-38-4, AS AMENDED BY P.L.107-2012, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The state board shall develop and implement a long range state plan for a comprehensive secondary level career and technical education program in Indiana.

(b) The plan developed under this section must be updated as changes occur. The state board shall make the plan and any revisions made to the plan available to:

(1) the governor;

(2) the general assembly;

(3) the department of workforce development;

(4) the commission for higher education;

(5) the council;

(6) the state workforce innovation council;

(7) the board for proprietary education; and

(8) any other appropriate state or federal agency.

A plan or revised plan submitted under this section to the general assembly must be in an electronic format under IC 5-14-6.

(c) The plan developed under this section must set forth specific goals for secondary level public career and technical education and must include the following:

(1) The preparation of each graduate for both employment and further education.

(2) Accessibility of career and technical education to individuals of all ages who desire to explore and learn for economic and personal growth.

(3) Projected employment opportunities in various career and technical education fields.

(4) A study of the supply of and the demand for a labor force skilled in particular career and technical education areas.

(5) A study of technological and economic change affecting Indiana.

(6) An analysis of the private career and education sector in Indiana.

(7) Recommendations for improvement in the state career and technical education program.

(8) The educational levels expected of career and technical education programs proposed to meet the projected employment needs.

(d) When making any revisions to the plan, the state board shall consider the workforce needs and training and education needs identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10.

SECTION 3. IC 20-24-8-5, AS AMENDED BY P.L.221-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:

(1) IC 5-11-1-9 (required audits by the state board of accounts).

(2) IC 20-39-1-1 (unified accounting system).

(3) IC 20-35 (special education).

(4) IC 20-26-5-10 (criminal history).

(5) IC 20-26-5-6 (subject to laws requiring regulation by state agencies).

(6) IC 20-28-10-12 (nondiscrimination for teacher marital status).

(7) IC 20-28-10-14 (teacher freedom of association).

(8) IC 20-28-10-17 (school counselor immunity).

(9) For conversion charter schools only if the conversion charter school elects to collectively bargain under IC 20-24-6-3(b), IC 20-28-6, IC 20-28-7.5, IC 20-28-8, IC 20-28-9, and IC 20-28-10.

(10) IC 20-33-2 (compulsory school attendance).

(11) IC 20-33-3 (limitations on employment of children).

(12) IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student due process and judicial review).

(13) IC 20-33-8-16 (firearms and deadly weapons).

(14) IC 20-34-3 (health and safety measures).

(15) IC 20-33-9 (reporting of student violations of law).

(16) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative observances).

(17) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-8, and IC 20-32-8.5, as provided in IC 20-32-8.5-2(b) (academic standards, accreditation, assessment, and remediation).

(18) IC 20-33-7 (parental access to education records).

(19) IC 20-31 (accountability for school performance and improvement).

(20) IC 20-30-5-19 (personal financial responsibility instruction).

(21) IC 20-26-5-37.3, before its expiration (career and technical education reporting).

SECTION 4. IC 20-26-5-37.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 37.3. (a) Before November 1 of each year, the department and the department of workforce development shall prepare a report containing the following information for each high school and each school corporation for the immediately preceding school year:**

(1) Career and technical education courses available to the students attending the high school.

(2) The number of students enrolled in each course, by grade level.

(3) The number of students successfully completing each course.

(4) The number of students who:

(A) successfully completed a career and technical education course sequence; and

(B) obtained employment in the career or technical field for which the student successfully completed a course sequence.

(b) The report under subsection (a) must be submitted in the format agreed to by the department and the department of workforce development.

(c) This section expires July 1, 2020.

SECTION 5. IC 21-18-9-2, AS ADDED BY P.L.2-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a)** The commission may:

(1) review all programs of any state educational institution, regardless of the source of funding; and

(2) make recommendations to the board of trustees of the state educational institution, the governor, and the general assembly concerning the funding and the disposition of the programs.

(b) The commission, in consultation with the department of workforce development, shall develop and recommend funding amounts and performance metrics that reward workforce training programs under IC 21-41-5-3(b) and that are not included in the postsecondary performance funding formula. Ivy Tech Community College shall assist the commission, and the department of workforce development shall provide the data necessary for the commission to develop these funding amounts and performance metrics. Funding amounts and performance metrics recommended under this subsection must be aligned with the workforce needs and training and education needs identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10. This subsection expires July 1, 2020.

SECTION 6. IC 21-38-3-6, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. **(a)** The board of trustees of Ivy Tech Community College shall select and employ a president of the state educational institution, with qualifications set out, and other staff and professional employees as are required.

(b) This subsection expires July 1, 2020. The president shall select and employ two (2) vice presidents, one (1) for each of the following, subject to confirmation by the board of trustees:

(1) One (1) whose focus is on programs and pathways designed to meet workforce and employer demand.

(2) One (1) whose focus is on academics and transferability of program and pathway credits.

The president shall ensure alignment between the activities managed by each vice president.

SECTION 7. IC 21-41-5-3, AS ADDED BY P.L.2-2007, SECTION 282, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. **(a)** It is the primary purpose of Ivy Tech Community College to provide educational opportunities and appropriate workforce development, assessment, and training services to:

(1) employees of employers whose productivity and competitiveness will be enhanced by targeted employee education and training courses and programs delivered in the employer's workplace;

(2) students who require additional education before enrolling in college level courses at either a two (2) year or a four (4) year institution;

(3) individuals who have graduated from high school and are more interested in continuing their education in a general, liberal arts, occupational, or technical program at a two (2) year, nonresidential college;

(4) individuals who have graduated from high school and want to earn credits that will transfer to a four (4) year college;

(5) students who do not complete work at a four (4) year college or who are referred by a four (4) year college to Ivy Tech Community College;

(6) students who complete their work at a four (4) year college but would like to supplement that education to improve existing skills or acquire new skills; and

(7) adult workers who need and desire retraining or additional training of an occupational or technical nature for the workplace.

(b) The board of trustees of Ivy Tech Community College shall establish an administrative structure for Ivy Tech Community College that provides the support necessary for:

(1) workforce training programs, including programs designed for the direct entry of individuals into the workforce; and

(2) programs to enhance the skills of workers.

SECTION 8. IC 21-41-5-8, AS ADDED BY P.L.169-2007, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. **(a)** Subject to IC 21-22-6-10, the board of trustees of Ivy Tech Community College may develop and adopt the appropriate education programs to be offered and workforce services to be provided.

(b) The board of trustees of Ivy Tech Community College shall do the following in its development and adoption of programs leading to a certificate and for workforce training programs:

(1) Consider findings and recommendations concerning workforce needs and training and education needs that are submitted by advisory committees under section 14 of this chapter.

(2) Obtain and consider comments and input from Indiana employers and employer organizations.

(3) Ensure that the programs are aligned with the primary purposes of Ivy Tech Community College that are specified in section 3 of this chapter.

SECTION 9. IC 21-41-5-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12. (a) Not later than ninety (90) days after receiving the data provided under IC 22-4.1-4-13, Ivy Tech Community College shall report to the department of workforce development the following information for the statewide system and each region established under IC 21-22-6-1 for the immediately preceding academic year:**

(1) Certificate programs available that are linked to industry recognized third party certifications.

(2) The number of students enrolled in each certificate program.

(3) The number of students successfully completing each certificate program.

(4) To the extent a campus has access to the information, the number of students who:

(A) successfully completed a certificate program sequence; and

(B) obtained employment in the field for which the student successfully completed a certificate program sequence.

The report under this subsection must be submitted in the format required by the department of workforce development.

(b) Not later than ninety (90) days after receiving the data provided under IC 22-4.1-4-13, Ivy Tech Community College shall report the following information to the commission for higher education, the department of workforce development, and the legislative council (in an electronic format under IC 5-14-6):

(1) A list of programs that have been identified as having either:

(A) insufficient student demand;

(B) insufficient employer demand; or

(C) insufficient graduation or transfer rates;

as determined by the commission for higher education in the review under IC 21-18-9-10.5.

(2) For each of the programs described in subdivision (1), information concerning whether the program will be eliminated, restructured, or placed on an improvement plan or whether no action will be taken regarding the program.

(3) The status of system-wide restructuring of student support services recommended by the commission under IC 21-18-9-10.5(b)(1).

(4) A target date for the development of courses and programs identified under IC 22-4.1-4-12 as being required to meet the workforce needs in one (1) or more regions designated under IC 20-19-6-3.

(5) Information concerning whether the resources available to Ivy Tech Community College are sufficient to comply with IC 21-18-9-10.5 and section 8 of this chapter.

(c) This section expires July 1, 2020.

SECTION 10. IC 21-41-5-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 13. (a) The president of Ivy Tech Community College shall, before October 1 of each year, report to the governor, the budget committee, and the legislative council (in an electronic format under IC 5-14-6) concerning progress in the efforts to align career and technical education courses and programs and certification courses and programs with the workforce needs and educational requirements within each region designated under IC 20-19-6-3.**

(b) This section expires July 1, 2020.

SECTION 11. IC 21-41-5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 14. (a) The commissioner of the department of workforce development or the commissioner's designee shall be a member of each program advisory committee established by Ivy Tech Community College.**

(b) Each program advisory committee established by Ivy Tech Community College shall do the following:

(1) Consider the workforce needs and training and education needs identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10.

(2) Submit to the board of trustees of Ivy Tech Community College at a public meeting any findings or recommendations of the advisory committee concerning those workforce needs and training and education needs.

(c) This section expires July 1, 2020.

SECTION 12. IC 21-41-5-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 15. Before November 1, 2016, and each November 1 thereafter, Ivy Tech Community College shall provide the budget committee the following information for each of Ivy Tech Community College's owned or operated campus locations or sites that offer ongoing academic programs and services:**

(1) The number of students enrolled.

(2) The amount of square feet of each building.

(3) The operating or overhead costs associated with the campus location or site.

SECTION 13. IC 22-4.1-4-9, AS ADDED BY P.L.69-2015, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Before December 1 of each year, the department shall provide the department of education (established by IC 20-19-3-1) with a report, to be used to determine career and technical education grant amounts in the state fiscal year beginning after the year in which the report is provided, listing whether the labor market demand for each generally recognized labor category is more than moderate,

moderate, or less than moderate. In the report, the department shall categorize each of the career and technical education programs using the following four (4) categories:

(1) Programs that address employment demand for individuals in labor market categories that are projected to need more than a moderate number of individuals.

(2) Programs that address employment demand for individuals in labor market categories that are projected to need a moderate number of individuals.

(3) Programs that address employment demand for individuals in labor market categories that are projected to need less than a moderate number of individuals.

(4) All programs not covered by the employment demand categories of subdivisions (1) through (3).

(b) Before December 1 of each year, the department shall provide the department of education with a report, to be used to determine grant amounts that will be distributed under IC 20-43-8 in the state fiscal year beginning after the year in which the report is provided, listing whether the average wage level for each generally recognized labor category for which career and technical education programs are offered is a high wage, a moderate wage, or a less than moderate wage.

(c) In preparing the labor market demand report under subsection (a) and the average wage level report under subsection (b), the department shall **do the following:**

(1) If possible, list the labor market demand and the average wage level for specific regions, counties, and municipalities.

(2) Consider the information included in the occupational demand report prepared by the department under section 10 of this chapter.

(d) If a new career and technical education program is created by rule of the state board of education, the department shall determine the category in which the program should be included.

SECTION 14. IC 22-4.1-4-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) The department shall prepare an occupational demand report regarding:**

(1) the expected workforce needs of Indiana employers for a ten (10) year projection; and

(2) the training and education that will be required to meet those expected workforce needs.

The department shall categorize these workforce needs and training and education requirements by job classification or generally recognized labor categories on a statewide basis and also for each region designated under the WIOA.

(b) In preparing the report under subsection (a), the department shall consult with the following:

(1) The commission for higher education.

(2) Ivy Tech Community College.

(3) Each Indiana works council established under IC 20-19-6-4.

(4) Employers and employer organizations.

(5) Labor organizations.

(c) The department shall submit the report under subsection (a) to the governor, the budget committee, the legislative council (in an electronic format under IC 5-14-6), the commission for higher education, the board of trustees of Ivy Tech Community College, the department of education, the state board of education before July 1, 2016, and each regional or campus advisory committee established by Ivy Tech Community College.

(d) This section expires July 1, 2020.

SECTION 15. IC 22-4.1-4-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The department, with the assistance of the commission for higher education, Ivy Tech Community College, and local workforce development boards, shall do the following for each region designated under the WIOA:**

(1) Use the information provided by school corporations under IC 20-26-5-37.3 and by Ivy Tech Community College under IC 21-41-5-12 to prepare an inventory of:

(A) the career and technical education courses available to the students attending high school in the region; and

(B) the certification courses provided by Ivy Tech Community College campuses in the region.

(2) Use:

(A) the information included in the occupational demand report prepared by the department under section 10 of this chapter concerning workforce needs and training and education requirements; and

(B) any other information considered appropriate by the department;

to identify any gaps or imbalances between the career and technical education courses and certification courses offered in the region and the workforce needs and training and education needs in the region.

(b) This section expires July 1, 2020.

SECTION 16. IC 22-4.1-4-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12. (a) The department, with the assistance of the commission for higher education, the department of education, Ivy Tech Community College, and local workforce development boards, shall annually do the following:**

(1) Use:

(A) the information concerning workforce needs and training and education requirements of the region identified in the occupational demand report under section 10 of this chapter; and

(B) the information under section 11 of this chapter concerning gaps or imbalances between the courses offered in the region and the workforce needs and training and education needs in the region;

to develop recommendations concerning the career and technical education courses, including dual credit

courses, and courses leading to a certification that should be offered at high schools within each region designated under the WIOA.

(2) Report to the budget committee before January 1 of each year concerning the recommendations.

(3) Report the recommendations to the board of trustees, administration, and faculty of Ivy Tech Community College at a meeting scheduled by the board of trustees of Ivy Tech Community College.

(b) This section expires July 1, 2020.

SECTION 17. IC 22-4.1-4-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13. (a) Not later than July 1, 2016, the department, in consultation with the commission for higher education, the department of state revenue, and the Ivy Tech Community College board of trustees, shall develop a procedure for measuring the following for credential or degree completers and separately for current or previously enrolled students of Ivy Tech Community College:**

(1) The percentage of credential or degree completers or students employed within one (1) year of graduation or separation.

(2) The median, minimum, and maximum starting salary of graduates or students within one (1) year of completion or separation.

(3) The median, minimum, and maximum starting salary of graduates or students within five (5) years of completion or separation.

(b) The information described in subsection (a) shall be measured separately for each academic program offered within an Ivy Tech Community College region, including associate degrees, certificates, and other established programs granting workforce credentials.

(c) The information described in subsection (a) shall separately consider transfer students and nontransfer students.

(d) Not later than October 1 of 2016 and every year thereafter, the department shall provide to Ivy Tech Community College any data necessary for the calculation of the measurements described in subsection (a).

(e) Not later than October 1 of 2016 and every year thereafter, the department shall provide to the commission for higher education any data necessary for the commission to establish and calculate a labor market outcomes metric for inclusion in the postsecondary performance funding formula.

(f) The providing of data under this section is not a violation of the confidentiality provisions of IC 22-4-19-6(b).

SECTION 18. IC 22-4.5-9-4, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The council shall do all of the following:

(1) Provide coordination to align the various participants in the state's education, job skills development, and career training system.

(2) Match the education and skills training provided by the state's education, job skills development, and career training system with the currently existing and future needs of the state's job market. **In carrying out its duties under this subdivision, the council must consider the workforce needs and training and education requirements identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10.**

(3) In addition to the department's annual report provided under ~~IC 22-4.5-9-4,~~ **IC 22-4.1-4-8,** submit, not later than August 1, 2013, and not later than ~~November~~ **December** 1 each year thereafter, to the legislative council in an electronic format under IC 5-14-6 an inventory of current job and career training activities conducted by:

(A) state and local agencies; and

(B) whenever the information is readily available, private groups, associations, and other participants in the state's education, job skills development, and career training system.

The inventory must provide at least the information listed in ~~IC 22-4.1-9-4(a)(1)~~ **IC 22-4.1-4-8(a)(1)** through ~~IC 22-4.1-9-4(a)(5)~~ **IC 22-4.1-4-8(a)(5)** for each activity in the inventory.

(4) Submit, not later than July 1, 2014, to the legislative council in an electronic format under IC 5-14-6 a strategic plan to improve the state's education, job skills development, and career training system. The council shall submit, not later than December 1, 2013, to the legislative council in an electronic format under IC 5-14-6 a progress report concerning the development of the strategic plan. The strategic plan developed under this subdivision must include at least the following:

(A) Proposed changes, including recommended legislation and rules, to increase coordination, data sharing, and communication among the state, local, and private agencies, groups, and associations that are involved in education, job skills development, and career training.

(B) Proposed changes to make Indiana a leader in employment opportunities related to the fields of science, technology, engineering, and mathematics (commonly known as STEM).

(C) Proposed changes to address both:

(i) the shortage of qualified workers for current employment opportunities; and

(ii) the shortage of employment opportunities for individuals with a baccalaureate or more advanced degree.

(5) Complete, not later than August 1, 2014, a return on investment and utilization study of career and technical education programs in Indiana. The study conducted under this subdivision must include at least the following:

(A) An examination of Indiana's career and technical education programs to determine:

(i) the use of the programs; and

(ii) the impact of the programs on college and career readiness, employment, and economic opportunity.

(B) A survey of the use of secondary, college, and university facilities, equipment, and faculty by career and technical education programs.

(C) Recommendations concerning how career and technical education programs:

(i) give a preference for courses leading to employment in high wage, high demand jobs; and

(ii) add performance based funding to ensure greater competitiveness among program providers and to increase completion of industry recognized credentials and dual credit courses that lead directly to employment or postsecondary study.

(6) Coordinate the performance of its duties under this chapter with the Indiana works councils established by IC 20-19-6-4.

(b) In performing its duties, the council shall obtain input from the following:

(1) Indiana employers and employer organizations.

(2) Public and private institutions of higher education.

(3) Regional and local economic development organizations.

(4) Indiana labor organizations.

(5) Individuals with expertise in career and technical education.

(6) Military and veterans organizations.

(7) Organizations representing women, African-Americans, Latinos, and other significant minority populations and having an interest in issues of particular concern to these populations.

(8) Individuals and organizations with expertise in the logistics industry.

(9) Any other person or organization that a majority of the voting members of the council determines has information that is important for the council to consider.

SECTION 19. **An emergency is declared for this act.**

(Reference is to ESB 301 as reprinted March 2, 2016.)

Kenley, Chair	Huston
Tallian	Goodin
Senate Conferees	House Conferees

Roll Call 369: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

ESB 357–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed House Amendments to Engrossed Senate Bill 357 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-2-22 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 22. Child Abuse Registry

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

(1) "Crime of child abuse" means:

(A) neglect of a dependent (IC 35-46-1-4) if the dependent is a child and the offense is committed under:

(i) IC 35-46-1-4(a)(1);

(ii) IC 35-46-1-4(a)(2); or

(iii) IC 35-46-1-4(a)(3);

(B) child selling (IC 35-46-1-4(d));

(C) a sex offense (as defined in IC 11-8-8-5.2) committed against a child; or

(D) battery against a child under:

(i) IC 35-42-2-1(d)(3) (battery on a child);

(ii) IC 35-42-2-1(f)(5)(B) (battery causing bodily injury to a child);

(iii) IC 35-42-2-1(i) (battery causing serious bodily injury to a child); or

(iv) IC 35-42-2-1(j) (battery resulting in the death of a child).

(2) "Division" refers to the division of state court administration created under IC 33-24-6-1(b)(2).

(3) "Registry" means the child abuse registry established under section 2 of this chapter.

Sec. 2. Not later than July 1, 2017, the division shall establish and maintain a child abuse registry.

Sec. 3. The registry must contain:

(1) the name;

(2) the age;

(3) the last known city of residence;

(4) a photograph, if available;

(5) a description of the crime of child abuse conviction; and

(6) any other identifying information, as determined by the division;

of every person convicted of a crime of child abuse.

Sec. 4. (a) The division shall publish the registry on the division's Internet web site. The registry must be searchable and available to the public.

(b) The division shall ensure that the registry is updated at least one (1) time every thirty (30) days.

(c) The division shall ensure that the registry displays the following or similar words:

"Based on information submitted to law enforcement, a person whose name appears in this registry has been

convicted of a crime of child abuse. However, information on the registry may not be complete.".

(Reference is to ESB 357 as reprinted March 3, 2016.)

Yoder, Chair	Morris
Taylor	Riecken
Senate Conferees	House Conferees

Roll Call 370: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

EHB 1012–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill 1012 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 16-18-2-30.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 30.2. "Autism spectrum disorder", for purposes of IC 16-32-4, has the meaning set forth in IC 16-32-4-1.**

SECTION 2. IC 16-32-4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 4. Developmental Disability Bracelet and Identification Card

Sec. 1. As used in this chapter, "autism spectrum disorder" has the meaning set forth in the most recent edition of the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders.

Sec. 2. As used in this chapter, "developmental disability" has the meaning set forth in IC 12-7-2-61.

Sec. 3. (a) Upon the request of:

(1) an individual who has been medically diagnosed with a developmental disability, including autism spectrum disorder;

(2) the parent or guardian acting on behalf of an individual who is described in subdivision (1) and is a minor; or

(3) the parent or guardian acting on behalf of an individual who is described in subdivision (1) and is an incapacitated person (as defined in IC 29-3-1-7.5);

the state department shall issue a bracelet or an identification card indicating that the individual has been medically diagnosed with a developmental disability. An individual described in this subsection may request, and the state department shall issue, both a bracelet and the identification card.

(b) The:

(1) bracelet or identification card issued under this chapter; and

(2) individual's driver's license (as defined in IC 9-28-2-4) or identification card (as defined in IC 9-13-2-74.5);

may be presented to a law enforcement officer, as necessary.

(c) The state department shall adopt rules under IC 4-22-2 concerning the information that must be submitted to obtain a bracelet or an identification card under subsection (a).

Sec. 4. (a) The state department may charge a reasonable fee, as determined by the state department, for a bracelet and an identification card issued under this chapter.

(b) The state department shall adopt rules under IC 4-22-2 concerning the information that appears on a bracelet or an identification card, including information that identifies an individual's specific developmental disability.

Sec. 5. (a) Except as provided in subsection (c), information collected under this chapter:

(1) is confidential; and

(2) is exempt from disclosure.

(b) Information collected under this chapter may not be released under a subpoena, search warrant, or any civil discovery proceedings.

(c) A court, acting on a pleading or motion, may issue an order directing the release of specific information collected under this chapter after all the following have occurred:

(1) The person requesting the court order has sent the state department a pleading or motion:

(A) stating that an emergency exists and that the information cannot be collected through any other means; and

(B) requesting that the information be released.

(2) The state department has been allowed to respond to the pleading or motion requesting the release of information.

(3) The court has conducted an in camera review of the requested information.

(4) After considering the response of the state department and reviewing the information submitted to the court, the court finds by clear and convincing evidence that:

(A) an emergency exists and that the information cannot be collected through any other means; and

(B) the reasons for ordering release of the information outweigh the reasons for not disclosing the information.

(d) This section shall be construed liberally to protect the confidentiality and prevent the disclosure of the information collected by the state department under this chapter.

(Reference is to EHB 1012 as reprinted February 23, 2016.)

Koch, Chair	Becker
C. Brown	Rogers
House Conferees	Senate Conferees

Roll Call 371: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1130–1

Madam President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill 1130 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 4, delete lines 15 through 16, begin a new line block indented and insert:

"**(1) Establishing standards for service centers and inspections.**

(2) Establishing standards for ignition interlock device technicians.".

Page 4, line 22, delete "center or" and insert "**center, by**".

Page 4, line 42, after "vendor" insert "**or provider**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1130 as reprinted February 24, 2016.)

Wesco, Chair	Kruse
Forestal	Randolph
House Conferees	Senate Conferees

Roll Call 372: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1136–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill 1136 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-33-4-3.5, AS AMENDED BY P.L.170-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015 (RETROACTIVE)]: Sec. 3.5. **(a) As used in this section, "salaries and other expenses" does not include payments, rights, or benefits available to an employee under IC 22-3-2 through IC 22-3-7.**

(b) The commission shall employ gaming agents to perform the duties imposed by this chapter. **Gaming agents and staff required to support the gaming agents are employees of the commission and are not considered to be employees of licensed owners and operating agents.**

(c) The licensed owners and operating agents shall, in the manner prescribed by the rules of the commission reimburse the commission for:

(1) the training expenses incurred to train gaming agents;

(2) the salaries and other expenses of staff required to support the gaming agents; and

(3) the salaries and other expenses of the gaming agents required to be present during the time gambling operations are conducted on a riverboat.

(d) This subsection applies to a state fiscal year beginning after June 30, 2016. Each licensed owner and each operating agent shall annually pay a special worker's compensation coverage fee of twelve thousand dollars ($12,000) to the commission to be used exclusively to assist the commission in offsetting potential state expenses incurred under IC 22-3-2 through IC 22-3-7 by gaming agents and staff required to support the gaming agents.

(e) This section is subject to section 3.7 of this chapter.

SECTION 2. IC 4-33-4-3.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015 (RETROACTIVE)]: **Sec. 3.7. (a) Section 3.5 of this chapter, as in effect before July 1, 2015, applies to an injury or occupational disease occurring before July 1, 2015.**

(b) Section 3.5 of this chapter, as amended during the 2016 session of the general assembly, applies to an injury or occupational disease occurring after June 30, 2015.

SECTION 3. IC 4-35-4-5, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015 (RETROACTIVE)]: Sec. 5. **(a) As used in this section, "salaries and other expenses" does not include payments, rights, or benefits available to an employee under IC 22-3-2 through IC 22-3-7.**

(b) Gaming agents and staff required to support the gaming agents are employees of the commission and are not considered to be employees of licensees.

(c) The commission shall employ gaming agents to perform duties imposed by this article. A licensee shall, under rules adopted by the commission under IC 4-22-2, reimburse the commission for:

(1) training expenses incurred to train gaming agents;

(2) salaries and other expenses of staff required to support the gaming agents; and

(3) salaries and other expenses of the gaming agents required to be present during the time gambling games are being conducted at a racetrack.

(d) This subsection applies to a state fiscal year beginning after June 30, 2016. Each licensee shall annually pay a special worker's compensation coverage fee of twelve thousand dollars ($12,000) to the commission to be used exclusively to assist the commission in offsetting potential state expenses incurred under IC 22-3-2 through IC 22-3-7 by gaming agents and staff required to support the gaming agents.

(e) This section is subject to section 5.1 of this chapter.

SECTION 4. IC 4-35-4-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015 (RETROACTIVE)]: **Sec. 5.1. (a)**

Section 5 of this chapter, as in effect before July 1, 2015, applies to an injury or occupational disease occurring before July 1, 2015.

(b) Section 5 of this chapter, as amended during the 2016 session of the general assembly, applies to an injury or occupational disease occurring after June 30, 2015.

SECTION 5. IC 5-20-1-27, AS AMENDED BY P.L.247-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 27. (a) The home ownership education account within the state general fund is established to support:

(1) home ownership education programs established under section 4(d) of this chapter;

(2) mortgage foreclosure counseling and education programs established under IC 5-20-6-2; and

(3) programs conducted by one (1) or a combination of the following to facilitate settlement conferences in residential foreclosure actions under IC 32-30-10.5:

(A) The judiciary.

(B) Pro bono legal services agencies.

(C) Mortgage foreclosure counselors (as defined in IC 32-30-10.5-6).

(D) Other nonprofit entities certified by the authority under section 4(d) of this chapter.

The account is administered by the authority.

(b) The home ownership education account consists of:

(1) court fees collected under IC 33-37-5-33 (before its expiration on July 1, 2017);

(2) civil penalties imposed and collected under:

(A) IC 6-1.1-12-43(g)(2)(B); or

(B) ~~IC 27-7-3-15.5(c),~~ **IC 27-7-3-15.5(f);** and

(3) any civil penalties imposed and collected by a court for a violation of a court order in a foreclosure action under IC 32-30-10.5.

(c) The expenses of administering the home ownership education account shall be paid from money in the account.

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

SECTION 6. IC 5-20-6-3, AS AMENDED BY P.L.247-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. In addition to using money provided for the program from:

(1) court fees under IC 33-37-5-33 (before its expiration on July 1, 2017);

(2) civil penalties imposed and collected under:

(A) IC 6-1.1-12-43(g)(2)(B); or

(B) ~~IC 27-7-3-15.5(c),~~ **IC 27-7-3-15.5(f);** and

(3) any civil penalties imposed and collected by a court for a violation of a court order in a foreclosure action under IC 32-30-10.5;

the authority may solicit contributions and grants from the private sector, nonprofit entities, and the federal government to assist in carrying out the purposes of this chapter.

SECTION 7. IC 27-1-3.5-12.3, AS ADDED BY P.L.146-2015, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12.3. (a) This section does not apply to a domestic insurer that meets ~~one (1) of~~ the following requirements:

(1) The domestic insurer has annual direct written and unaffiliated assumed premiums (including international direct and assumed premiums and excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program) of less than five hundred million dollars ($500,000,000).

(2) **If** the domestic insurer is a member of a group of insurers, ~~that~~ **the group** has annual direct written and unaffiliated assumed premiums (including international direct and assumed premiums and excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program) of less than one billion dollars ($1,000,000,000).

A domestic insurer or group of insurers described in this subsection shall comply with the requirements of this section not later than one (1) year after the year in which the domestic insurer's or group's annual direct written and unaffiliated assumed premiums described in subdivisions (1) and (2) exceed the applicable maximum amount specified in subdivision (1) or (2).

(b) A domestic insurer shall establish an internal audit function to:

(1) provide independent, objective, and reasonable assurance to the domestic insurer's audit committee and management concerning the domestic insurer's governance, risk management, and internal controls;

(2) perform general and specific audits, reviews, and tests; and

(3) use other techniques considered necessary to protect assets, evaluate control effectiveness and efficiency, and evaluate compliance with policies and regulations.

(c) An internal audit function established under subsection (b) must be organizationally independent, as follows:

(1) Ultimate judgment concerning audit matters must be made by the department responsible for the internal audit function.

(2) The department responsible for the internal audit function shall appoint an individual:

(A) to be responsible for the internal audit function; and

(B) to have direct and unrestricted access to the board of directors of the domestic insurer.

The internal audit function's organizational independence does not preclude dual reporting relationships.

(d) The director of the internal audit function shall report to the audit committee of a domestic insurer on a regular basis, at least annually, concerning the following:

(1) The internal audit function's periodic audit plan.

(2) Factors that may adversely affect the internal audit function's independence or effectiveness.

(3) Material findings from completed audits.

(4) The appropriateness of corrective actions implemented by management as a result of audit findings.

(e) If a domestic insurer is a member of an insurance holding company system or a member of a group of insurers, the domestic insurer may satisfy the internal audit function requirements of this section at the ultimate controlling person level, an intermediate holding company level, or an individual legal entity level.

SECTION 8. IC 27-1-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) No policy of insurance against:

(1) a:

(A) loss or damage resulting from accident to; or

(B) death or injury suffered by;

an employee or other person or persons and for which the person or persons insured are liable; or ~~against~~

(2) a loss or damage to property resulting from collision with any moving or stationary object and for which loss or damage the person or persons insured ~~is~~ **are** liable;

shall be issued or delivered in this state by any domestic or foreign corporation, insurance underwriters, association, or other insurer authorized to do business in this state, unless ~~there shall be contained within such~~ **the requirements of subsection (b) are met.**

(b) A policy **described in subsection (a) must contain the following:**

(1) A provision that:

(A) the insolvency or bankruptcy of the person or persons insured shall not release the insurance carrier from the payment of damages for injury sustained or loss occasioned during the life of ~~such~~ **the** policy; and ~~stating that in case~~

(B) if execution against the insured is returned unsatisfied in an action brought by the injured person or his or her personal representative in case death resulted from the accident because of ~~such~~ insolvency or bankruptcy **described in clause (A)** then an action may be maintained by the injured person, or his or her personal representative, against ~~such~~ **the** domestic or foreign corporation, insurance underwriters, association or other insurer under the terms of the policy for the amount of the judgment in the said action not exceeding the amount of the policy. ~~No such policy shall be issued or delivered in this state by any foreign or domestic corporation, insurance underwriters, association or other insurer authorized to do business in this state, unless there shall be contained within such policy.~~

(2) A provision that notice given by or on behalf of the insured to any authorized agent of the insurer within this state, with particulars sufficient to identify the insured, shall be deemed to be notice to the insurer. ~~No such policy shall~~

(3) If the policy is to be issued or delivered in this state to the owner of a motor vehicle, ~~by any domestic or foreign corporation, insurance underwriters, association or other insurer authorized to do business in this state, unless there shall be contained within such policy~~ a provision insuring ~~such~~ **the** owner against liability for damages for death or injury to person or property resulting from negligence in the operation of ~~such~~ **the** motor vehicle, in the business of ~~such~~ **the** owner or otherwise, by any person legally using or operating the ~~same~~ **motor vehicle** with the permission, expressed or implied, of ~~such~~ **the** owner.

(c) If a motor vehicle is owned jointly by a husband and wife:

(1) either spouse may, with the written consent of the other spouse, be excluded from coverage under ~~the~~ **a** policy **described in subsection (b)(3); and**

(2) ~~A~~ **the** husband and wife may choose ~~instead~~ to have their liability covered under separate policies.

(d) This section does not prohibit an insurer from making available a named driver exclusion in a commercial motor vehicle policy.

(e) A policy issued in violation of this section shall, nevertheless, be held valid but be deemed to include the provisions required by this section, and when any provision in ~~such~~ **the** policy or rider is in conflict with ~~the~~ **a** provision required to be contained by this section, the rights, duties and obligations of the insurer, the policyholder and the injured person or persons shall be governed by the provisions of this section.

~~(b)~~ **(f)** No policy of insurance shall be issued or delivered in this state by any foreign or domestic corporation, insurance underwriters, association, or other insurer authorized to do business in this state, unless it contains a provision that authorizes such foreign or domestic corporation, insurance underwriters, association, or other insurer authorized to do business in this state to settle the liability of its insured under IC 34-18 without the consent of its insured when the unanimous opinion of the medical review panel under IC 34-18-10-22(b)(1) is that the evidence supports the conclusion that the defendant failed to comply with the appropriate standard of care as charged in the complaint.

SECTION 9. IC 27-1-15.6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) Unless denied licensure under section 12 of this chapter, a nonresident person shall receive a nonresident producer license if:

(1) the person is currently licensed as a resident and in good standing in the person's home state;

(2) the person has submitted the proper request for licensure and has paid the fees required under section 32 of this chapter;

(3) the person has submitted or transmitted to the commissioner:

(A) the application for licensure that the person submitted to the person's home state; or

(B) a completed uniform application; and

(4) the person's home state awards non-resident producer licenses to residents of Indiana on the same basis as non-resident producer licenses are awarded to residents of

other states under this chapter.

(b) The commissioner may verify a producer's licensing status through the Producer Database maintained by the National Association of Insurance Commissioners and its affiliates or subsidiaries.

(c) A:

(1) person who holds an Indiana nonresident producer's license and moves from one state to another state; or

(2) ~~a~~ resident producer who moves from Indiana to another state;

shall file a change of address with the Indiana department of insurance and provide certification from the new resident state not more than thirty (30) days after the change of legal residence. No fee or license application is required under this subsection.

(d) Notwithstanding any other provision of this chapter, a person licensed as a surplus lines producer in the person's home state shall receive a nonresident surplus lines producer license under subsection (a). Except as provided in subsection (a), nothing in this section otherwise amends or supercedes IC 27-1-15.8, as added by this act.

(e) Notwithstanding any other provision of this chapter, a person who is not a resident of Indiana and who is licensed as a limited lines credit insurance producer or another type of limited lines producer in the person's home state shall, upon application, receive a nonresident limited lines producer license under subsection (a) granting the same scope of authority as is granted under the license issued by the person's home state.

(f) Notwithstanding any other provision of this chapter, a nonresident producer who receives a nonresident producer license under this section shall maintain licensure in good standing in the nonresident producer's home state.

(g) If a nonresident producer fails to maintain licensure in good standing in the nonresident producer's home state, the commissioner may:

(1) in the commissioner's sole discretion;

(2) without a hearing; and

(3) in addition to any other sanction allowed by law;

suspend any Indiana insurance producer license held by the nonresident producer until the commissioner receives notice from the nonresident producer's home state that the home state license is in effect.

SECTION 10. IC 27-1-23-1, AS AMENDED BY P.L.81-2012, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. As used in this chapter, the following terms shall have the respective meanings set forth in this section, unless the context shall otherwise require:

(a) An "acquiring party" is the specific person by whom an acquisition of control of a domestic insurer or of any corporation controlling a domestic insurer is to be effected, and each person who directly, or indirectly through one (1) or more intermediaries, controls the person specified.

(b) An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one (1) or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

(c) A "beneficial owner" of a voting security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, revocable or irrevocable proxy, or otherwise has or shares:

(1) voting power including the power to vote, or to direct the voting of, the security; or

(2) investment power which includes the power to dispose, or to direct the disposition, of the security.

(d) "Commissioner" means the insurance commissioner of this state.

(e) "Control" (including the terms "controlling", "controlled by", and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the beneficial ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position or corporate office. Control shall be presumed to exist if any person beneficially owns ten percent (10%) or more of the voting securities of any other person. The commissioner may determine this presumption has been rebutted only by a showing made in the manner provided by section 3(k) of this chapter that control does not exist in fact, after giving all interested persons notice and an opportunity to be heard. Control shall be presumed again to exist upon the acquisition of beneficial ownership of each additional five percent (5%) or more of the voting securities of the other person. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard, that control exists in fact, notwithstanding the absence of a presumption to that effect.

(f) "Department" means the department of insurance created by IC 27-1-1-1.

(g) A "domestic insurer" is an insurer organized under the laws of this state.

(h) "Earned surplus" means an amount equal to the unassigned funds of an insurer as set forth in the most recent annual statement of an insurer that is submitted to the commissioner, excluding surplus arising from unrealized capital gains or revaluation of assets.

(i) "Enterprise risk" means an activity, circumstance, event, or series of events that involves at least one (1) affiliate of an insurer that, if not remedied promptly, is likely to have a material adverse effect upon the financial condition or liquidity of the insurer or the insurer's insurance holding company system as a whole, including an activity, circumstance, event, or series of events that would cause the:

(1) insurer's risk based capital to fall into company action level under IC 27-1-36; or

(2) insurer to be in hazardous financial condition subject to IC 27-1-3-7 and rules adopted under IC 27-1-3-7.

(j) "Group wide supervisor" means the regulatory official who is:

(1) authorized by the commissioner to conduct and coordinate group wide supervision of an internationally

active insurance group; and

(2) determined by the commissioner to have sufficient significant contact with the internationally active insurance group to enable group wide supervision.

~~(j)~~ **(k)** An "insurance holding company system" consists of two (2) or more affiliated persons, one (1) or more of which is an insurer.

~~(k)~~ **(l)** "Insurer" has the same meaning as set forth in IC 27-1-2-3, except that it does not include:

(1) agencies, authorities, or instrumentalities of the United States, its possessions and territories, the Commonwealth of Puerto Rico, the District of Columbia, or a state or political subdivision of a state; or

(2) nonprofit medical and hospital service associations.

The term includes a health maintenance organization (as defined in IC 27-13-1-19) and a limited service health maintenance organization (as defined in IC 27-13-1-27).

(m) "Internationally active insurance group" means an insurance holding company system that:

(1) includes an insurer that is registered under section 3 of this chapter; and

(2) meets the following requirements:

(A) The insurance holding company system has premiums written in at least three (3) countries.

(B) The percentage of the insurance holding company system's gross premiums written outside the United States is at least ten percent (10%) of the insurance holding company system's total gross written premiums.

(C) Based on a three (3) year rolling average, the:

(i) total assets of the insurance holding company system are at least fifty billion dollars ($50,000,000,000); or

(ii) total gross written premiums of the insurance holding company system are at least ten billion dollars ($10,000,000,000).

~~(l)~~ **(n)** "NAIC" refers to the National Association of Insurance Commissioners.

~~(m)~~ **(o)** "Supervisory college" means a temporary or permanent forum:

(1) comprised of regulators, including other state, federal, and international regulators, responsible for the supervision of:

(A) a domestic insurer that is part of an insurance holding company system that has international operations;

(B) an insurance holding company system described in clause (A); or

(C) an affiliate of:

(i) a domestic insurer described in clause (A); or

(ii) an insurance holding company system described in clause (B); and

(2) established to facilitate communication and cooperation between the regulators described in subdivision (1).

~~(n)~~ **(p)** A "person" is an individual, a corporation, a limited liability company, a partnership, an association, a joint stock company, a trust, an unincorporated organization, any similar entity or any combination of the foregoing acting in concert. ~~but shall~~ **The term does** not include ~~any~~ **the following:**

(1) A securities broker performing no more than the usual and customary broker's function.

(2) A joint venture partnership that is exclusively engaged in owning, managing, leasing, or developing real or tangible personal property.

~~(o)~~ **(q)** A "policyholder" of a domestic insurer includes any person who owns an insurance policy or annuity contract issued by the domestic insurer, any person reinsured by the domestic insurer under a reinsurance contract or treaty between the person and the domestic insurer, and any health maintenance organization with which the domestic insurer has contracted to provide services or protection against the cost of care.

(r) "Securityholder" means a person that owns a security of a specified person, including common stock, preferred stock, debt obligations, and any other security that:

(1) is convertible to; or

(2) evidences the right to acquire;

a common stock, preferred stock, or debt obligation.

~~(p)~~ **(s)** A "subsidiary" of a specified person is an affiliate controlled by that person directly or indirectly through one or more intermediaries.

~~(q)~~ **(t)** "Surplus" means the total of gross paid in and contributed surplus, special surplus funds, and unassigned surplus, less treasury stock at cost.

~~(r)~~ **(u)** "Voting security" includes any security convertible into or evidencing a right to acquire a voting security.

SECTION 11. IC 27-1-23-3, AS AMENDED BY P.L.129-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) Every insurer which is authorized to do business in this state and which is a member of an insurance holding company system shall register with the commissioner, except a foreign insurer subject to disclosure requirements and standards adopted by statute or regulation in the jurisdiction of its domicile which are substantially similar to those contained in:

(1) this section;

(2) section 4(a) and 4(c) of this chapter; and

(3) section 4(b) of this chapter or a provision such as the following:

Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions within fifteen (15) days after the end of the month in which it learns of each such change or addition.

Any insurer which is subject to registration under this section shall register within fifteen (15) days after it becomes subject to registration, and annually thereafter by July 1 of each year for the previous calendar year, unless the commissioner for good cause shown extends the time for registration, and then within such

extended time. The commissioner may require any authorized insurer which is a member of an insurance holding company system but not subject to registration under this section to furnish a copy of the registration statement or other information filed by such insurer with the insurance regulatory authority of its domiciliary jurisdiction.

(b) Every insurer subject to registration shall file a registration statement on a form prescribed by the commissioner, which shall contain current information about all of the following:

(1) The capital structure, general financial condition, ownership and management of the insurer and any person controlling the insurer.

(2) The identity of every member of the insurance holding company system.

(3) The following agreements in force, relationships subsisting, and transactions that are currently outstanding or that have occurred during the last calendar year between such insurer and its affiliates:

(A) loans, other investments, or purchases, sales or exchanges of securities of the affiliates by the insurer or of the insurer by its affiliates;

(B) purchases, sales, or exchanges of assets;

(C) transactions not in the ordinary course of business;

(D) guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the insurer's assets to liability, other than insurance contracts entered into in the ordinary course of the insurer's business;

(E) all management and service contracts and all cost-sharing arrangements; ~~other than cost allocation arrangements based upon generally accepted accounting principles;~~

(F) reinsurance agreements; ~~covering all or substantially all of one (1) or more lines of insurance of the ceding insurer;~~

(G) dividends and other distributions to shareholders; and

(H) consolidated tax allocation agreements.

(4) Any pledge of the insurer's stock, including stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system.

(5) If requested by the commissioner, financial statements of the insurance holding company system, the parent corporation of the insurer, or all affiliates, including annual audited financial statements filed with the federal Securities and Exchange Commission under the Securities Act of 1933 or the federal Securities Exchange Act of 1934, both as amended.

(6) Statements reflecting that the insurer's:

(A) board of directors oversees corporate governance and internal controls; and

(B) officers or senior management have approved and implemented and maintain and monitor corporate governance and internal control procedures.

(7) Other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms prescribed by the commissioner.

(8) Other information that the commissioner requires under rules adopted under IC 4-22-2.

(c) Every registration statement must contain a summary outlining all items in the current registration statement representing changes from the prior registration statement.

(d) No information need be disclosed on the registration statement filed pursuant to subsection (b) if such information is not material for the purposes of this section. Unless the commissioner by rule or order provides otherwise, sales, purchases, exchanges, loans or extensions of credit, or investments, involving **one-half of** one per cent ~~(1%)~~ **(0.5%)** or less of an insurer's admitted assets as of the 31st day of December next preceding shall not be deemed material for purposes of this section.

(e) Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions on amendment forms prescribed by the commissioner within fifteen (15) days after the end of the month in which it learns of each such change or addition.

(f) A person within an insurance holding company system subject to registration under this chapter shall provide complete and accurate information to an insurer when that information is reasonably necessary to enable the insurer to comply with this chapter.

(g) The commissioner shall terminate the registration of any insurer which demonstrates that it no longer is subject to the provisions of this section.

(h) The commissioner may require or allow two (2) or more affiliated insurers subject to registration under this section to file a consolidated registration statement or consolidated reports amending their consolidated registration statement or their individual registration statements.

(i) The commissioner may allow an insurer which is authorized to do business in this state and which is a member of an insurance holding company system to register on behalf of any affiliated insurer which is required to register under subsection (a) and to file all information and material required to be filed under this section.

(j) The provisions of this section shall not apply to any insurer, information, or transaction if and to the extent that the commissioner by rule or order shall exempt the same from the provisions of this section.

(k) Any person may file with the commissioner a disclaimer of affiliation with any authorized insurer or such a disclaimer may be filed by such insurer or any member of an insurance holding company system. The disclaimer shall fully disclose all material relationships and bases for affiliation between such person and such insurer as well as the basis for disclaiming such affiliation. After a disclaimer has been filed, the insurer shall be relieved of any duty to register or report under this section which

may arise out of the insurer's relationship with such person unless and until the commissioner disallows such disclaimer. A disclaimer of affiliation is considered to have been granted unless the commissioner, less than thirty (30) days after receiving a disclaimer, notifies the person filing the disclaimer that the disclaimer is disallowed. The commissioner shall disallow such disclaimer only after furnishing all parties in interest with notice and opportunity to be heard.

(l) The person that ultimately controls an insurer that is subject to registration shall file with the lead state commissioner of the insurance holding company system (as determined by the procedures in the Financial Analysis Handbook adopted by the NAIC) an annual enterprise risk report that identifies, to the best of the person's knowledge, the material risks within the insurance holding company system that could pose enterprise risk to the insurer.

(m) The commissioner may impose on a person a civil penalty of one hundred dollars ($100) per day that the person fails to file, within the period specified, a:

(1) registration statement; or

(2) summary of a registration statement or enterprise risk filing;

required by this section. The commissioner shall deposit a civil penalty collected under this subsection in the department of insurance fund established by IC 27-1-3-28.

SECTION 12. IC 27-1-23-4, AS AMENDED BY P.L.146-2015, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) Material transactions within an insurance holding company system to which an insurer subject to registration is a party shall be subject to the following standards:

(1) The terms shall be fair and reasonable.

(2) Agreements concerning cost sharing services and management must include provisions required by the commissioner in rules adopted under IC 4-22-2.

(3) The charges or fees for services performed shall be reasonable.

(4) The expenses incurred and payment received shall be allocated to the insurer in conformity with customary insurance accounting practices consistently applied.

(5) The books, accounts, and records of each party as to all transactions described in this subsection shall be so maintained as to clearly and accurately disclose the nature and details of the transactions, including accounting information necessary to support the reasonableness of the charges or fees to the respective parties.

(6) The insurer's surplus as regards policyholders following any transactions with affiliates or shareholder dividend shall be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs.

(b) The following transactions involving a domestic insurer and any person in its insurance holding company system (including amendments or modifications to affiliate agreements previously filed under this chapter) that are subject to any materiality standards described in subdivisions (1) through (7) may not be entered into unless the insurer has notified the commissioner in writing of its intention to enter into such transaction at least thirty (30) days prior thereto, or such shorter period as the commissioner may permit, and the commissioner has not disapproved it within that period:

(1) Sales, purchases, exchanges, loans or extensions of credit, guarantees, or investments, provided those transactions are equal to or exceed:

(A) with respect to nonlife insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders; and

(B) with respect to life insurers, three percent (3%) of the insurer's admitted assets;

each as of December 31 next preceding.

(2) Loans or extensions of credit to any person who is not an affiliate, where the insurer makes those loans or extensions of credit with the agreement or understanding that the proceeds of such transactions, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase assets of, or to make investments in, any affiliate of the insurer making such loans or extensions of credit, provided those transactions are equal to or exceed:

(A) with respect to nonlife insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders; and

(B) with respect to life insurers, three percent (3%) of the insurer's admitted assets;

each as of December 31 next preceding.

(3) Reinsurance agreements or modifications thereto, including:

(A) reinsurance pooling agreements; and

(B) agreements under which:

(i) a reinsurance premium;

(ii) a change in the insurer's liabilities; or

(iii) the projected reinsurance premium;

in any of the immediately succeeding three (3) years equals or exceeds five percent (5%) of the insurer's surplus as regards policyholders, as of December 31 next preceding, including those agreements that may require as consideration the transfer of assets from an insurer to a nonaffiliate, if an agreement or understanding exists between the insurer and nonaffiliate that any portion of the assets will be transferred to one (1) or more affiliates of the insurer.

(4) Management agreements, service contracts, cost-sharing arrangements, lease agreements, **guarantees,** and tax allocation agreements.

(5) Guarantees made by the insurer, only as follows:

(A) A guarantee, the amount of which is not quantifiable.

(B) A guarantee, the amount of which is quantifiable, if the amount of the guarantee exceeds the lesser of:

(i) one-half of one percent (0.5%) of the insurer's admitted assets; or

(ii) ten percent (10%) of surplus as regards policyholders;

on December 31 of the immediately preceding calendar year.

(6) Direct or indirect acquisitions or investments, as follows:

(A) In:

(i) a person that controls the insurer; or

(ii) an affiliate of the insurer in an amount that, together with the insurer's present holdings in the investments, exceeds two and one-half percent (2.5%) of the insurer's surplus to policyholders.

(B) This subdivision does not apply to direct or indirect acquisitions or investments in:

(i) subsidiaries acquired under section 2.6 of this chapter; or

(ii) nonsubsidiary insurance affiliates that are subject to this chapter.

(7) Material transactions, specified by rule, that the commissioner determines may adversely affect the interests of the insurer's policyholders.

This subsection does not authorize or permit any transactions that, in the case of an insurer not a member of the same insurance holding company system, would be otherwise contrary to law. Notice concerning amendments or modifications of a transaction must include the reasons for the change and the financial impact on the domestic insurer. Not more than thirty (30) days after an agreement that was previously filed under this section is terminated, the domestic insurer shall send written notice of the termination to the commissioner. The commissioner shall determine whether a filing concerning the termination is required and shall notify the domestic insurer of the commissioner's determination.

(c) A domestic insurer may not enter into transactions that are part of a plan or series of like transactions with persons within the insurance holding company system if the purpose of those separate transactions is to avoid the statutory threshold amount and thus avoid the review that would occur otherwise.

(d) The commissioner, in reviewing transactions pursuant to subsection (b), shall consider whether the transactions comply with the standards set forth in subsection (a) and whether the transactions may adversely affect the interests of policyholders.

(e) The commissioner shall be notified within thirty (30) days of any investment of the domestic insurer in any one (1) corporation if the total investment in that corporation by the insurance holding company system exceeds ten percent (10%) of the corporation's voting securities.

(f) For purposes of this chapter, in determining whether an insurer's surplus is reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs, the following factors, among others, shall be considered:

(1) The size of the insurer as measured by its assets, capital and surplus, reserves, premium writings, insurance in force and other appropriate criteria.

(2) The extent to which the insurer's business is diversified among the several lines of insurance.

(3) The number and size of risks insured in each line of business.

(4) The extent of the geographical dispersion of the insurer's insured risks.

(5) The nature and extent of the insurer's reinsurance program.

(6) The quality, diversification, and liquidity of the insurer's investment portfolio.

(7) The recent past and projected future trend in the size of the insurer's surplus as regards policyholders.

(8) The surplus as regards policyholders maintained by other comparable insurers in respect of the factors described in subdivisions (1) through (7).

(9) The adequacy of the insurer's reserves.

(10) The quality and liquidity of investments in subsidiaries, except that the commissioner may discount or treat any such investment in subsidiaries as a disallowed asset for purposes of determining the adequacy of surplus whenever in the commissioner's judgment such investment so warrants.

(11) The quality of the earnings of the insurer and the extent to which the reported earnings of the insurer include extraordinary items.

(g) No domestic insurer subject to registration under section 3 of this chapter shall pay an extraordinary dividend or make any other extraordinary distribution to its security holders until:

(1) thirty (30) days after the commissioner has received notice of the declaration thereof and has not within such period disapproved such payment; or

(2) the commissioner shall have approved such payment within such thirty (30) day period.

(h) For purposes of subsection (g), **the following apply with respect to** an extraordinary dividend or distribution:

(1) An extraordinary dividend or distribution is any dividend or distribution of cash or other property whose fair market value, together with that of other dividends or distributions made within the twelve (12) consecutive months ending on the date on which the proposed dividend or distribution is scheduled to be made, exceeds the ~~greater~~ **lesser** of:

~~(1)~~ **(A)** ten percent (10%) of such insurer's surplus as regards policyholders as of the most recently preceding December 31; or

~~(2)~~ **(B)** the:

(i) net gain from operations of such insurer, if such insurer is a life insurer; or ~~the~~

(ii) net income, if such insurer is not a life insurer;

not including realized capital gains, for the twelve

(12) month period ending on the most recently preceding December 31.

(2) An extraordinary dividend or distribution does not include pro rata distribution of any class of an insurer's own securities.

(3) For purposes of determining whether a dividend or distribution is extraordinary, an insurer that is not a life insurer may carry forward net income that:

(A) was received during the two (2) immediately preceding calendar years; and

(B) has not been paid out as dividends;

computed by subtracting the amount of dividends paid in the first and second immediately preceding calendar years from the amount of net income, not including realized capital gains, received in the second and third immediately preceding calendar years.

(i) Notwithstanding any other provision of law, a domestic insurer may declare an extraordinary dividend or distribution which is conditional upon the commissioner's approval thereof, but such a declaration shall confer no rights upon shareholders until:

(1) the commissioner has approved the payment of such dividend or distribution; or

(2) the commissioner has not disapproved the payment within the thirty (30) day period referred to in subsection (g).

(j) The commissioner may impose a civil penalty of five thousand dollars ($5,000) on a person who fails to file a transaction as required by this section. The commissioner shall deposit a civil penalty collected under this subsection in the department of insurance fund established by IC 27-1-3-28.

SECTION 13. IC 27-1-23-5.1, AS ADDED BY P.L.81-2012, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5.1. (a) The commissioner may participate in a supervisory college for a domestic insurer that is part of an insurance holding company system that has international operations, and any affiliate of the insurer, to do the following:

(1) Determine whether the insurer or affiliate is in compliance with this chapter.

(2) Assess the business strategy, financial position, legal and regulatory position, risk exposure, risk management, and governance processes that apply to the insurer or affiliate.

(3) Examine the insurer or affiliate.

(b) The powers of the commissioner under subsection (a) include the following:

(1) Initiation of the establishment of the supervisory college.

(2) Clarification of the membership and participation of other supervisors in the supervisory college.

(3) Clarification of the functions of the supervisory college and the role of other regulators, including the establishment of a group **wide** supervisor.

(4) Coordination of the activities of the supervisory college, including planning meetings, **supervisory activities,** and information sharing procedures.

(5) Establishment of a crisis management plan.

(c) An insurer that is described in subsection (a) shall pay the commissioner's reasonable expenses of participation in a supervisory college, including travel expenses. The commissioner may establish a regular assessment to the insurer for payment of the expenses.

(d) The commissioner may enter into agreements in accordance with the requirements that apply to an agreement entered into with the NAIC under section 6 of this chapter to specify the activities of the commissioner and other regulators participating in the supervisory college.

(e) This section does not delegate to a supervisory college a commissioner's authority to regulate or supervise the insurer described in subsection (a) or the insurer's affiliates within the commissioner's jurisdiction.

SECTION 14. IC 27-1-23-5.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 5.3. (a) The commissioner shall, in cooperation with other state, federal, and international regulatory agencies, do either of the following to identify a single group wide supervisor for an internationally active insurance group:**

(1) Act as the group wide supervisor if the commissioner determines that the internationally active insurance group conducts substantial insurance operations in Indiana.

(2) Acknowledge another regulatory official as the group wide supervisor if the commissioner determines that the internationally active insurance group:

(A) does not have substantial insurance operations in the United States;

(B) has substantial insurance operations in the United States, but not in Indiana; or

(C) has substantial insurance operations in the United States and Indiana, but the commissioner has determined according to subsections (c), (d), and (j) that the other regulatory official is the appropriate group wide supervisor.

(b) The commissioner may, upon request of an insurance holding company system that does not qualify as an internationally active insurance group, make a determination and act as, or acknowledge another regulatory official as, a group wide supervisor for the insurance holding company system under subsection (a) as if the insurance holding company system was an internationally active insurance group.

(c) In making a determination under subsection (a), the commissioner shall consider all of the following:

(1) The place of domicile of the internationally active insurance group insurers that hold the largest share of the internationally active insurance group's written premiums, assets, or liabilities.

(2) The place of domicile of the top tiered insurers in the internationally active insurance group's insurance company holding system.

(3) The location of the internationally active insurance group's executive offices or largest operational offices.

(4) Whether another regulatory official is acting or seeks to act as the group wide supervisor under a regulatory system that the commissioner determines to be:

(A) substantially similar to the regulatory system under the law of this state; or

(B) sufficient to provide for group wide supervision, enterprise risk analysis, and cooperation with other regulatory officials.

(5) Whether a regulatory official described in subdivision 4 provides the commissioner with reasonably reciprocal recognition and cooperation.

(d) If a regulatory official who is identified as the group wide supervisor under this section considers another regulatory official to be more appropriate to serve as the group wide supervisor, the commissioner shall cooperatively do the following with the other regulatory officials involved with supervision of members of the internationally active insurance group, and in consultation with the internationally active insurance group:

(1) Consider the factors described in subsection (c) with respect to the other regulatory official considered more appropriate to serve as the group wide supervisor.

(2) If the commissioner considers the other regulatory official to be appropriate to serve as the group wide supervisor, acknowledge the other regulatory official, subject to the acknowledgment of the other regulatory officials.

(e) Notwithstanding any other law, if another regulatory official is acting as the group wide supervisor of an internationally active insurance group, the commissioner shall acknowledge the other regulatory official as the group wide supervisor. However, if there is a material change in the internationally active insurance group that results in:

(1) the internationally active insurance group's Indiana domiciled insurers holding the largest share of the internationally active insurance group's premiums, assets, or liabilities; or

(2) Indiana being the domicile of the internationally active insurance group's insurance holding company system's top tiered insurers;

the commissioner shall make a determination concerning the appropriate group wide supervisor for the internationally active insurance group as described in subsections (c) and (d).

(f) The commissioner may, under section 5 of this chapter, obtain from an insurer that is registered under section 3 of this chapter all information necessary to make a determination under this section.

(g) Before making a final determination that the commissioner will act as the group wide supervisor of an internationally active insurance group:

(1) the commissioner shall notify the:

(A) insurer that is registered under section 3 of this chapter; and

(B) ultimate controlling person;

in the internationally active insurance group; and

(2) the internationally active insurance group has at least thirty (30) days to provide the commissioner with additional information relevant to the commissioner's final determination.

(h) Upon making a final determination that the commissioner will act as the group wide supervisor of an internationally active insurance group, the commissioner shall publish that information, including the identity of the internationally active insurance group, in the Indiana Register and on the department's Internet web site.

(i) The commissioner may do any of the following with respect to an internationally active insurance group subject to group wide supervision by the commissioner:

(1) Assess enterprise risk in the internationally active insurance group to ensure that:

(A) the material financial condition and liquidity risks to members of the internationally active insurance group that are engaged in the business of insurance are identified by management; and

(B) reasonable and effective mitigation measures are in place to address the risks described in clause (A).

(2) Request from any member of the internationally active insurance group information necessary and appropriate to assess enterprise risk, including the following information concerning the members of the internationally active insurance group:

(A) Governance, risk assessment, and management.

(B) Capital adequacy.

(C) Material intercompany transactions.

(3) Coordinate and, through the regulatory authority of the jurisdictions where members of the internationally active insurance group are domiciled, compel development and implementation of reasonable measures to ensure that the internationally active insurance group is able to, in a timely manner, recognize and mitigate enterprise risks to members of the internationally active insurance group that are engaged in the business of insurance.

(4) Communicate with other state, federal, and international regulatory officials for members in the internationally active insurance group and share relevant information subject to the confidentiality provisions of section 6 of this chapter, through supervisory colleges under section 5.1 of this chapter or otherwise.

(5) Enter into agreements with or obtain documentation from any:

(A) insurer registered under section 3 of this chapter;

(B) member of the internationally active insurance group; and

(C) other state, federal, and international regulatory official for members of the internationally active insurance group;

to establish the basis for or otherwise clarify the commissioner's role as group wide supervisor, including provisions to resolve disputes with other regulatory officials. An agreement or documentation described in this subdivision may not serve as evidence in any proceeding that an insurer or a person in an insurance holding company system that is not domiciled or incorporated in Indiana is doing business in Indiana or is otherwise subject to the jurisdiction of this state.

(6) Other group wide supervision activities consistent with this section, as the commissioner determines necessary.

(j) If the commissioner acknowledges another regulatory official from a jurisdiction that is not accredited by the NAIC as the group wide supervisor of an internationally active insurance group, the commissioner may reasonably cooperate, through supervisory colleges or otherwise, with the regulatory official's group wide supervision if:

(1) the commissioner's cooperation is in compliance with the law of this state; and

(2) the regulatory official recognizes and cooperates with the commissioner's activities as a group wide supervisor for other internationally active insurance groups, as applicable.

If a regulatory official is not described in subdivision (2), the commissioner may refuse to recognize and cooperate with the regulatory official as the group wide supervisor.

(k) The commissioner may enter into agreements with or obtain documentation from:

(1) an insurer registered under section 3 of this chapter;

(2) an affiliate of an insurer described in subdivision (1); and

(3) other state, federal, and international regulatory agencies for members;

of an internationally active insurance group that provide a basis for or clarify a regulatory official's role as group wide supervisor of the internationally active insurance group.

(l) An insurer that is registered under section 3 of this chapter and subject to this section is liable for and shall pay the reasonable expenses of the commissioner's participation in the implementation of this section, including costs of attorneys, actuaries, other professionals, and reasonable travel expense.

SECTION 15. IC 27-1-23-8.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 8.1. (a) If it appears to the commissioner that an insurer or a director, an officer, an employee, or an agent of an insurer has knowingly or intentionally violated this chapter, the commissioner may report the violation to the prosecutor of the county in which the conduct giving rise to the report occurred.**

(b) Except as provided in subsection (c), an officer, a director, an employee, or an agent of an insurer or of an insurance holding company system who knowingly or intentionally violates the following commits a Level 6 felony (IC 35-50-2-7):

(1) Section 1.5(a) or 1.5(b) of this chapter.

(2) Section 2(a) or 2(b) of this chapter.

(3) Section 2.5(n) or 2.5(o) of this chapter.

(4) Section 2.6(g), 2.6(i), 2.6(j), 2.6(k), 2.6(l), 2.6(m), 2.6(n), or 2.6(p) of this chapter.

(5) Section 3(a), 3(b), 3(e), or 3(f) of this chapter.

(6) Section 4(a), 4(b), 4(c), 4(e), 4(g), or 4(i) of this chapter.

(7) Section 5(c) or 5(e) of this chapter.

(8) Section 8(b) of this chapter.

(c) An officer, a director, or an employee of an insurance holding company system who knowingly or intentionally subscribes to or makes or causes to be made a false statement, false report, or false filing with the intent to deceive the commissioner in the performance of the commissioner's duties under this chapter:

(1) commits a Level 4 felony (IC 35-50-2-5.5); and

(2) except as provided in subsection (d), is in the officer's, director's, or employee's individual capacity subject to a civil penalty imposed by the commissioner of not more than one million dollars ($1,000,000).

(d) A director or an officer of an insurance holding company system who:

(1) knowingly or intentionally violates this chapter; or

(2) knowingly or intentionally participates in, assents to, or permits an insurer's, officer's, employee's, or agent's engagement in transactions or the purchase of investments that:

(A) have not been properly reported or submitted under section 3(a), 4(b), or 4(g) of this chapter; or

(B) violate this chapter;

is, in the director's or officer's individual capacity and after notice and hearing under IC 4-21.5, subject to a civil penalty of not more than ten thousand dollars ($10,000) per violation.

(e) The commissioner may impose a civil penalty of not more than one million dollars ($1,000,000) on an insurer that knowingly or intentionally violates this chapter.

(f) In determining the amount of the civil penalty under this section, the commissioner shall consider the appropriateness of the amount of the civil penalty with respect to the gravity of the violation, any history of previous violations, and other matters considered appropriate by the commissioner.

(g) If it appears to the commissioner that an insurer subject to this chapter, or a director, an officer, an employee, or an agent of an insurer, has engaged in a transaction or

entered into a contract:

(1) that is subject to section 4 of this chapter;

(2) for which the commissioner's approval was not requested; and

(3) that would not have been approved by the commissioner if the commissioner's approval had been requested;

the commissioner may order the insurer to immediately cease and desist from activity under the transaction or contract. The commissioner may, after notice and hearing under IC 4-21.5, order the insurer to void any contract and restore the status quo if the commissioner determines that the action is in the best interest of the insurer's policyholders or creditors or the public.

(h) If it appears to the commissioner that:

(1) a person has committed a violation of section 2 of this chapter; and

(2) the violation prevents the full understanding of the enterprise risk to the insurer by affiliates or the insurance holding company system;

the violation may serve as an independent basis for disapproving dividends or distributions and for placing the insurer under an order of supervision in accordance with IC 27-9.

SECTION 16. IC 27-1-27-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 7.2. (a) Notwithstanding any other provision of this chapter, a nonresident public adjuster who receives a certificate of authority under this chapter shall maintain licensure as a public adjuster in good standing in the nonresident public adjuster's home state.**

(b) If a nonresident public adjuster fails to maintain licensure in good standing in the nonresident public adjuster's home state, the commissioner may:

(1) in the commissioner's sole discretion;

(2) without a hearing; and

(3) in addition to any other sanction allowed by law;

suspend any Indiana insurance producer license or certificate of authority held by the nonresident public adjuster until the commissioner receives notice from the nonresident public adjuster's home state that the home state license is in effect.

SECTION 17. IC 27-7-3-15.5, AS AMENDED BY P.L.116-2015, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15.5. (a) This section applies to the following transactions:

(1) A mortgage transaction (as defined in IC 24-9-3-7(a)) that:

(A) is:

(i) a first lien purchase money mortgage transaction; or

(ii) a refinancing transaction; and

(B) is closed by a closing agent after December 31, 2009.

(2) A real estate transaction (as defined in IC 24-9-3-7(b)) that:

(A) does not involve a mortgage transaction described in subdivision (1); and

(B) is closed by a closing agent (as defined in IC 6-1.1-12-43(a)(2)) after December 31, 2011.

(b) For purposes of this subsection, a person described in this subsection is involved in a transaction to which this section applies if the person participates in or assists with, or will participate in or assist with, a transaction to which this section applies. The department shall establish and maintain an electronic system for the collection and storage of the following information, to the extent applicable, concerning a transaction to which this section applies:

(1) In the case of a transaction described in subsection (a)(1), the name and license number (under IC 23-2-5) of each loan brokerage business involved in the transaction.

(2) In the case of a transaction described in subsection (a)(1), the name and license or registration number of any mortgage loan originator who is:

(A) either licensed or registered under state or federal law as a mortgage loan originator consistent with the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (H.R. 3221 Title V); and

(B) involved in the transaction.

(3) The name and license number (under IC 25-34.1) of each:

(A) broker company; and

(B) broker if any;

involved in the transaction.

(4) The following information:

(A) The:

(i) name of; and

(ii) code assigned by the National Association of Insurance Commissioners (NAIC) to;

each title insurance underwriter involved in the transaction.

(B) The type of title insurance policy issued in connection with the transaction.

(5) The name and license number (under IC 27-1-15.6) of each title insurance agency and agent involved in the transaction as a closing agent (as defined in IC 6-1.1-12-43(a)(2)).

(6) The following information:

(A) The name and:

(i) license or certificate number (under IC 25-34.1-3-8) of each licensed or certified real estate appraiser; or

(ii) license number (under IC 25-34.1) of each broker;

who appraises the property that is the subject of the transaction.

(B) The name and registration number (under IC 25-34.1-11-10) of any appraisal management

company that performs appraisal management services (as defined in IC 25-34.1-11-3) in connection with the transaction.

(7) In the case of a transaction described in subsection (a)(1), the name of the creditor and, if the creditor is required to be licensed under IC 24-4.4, the license number of the creditor.

(8) In the case of a transaction described in subsection (a)(1)(A)(i) or (a)(2), the name of the seller of the property that is the subject of the transaction.

(9) In the case of a transaction described in subsection (a)(1)(A)(i), the following information:

(A) The name of the buyer of the property that is the subject of the transaction.

(B) The purchase price of the property that is the subject of the transaction.

(C) The loan amount of the mortgage transaction.

(10) In the case of a transaction described in subsection (a)(2), the following information:

(A) The name of the buyer of the property that is the subject of the transaction.

(B) The purchase price of the property that is the subject of the transaction.

(11) In the case of a transaction described in subsection (a)(1)(A)(ii), the following information:

(A) The name of the borrower in the mortgage transaction.

(B) The loan amount of the refinancing.

(12) The:

(A) name; and

(B) license number, certificate number, registration number, or other code, as appropriate;

of any other person that is involved in a transaction to which this section applies, as the department may prescribe.

(c) The system established by the department under this section must include a form that:

(1) is uniformly accessible in an electronic format to the closing agent (as defined in IC 6-1.1-12-43(a)(2)) in the transaction; and

(2) allows the closing agent to do the following:

(A) Input information identifying the property that is the subject of the transaction by lot or parcel number, street address, or some other means of identification that the department determines:

(i) is sufficient to identify the property; and

(ii) is determinable by the closing agent.

(B) Subject to subsection (d) and to the extent determinable, input the applicable information described in subsection (b).

(C) Respond to the following questions, if applicable:

(i) "On what date did you receive the closing instructions from the creditor in the transaction?".

(ii) "On what date did the transaction close?".

(D) Submit the form electronically to a data base maintained by the department.

(d) Not later than the time of the closing **or the date of disbursement, whichever is later,** each person described in subsection (b), other than a person described in subsection (b)(8), (b)(9), (b)(10), or (b)(11), shall provide to the closing agent in the transaction the person's:

(1) legal name; and

(2) license number, certificate number, registration number, or NAIC code, as appropriate;

to allow the closing agent to comply with subsection (c)(2)(B). In the case of a transaction described in subsection (a)(1), the person described in subsection (b)(7) shall, with the cooperation of any person involved in the transaction and described in subsection (b)(6)(A) or (b)(6)(B), provide the information described in subsection (b)(6). In the case of a transaction described in subsection (a)(1)(A)(ii), the person described in subsection (b)(7) shall also provide the information described in subsection (b)(11). A person described in subsection (b)(3)(B) who is involved in the transaction may provide the information required by this subsection for a person described in subsection (b)(3)(A) that serves as the broker company for the person described in subsection (b)(3)(B). The closing agent shall determine the information described in subsection (b)(8), (b)(9), and (b)(10) from the HUD-1 settlement statement, or in the case of a transaction described in subsection (a)(2), from the contract or any other document executed by the parties in connection with the transaction.

(e) The closing agent in a transaction to which this section applies shall submit the information described in subsection (d) to the data base described in subsection (c)(2)(D) not later than twenty (20) business days after the date of closing or the date of disbursement, whichever is later.

~~(e)~~ **(f)** Except for a person described in subsection (b)(8), (b)(9), (b)(10), or (b)(11), a person described in subsection (b) who fails to comply with subsection (d) **or (e)** is subject to a civil penalty of one hundred dollars ($100) for each closing with respect to which the person fails to comply with subsection (d) **or (e).** The penalty:

(1) may be enforced by the state agency that has administrative jurisdiction over the person in the same manner that the agency enforces the payment of fees or other penalties payable to the agency; and

(2) shall be paid into the home ownership education account established by IC 5-20-1-27.

~~(f)~~ **(g)** Subject to subsection ~~(g),~~ **(h),** the department shall make the information stored in the data base described in subsection (c)(2)(D) accessible to:

(1) each entity described in IC 4-6-12-4; and

(2) the homeowner protection unit established under IC 4-6-12-2.

~~(g)~~ **(h)** The department, a closing agent who submits a form under subsection (c), each entity described in IC 4-6-12-4, and the homeowner protection unit established under IC 4-6-12-2

shall exercise all necessary caution to avoid disclosure of any information:

(1) concerning a person described in subsection (b), including the person's license, registration, or certificate number; and

(2) contained in the data base described in subsection (c)(2)(D);

except to the extent required or authorized by state or federal law.

~~(h)~~ **(i)** The department may adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this section. Rules adopted by the department under this subsection may establish procedures for the department to:

(1) establish;

(2) collect; and

(3) change as necessary;

an administrative fee to cover the department's expenses in establishing and maintaining the electronic system required by this section.

~~(i)~~ **(j)** If the department adopts a rule under IC 4-22-2 to establish an administrative fee to cover the department's expenses in establishing and maintaining the electronic system required by this section, as allowed under subsection ~~(h),~~ **(i),** the department may:

(1) require the fee to be paid:

(A) to the closing agent responsible for inputting the information and submitting the form described in subsection (c)(2); and

(B) by the borrower, the seller, or the buyer in the transaction;

(2) allow the closing agent described in subdivision (1)(A) to retain a part of the fee collected to cover the closing agent's costs in inputting the information and submitting the form described in subsection (c)(2); and

(3) require the closing agent to pay the remainder of the fee collected to the department for deposit in the title insurance enforcement fund established by IC 27-7-3.6-1, for the department's use in establishing and maintaining the electronic system required by this section.

SECTION 18. IC 27-7-3.7-4, AS ADDED BY P.L.92-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. As used in this chapter, "good funds" means funds in any of the following forms:

(1) United States currency.

(2) Wired funds unconditionally held by and irrevocably credited to the escrow account of the closing agent.

(3) Certified or cashier's checks that are drawn on an existing account at a:

(A) bank;

(B) savings and loan association;

(C) credit union; or

(D) savings bank;

chartered under the laws of a state or the United States.

(4) A check drawn on the trust account of a real estate broker licensed under IC 25-34.1, if the closing agent has reasonable and prudent grounds to believe that sufficient funds will be available for withdrawal from the account on which the check is drawn at the time of disbursement of funds from the closing agent's escrow account.

(5) A personal check not to exceed five hundred dollars ($500) per closing.

(6) A check issued by the state, the United States, or a political subdivision of the state or the United States.

(7) A check drawn on the escrow account of another closing agent, if the closing agent in the escrow transaction has reasonable and prudent grounds to believe that sufficient funds will be available for withdrawal from the account upon which the check is drawn at the time of disbursement of funds from the escrow account of the closing agent in the escrow transaction.

(8) A check issued by a farm credit service authorized under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

(9) A check that is deposited and held in the escrow account of the closing agent for at least fourteen (14) days before the date of closing.

SECTION 19. IC 27-7-3.7-7, AS ADDED BY P.L.92-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. **(a)** ~~A closing agent may not make disbursements from~~ **This section applies to** an escrow account ~~in connection with a real estate transaction unless any~~ **that contains** funds that:

(1) are received from any single party to ~~the~~ **a** real estate transaction; and

(2) in the aggregate are at least ten thousand dollars ($10,000).

~~are wired funds that are unconditionally held by and irrevocably credited to the escrow account of the closing agent.~~

(b) A closing agent may make disbursements from an escrow account described in subsection (a) in connection with a real estate transaction only if both of the following apply:

(1) All the funds described in subsection (a) are good funds.

(2) Any funds described in subsection (a) in excess of ten thousand dollars ($10,000) are good funds described in section 4(2) of this chapter.

SECTION 20. IC 27-8-15-14, AS AMENDED BY P.L.146-2015, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. (a) **This subsection applies only with respect to grandfathered health plan coverage described in 45 CFR 147.140.** As used in this chapter, "small employer" means any person, firm, corporation, limited liability company, partnership, or association actively engaged in business who, on at least fifty percent (50%) of the working days of the employer during the preceding calendar year, employed at least two (2) but not more than fifty (50) eligible employees, the majority of whom work in Indiana. In determining the number of eligible employees, companies that are affiliated companies or that are eligible to file a combined tax

return for purposes of state taxation are considered one (1) employer.

(b) If the commissioner of insurance determines that it is necessary or appropriate, the department of insurance may adopt emergency rules under IC 4-22-2-37.1 to conform the definition set forth in subsection (a) with PPACA (as defined in IC 27-19-2-14). Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted under this subsection expires on the date occurring one (1) year after the date on which the emergency rule takes effect. **This subsection expires January 1, 2017.**

(c) This subsection applies only with respect to a health insurance plan that does not provide grandfathered health plan coverage described in 45 CFR 147.140. As used in this chapter, "small employer" means any person, firm, corporation, limited liability company, partnership, or association actively engaged in business who, on at least fifty percent (50%) of the working days of the employer during the preceding calendar year, employed at least one (1) but not more than fifty (50) employees. In determining the number of employees, companies that are treated as a single employer under Section 414(b), 414(c), 414(m), or 414(o) of the Internal Revenue Code are treated as one (1) employer.

SECTION 21. IC 27-8-29-15, AS AMENDED BY P.L.81-2012, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15. (a) An independent review organization shall:

(1) for an expedited external grievance filed under section 13(a)(2)(A) of this chapter, within seventy-two (72) hours after the external grievance is filed; or

(2) for a standard external grievance filed under section 13(a)(2)(B) of this chapter, within fifteen (15) business days after the external grievance is filed;

make a determination to uphold or reverse the insurer's appeal resolution under IC 27-8-28-17 based on information gathered from the covered individual or the covered individual's designee, the insurer, and the treating health care provider, and any additional information that the independent review organization considers necessary and appropriate.

(b) When making the determination under this section, the independent review organization shall apply:

(1) standards of decision making that are based on objective clinical evidence; and

(2) the terms of the covered individual's accident and sickness insurance policy.

(c) In an external grievance described in section 12(1)(D) of this chapter, the insurer bears the burden of proving that the insurer properly denied coverage for a condition, complication, service, or treatment because the condition, complication, service, or treatment is directly related to a condition for which coverage has been waived under IC 27-8-5-2.5(e) (expired July 1, 2007, and removed) or IC 27-8-5-19.2 (expired July 1, 2007, and repealed).

(d) The independent review organization shall notify the insurer and the covered individual of the determination made under this section:

(1) for an expedited external grievance filed under section 13(a)(2)(A) of this chapter, within ~~twenty-four (24)~~ **seventy-two (72)** hours after ~~making~~ the ~~determination;~~ **external grievance is filed;** and

(2) for a standard external grievance filed under section 13(a)(2)(B) of this chapter, within seventy-two (72) hours after making the determination.

SECTION 22. IC 27-9-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. As used in IC 27-9:

(a) "Ancillary state" means any state other than a domiciliary state.

(b) "Collateral", for purposes of IC 27-9-3-34.5, means cash, a letter of credit, a surety bond, or another form of security posted by an insured, a captive insurer, or reinsurer, to secure the insured's obligation to:

(1) pay deductible claims or to reimburse the insurer for deductible claim payments under a large deductible policy; or

(2) reimburse or pay the insurer as required for other secured obligations.

(c) "Commercially reasonable" means:

(1) acting in good faith according to prevailing industry practices; and

(2) making all reasonable efforts considering the facts and circumstances of a matter.

~~(b)~~ **(d)** "Commissioner" refers to the insurance commissioner.

~~(c)~~ **(e)** "Creditor" means a person having a claim, whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed or contingent.

(f) "Deductible claim" means a claim under a large deductible policy that does not exceed the deductible. The term includes a claim for loss, defense, and (unless excluded) cost containment expense.

~~(d)~~ **(g)** "Delinquency proceeding" means:

(1) any proceeding instituted against an insurer for the purpose of liquidating, rehabilitating, reorganizing, or conserving that insurer; and

(2) any summary proceeding under IC 27-9-2-1 or IC 27-9-2-2.

~~(e)~~ **(h)** "Doing business" includes the following acts, whether effected by mail or otherwise:

(1) The issuance or delivery of contracts of insurance to persons resident in Indiana.

(2) The solicitation of applications for contracts or other negotiations preliminary to the execution of contracts.

(3) The collection of premiums, membership fees, assessments, or other consideration for contracts.

(4) The transaction of matters subsequent to execution of contracts and arising out of them.

(5) Operating under a license or certificate of authority, as an insurer, issued by the insurance department.

~~(f)~~ **(i)** "Domiciliary state" means the state in which an insurer is incorporated or organized, or, in the case of an alien insurer, its state of entry.

~~(g)~~ **(j)** "Fair consideration" is given for property or obligation:

(1) when in exchange for that property or obligation, as a fair equivalent for it, and in good faith, property is conveyed or services are provided or an obligation is incurred or an antecedent debt is satisfied; or

(2) when that property or obligation is received in good faith to secure a present advance or antecedent debt in amount not disproportionately small as compared to the value of the property or obligation obtained.

~~(h)~~ **(k)** "Foreign guaranty association" refers to a guaranty association similar to those listed in subsection ~~(k)~~ **(n)** established in any state.

~~(i)~~ **(l)** "Formal delinquency hearing" means any liquidation or rehabilitation proceeding.

~~(j)~~ **(m)** "General assets" means all property not specifically mortgaged, pledged, deposited, or otherwise encumbered for the security or benefit of specified persons or classes of persons. As to specifically encumbered property, "general assets" includes all such property or its proceeds in excess of the amount necessary to discharge the sum or sums secured by that property. Assets held in trust and on deposit for the security or benefit of all policyholders or all policyholders and creditors, in more than a single state, shall be treated as general assets.

~~(k)~~ **(n)** "Guaranty association" includes an association established under:

(1) IC 27-6-8, the insurance guaranty association law; or

(2) IC 27-8-8, the life and health guaranty association law.

~~(l)~~ **(o)** "Insolvency" or "insolvent" means:

(1) for an insurer issuing only assessable fire insurance policies:

(A) the inability of the insurer to pay any obligation within thirty (30) days after it becomes payable; or

(B) if an assessment be made within thirty (30) days after the date an obligation becomes payable, the inability of the insurer to pay that obligation thirty (30) days following the date specified in the first assessment notice issued after the date of loss; and

(2) for all other insurers when:

(A) the insurer is unable to pay its obligations when they are due; or

(B) the insurer's admitted assets do not exceed its liabilities, plus the greater of:

(i) any capital and surplus required by law for its organization; or

(ii) the total par or stated value of its authorized and issued capital stock.

For purposes of this subsection, "liabilities" include reserves required by law or by regulation.

~~(m)~~ **(p)** "Insurer" means any person who:

(1) has done, purports to do, is doing, or is licensed to do insurance business; and

(2) is subject to the authority of any insurance commissioner as to liquidation, rehabilitation, reorganization, supervision, or conservation.

For purposes of IC 27-9, other persons included under section 1 of this chapter shall be considered to be insurers.

(q) "Large deductible policy" means a combination of worker's compensation policies or endorsements, or both, issued to an insured and contracts or security agreements entered into between the insured and insurer in which the insured has agreed to pay directly, or reimburse the insurer for the insurer's payment of, the:

(1) initial part of a claim under the policy; or

(2) expenses related to a claim;

up to a specified dollar amount. The term includes a policy that contains, in addition to a per claim limit, an aggregate limit on the insured's liability for all deductible claims. The term also includes a policy with a deductible of at least fifty thousand dollars ($50,000). The term does not include a policy, an endorsement, or an agreement under which the initial part of a claim is self-insured and the insurer is not obligated to pay any part of the self-insured retention. The term also does not include a policy that provides for retrospectively rated premium payments or a reinsurance agreement, except to the extent that a reinsurance agreement assumes, secures, or pays the insured's large deductible obligations.

(r) "Other secured obligations", for purposes of IC 27-9-3-34.5, means obligations of an insured to an insurer other than obligations under a large deductible policy. The term includes obligations under a reinsurance agreement or another agreement that involves retrospective premium obligations the performance of which is secured by collateral that also secures an insured's obligations under a large deductible policy.

~~(n)~~ **(s)** "Preferred claim" means any claim with respect to which the terms of IC 27-9 accord priority of payment from the general assets of the insurer.

~~(o)~~ **(t)** "Receiver" includes liquidator, rehabilitator, or conservator.

~~(p)~~ **(u)** "Reciprocal state" means any state other than Indiana in which:

(1) in substance and effect IC 27-9-3-7(a), IC 27-9-4-3, IC 27-9-4-4, and IC 27-9-4-6 through IC 27-9-4-8 are in force;

(2) provisions are in force requiring that the commissioner (or equivalent official) be the receiver of a delinquent insurer; and

(3) some provision exists for the avoidance of fraudulent conveyances and preferential transfers.

~~(q)~~ **(v)** "Secured claim" means any claim secured by mortgage, trust deed, pledge, deposit as security, escrow, or otherwise, but not including special deposit claims or claims against general assets. The term also includes claims which have become liens upon specific assets by reason of judicial process.

~~(r)~~ **(w)** "Special deposit claim" means any claim secured by a deposit made under law for the security or benefit of a limited class or classes of persons, but not including any claim secured by general assets.

~~(s)~~ **(x)** "State" includes the District of Columbia and all other territories of the United States.

~~(t)~~ **(y)** "Transfer" includes all methods of disposing with any interest in property or with the possession of that property, or of fixing a lien upon property, or upon an interest in property, absolutely or conditionally, voluntarily, by or without judicial proceedings. The retention of a security title to property delivered to a debtor shall be considered a transfer made by the debtor.

SECTION 23. IC 27-9-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) The commissioner, as rehabilitator, may appoint one (1) or more special deputies, who shall have all the powers and responsibilities of the rehabilitator granted under this section. Also, the commissioner may employ such counsel, clerks, and assistants as he considers necessary.

(b) With the approval of the court, the compensation of the special deputy, counsel, clerks, and assistants and all expenses of taking possession of the insurer and of conducting the proceedings shall be:

(1) fixed by the commissioner; and

(2) paid out of the funds or assets of the insurer.

(c) The persons appointed under this section shall serve at the pleasure of the commissioner.

(d) In the event that the property of the insurer does not contain sufficient cash or liquid assets to defray the costs incurred, the commissioner may advance the costs so incurred out of any appropriation for the maintenance of the insurance department. Any amounts so advanced for expenses of administration shall be repaid to the commissioner for the use of the insurance department out of the first available money of the insurer.

(e) The rehabilitator may take such action as he considers necessary or appropriate to reform and revitalize the insurer. The commissioner:

(1) has all the powers of the directors, officers, and managers, whose authority shall be suspended, except as they are redelegated by the rehabilitator;

(2) may direct, manage, hire, and discharge employees subject to any contract rights they may have; and

(3) may deal with the property and business of the insurer.

(f) The rehabilitator may prosecute any action that exists in behalf of the creditors, members, policyholders, or shareholders of the insurer against any director or officer of the insurer or any other person or entity.

(g) The rehabilitator may pursue insurance proceeds for the negligent, reckless, or fraudulent actions or omissions of the officers and directors of the insurer. An act or omission of an officer or director of the insurer during the eighteen (18) months immediately preceding the date on which an order of rehabilitation is entered may not be used to avoid coverage or other duties under a policy of insurance covering directors' and officers' liability.

~~(g)~~ **(h)** If the rehabilitator determines that reorganization, consolidation, conversion, reinsurance, merger, or other transformation of the insurer is appropriate, he shall prepare a plan to effect those changes.

~~(h)~~ **(i)** Upon application of the rehabilitator for approval of the plan, and after such notice and hearings as the Marion County circuit court may prescribe, the court may either approve or disapprove the plan proposed, or may modify it and approve it as modified. Any plan approved under this section must be, in the judgment of the court, fair and equitable to all parties concerned. If the plan is approved, the rehabilitator shall carry out the plan.

~~(i)~~ **(j)** In the case of the life insurer, the plan proposed may include the imposition of liens upon the policies of company, if all rights of shareholders are first relinquished. A plan for a life insurer may also propose imposition of a moratorium upon loan and cash surrender rights under policies, for such period and to such an extent as may be necessary.

SECTION 24. IC 27-9-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 9. (a) The commissioner may petition for an order dissolving the corporate existence of a domestic insurer, or the United States branch of an alien insurer domiciled in Indiana, at the time the commissioner applies for a liquidation order. The Marion County circuit court shall order dissolution of the corporation upon petition by the commissioner upon or after the granting of a liquidation order. If the dissolution has not previously been ordered, the dissolution shall be effected by operation of law upon the discharge of the liquidator if the insurer is insolvent but may be ordered by the court upon the discharge of the liquidator if the insurer is under a liquidation order for some other reason.

(b) The liquidator may do all acts necessary or appropriate for the accomplishment of the liquidation, including the following:

(1) Appoint a special deputy to act for the liquidator under this article, and determine a reasonable compensation for that special deputy.

(2) Employ employees and insurance producers, legal counsel, actuaries, accountants, appraisers, consultants, and other personnel as the liquidator considers necessary to assist in the liquidation.

(3) Fix the reasonable compensation of employees and insurance producers, legal counsel, actuaries, accountants, appraisers, and consultants with the approval of the court.

(4) Pay reasonable compensation to persons appointed and defray from the funds or assets of the insurer all expenses of taking possession of, conserving, conducting, liquidating, disposing of, or otherwise dealing with the business and property of the insurer.

(5) Hold hearings, subpoena witnesses to compel their attendance, administer oaths, examine any person under oath, and compel any person to subscribe to the person's testimony after it has been correctly reduced to writing, and in connection with hearings and the examination of witnesses require the production of any books, papers, records, or other documents which the liquidator deems relevant to the inquiry.

(6) Collect all debts and moneys due and claims belonging to the insurer, wherever located, and for this purpose:

(A) institute timely action in other jurisdictions, in order to forestall garnishment and attachment proceedings against those debts;

(B) do other acts necessary or expedient to collect, conserve, or protect its assets or property, including the power to sell, compound, compromise, or assign debts for purposes of collection upon terms and conditions as the liquidator considers best; and

(C) pursue any creditor's remedies available to enforce the liquidator's claims.

(7) Conduct public and private sales of the property of the insurer.

(8) Use assets of the estate of an insurer under a liquidation order to transfer policy obligations to a solvent assuming insurer, if the transfer can be arranged without prejudice to applicable priorities under section 40 of this chapter.

(9) Acquire, hypothecate, encumber, lease, improve, sell, transfer, abandon, or otherwise dispose of or deal with, any property of the insurer at its market value or upon such terms and conditions as are fair and reasonable.

(10) Borrow money on the security of the insurer's assets or without security and execute and deliver all documents necessary to that transaction for the purpose of facilitating the liquidation.

(11) Enter into contracts that are necessary to carry out the order to liquidate, and affirm or disavow any contracts to which the insurer is a party.

(12) Continue to prosecute and to institute in the name of the insurer, or in the liquidator's own name, all suits and other legal proceedings, in Indiana or elsewhere, and abandon the prosecution of claims the liquidator considers unprofitable to pursue further.

(13) Prosecute any action that may exist in behalf of the creditors, members, policyholders, or shareholders of the insurer against any director or officer of the insurer, or any other person.

(14) Pursue insurance proceeds for the negligent, reckless, or fraudulent actions or omissions of the officers and directors of the insurer. An act or omission of an officer or director of the insurer during the eighteen (18) months immediately preceding the date on which petition for liquidation is filed may not be used to avoid coverage or other duties under a policy of insurance covering directors' and officers' liability.

~~(14)~~ **(15)** Remove all records and property of the insurer to the offices of the commissioner or to some other place as may be convenient for the purposes of efficient and orderly execution of the liquidation.

~~(15)~~ **(16)** Deposit in one (1) or more banks in Indiana sums required for meeting current administration expenses and dividend distributions.

~~(16)~~ **(17)** Invest all sums not currently needed, unless the court orders otherwise.

~~(17)~~ **(18)** File any necessary documents for record in the office of any recorder of deeds or record office in Indiana or elsewhere where property of the insurer is located.

~~(18)~~ **(19)** Assert all defenses available to the insurer as against third persons, including statutes of limitation, statutes of frauds, and the defense of usury.

~~(19)~~ **(20)** Exercise and enforce all the rights, remedies, and powers of any creditor, shareholder, policyholder, or member, including any power to avoid any transfer or lien that may be given by the general law and that is not included in sections 14 through 16 of this chapter.

~~(20)~~ **(21)** Intervene in any proceeding wherever instituted that might lead to the appointment of a receiver or trustee, and act as the receiver or trustee whenever the appointment is offered.

~~(21)~~ **(22)** Enter into agreements with any receiver or commissioner of any other state relating to the rehabilitation, liquidation, conservation, or dissolution of an insurer doing business in both states.

~~(22)~~ **(23)** Exercise all powers conferred upon receivers by the laws of Indiana not inconsistent with this article.

SECTION 25. IC 27-9-3-34.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 34.5. (a) This section:**

(1) applies to a worker's compensation large deductible policy issued by an insurer that is subject to this chapter; and

(2) does not apply to first party claims or claims funded by the guaranty association net of the deductible.

(b) To the extent that the terms of a large deductible policy conflict with this section, the policy must be administered in accordance with this section.

(c) Unless otherwise agreed by the guaranty association, all deductible claims that are covered claims (as defined in IC 27-6-8-4), including claims funded by an insured before liquidation, must be referred to the guaranty association for processing. To the extent an insured funds or pays a deductible claim under an agreement with the guaranty association or otherwise, the insured's funding or payment of the deductible claim extinguishes any obligation of the receiver or the guaranty association to pay the claim. A charge may not be made against the receiver or the guaranty association on the basis of an insured's funding or payment of a deductible claim.

(d) The following apply when the guaranty association pays a deductible claim:

(1) If the guaranty association pays a deductible claim for which the insurer would have been entitled to reimbursement from the insured, the guaranty association is entitled to the full amount of the reimbursement and available collateral to the extent necessary to reimburse the guaranty association. Reimbursements paid to the guaranty association under this subsection are not early access payments under

section 32 of this chapter or distributions under section 40 of this chapter.

(2) If the guaranty association pays:

(A) a deductible claim that is not reimbursed:

(i) from collateral; or

(ii) by payment by the insured; or

(B) an incurred expense in connection with a large deductible policy that is not reimbursed;

the guaranty association is entitled to assert a claim for the payments in the delinquency proceeding.

(e) Subsection (d) does not limit the receiver's or guaranty association's rights under other applicable law to obtain reimbursement from an insured for claim payments made by the guaranty association:

(1) under the policies of the insurer; or

(2) for the guaranty association's related expenses;

including payments described in IC 27-6-8-11.5 or under another state's similar law.

(f) A receiver shall do the following:

(1) Upon receipt by the receiver of notice from the guaranty association of reimbursable payments for which the guaranty association has not been reimbursed, bill an insured for reimbursement of deductible claims:

(A) paid by the insurer before the commencement of delinquency proceedings;

(B) paid by the guaranty association; or

(C) paid or allowed by the receiver.

(2) If an insured that is billed under subdivision (1) does not make payment within:

(A) the time specified in the large deductible policy; or

(B) if no time is specified in the large deductible policy, sixty (60) days after the date of billing;

the receiver shall pursue all commercially reasonable actions to collect the payment.

(g) The following do not relieve an insured from the insured's reimbursement obligation under a large deductible policy and this chapter:

(1) An insurer's insolvency.

(2) An insurer's inability to perform the insurer's obligations.

(3) An allegation of improper processing or payment of a deductible claim, except for gross negligence, by the:

(A) insurer;

(B) receiver; or

(C) guaranty association.

(h) With respect to collateral, the following apply:

(1) A receiver shall use available collateral to secure:

(A) an insured's obligation to fund or reimburse deductible claims; and

(B) other secured obligations or payment obligations.

The guaranty association is entitled to collateral to the extent needed to reimburse the guaranty association for the guaranty association's payment of a deductible claim. A distribution to the guaranty association under this subdivision is not an early access payment under section 32 of this chapter or a distribution under section 40 of this chapter.

(2) A receiver shall pay all claims against collateral in the order received, and a claim of the receiver, including claims described in this subsection, does not supersede any other claim against the collateral as described in subdivision (4).

(3) A receiver shall draw down collateral to the extent necessary if the insured fails to do any of the following:

(A) Perform the insured's funding or payment obligations under the large deductible policy.

(B) Pay a deductible claim reimbursement within the time specified in subsection (f)(2).

(C) Pay amounts due to the insurer estate for pre-liquidation obligations.

(D) Fund any other secured obligation within:

(i) the time specified in the large deductible policy; or

(ii) another reasonable period.

(E) Pay expenses within the time specified in subsection (f)(2).

(4) A receiver shall pay all claims that are validly asserted against the collateral in the order in which the claims are received by the receiver.

(5) A receiver shall return to an insured any excess collateral, as determined by the receiver after a periodic review of claims paid, outstanding case reserves, and a factor for incurred but not reported claims.

SECTION 26. IC 27-13-10.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) An independent review organization shall:

(1) for an expedited appeal filed under section 2(a)(2)(A) of this chapter, within seventy-two (72) hours after the appeal is filed; or

(2) for a standard appeal filed under section 2(a)(2)(B) of this chapter, within fifteen (15) business days after the appeal is filed;

make a determination to uphold or reverse the health maintenance organization's grievance resolution under IC 27-13-10-8 based on information gathered from the enrollee or the enrollee's designee, the health maintenance organization, and the treating physician, and any additional information that the independent review organization considers necessary and appropriate.

(b) When making the determination under this section, the independent review organization shall apply:

(1) standards of decision making that are based on objective clinical evidence; and

(2) the terms of the enrollee's benefit contract.

(c) The independent review organization shall notify the health maintenance organization and the enrollee of the determination made under this section:

(1) for an expedited appeal filed under section 2(a)(2)(A) of this chapter, within ~~twenty-four (24)~~ **seventy-two (72)** hours after ~~making~~ the ~~determination;~~ **appeal is filed;** or

(2) for a standard appeal filed under section 2(a)(2)(B) of this chapter, within seventy-two (72) hours after making the determination.

SECTION 27. IC 27-15-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) If a domestic mutual insurance company:

(1) is insolvent, as defined in ~~IC 27-9-1-2(l);~~ **IC 27-9-1-2(o);**

(2) does not meet the minimum surplus requirements of IC 27-1-6-15; or

(3) in the judgment of the commissioner, is in a hazardous financial condition;

its board of directors may adopt, and the commissioner may approve, any plan of conversion and amendment to the articles of incorporation that, on the effective date of the conversion, would provide for the former mutual to have paid-in capital stock and surplus in an amount not less than the minimum requirements of IC 27-1-6-14(c) and IC 27-1-6-14(e) and an RBC level greater than its company action RBC level.

(b) The commissioner may allow waivers or material modifications of the requirement to give any notices to members and policyholders, to obtain member approval of the proposed plan of conversion or amendment to the articles of incorporation of the converting mutual, or to distribute consideration to members if the value of a converting mutual described in subsection (a) does not in the judgment of the commissioner warrant any such notices, approvals, or distribution under the circumstances, including the expenses involved in a distribution of consideration.

SECTION 28. IC 35-52-27-9.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 9.3. IC 27-1-23-8.1 defines a crime concerning the department of insurance.**

SECTION 29. [EFFECTIVE JULY 1, 2016] **(a) The legislative council is urged to assign to an appropriate interim study committee for study during the 2016 legislative interim the subject of whether a public-private agreement should contain a requirement for performance bonds for design and construction and payment bonds for labor and materials furnished for use in construction of the public-private project.**

(b) This SECTION expires December 31, 2016.

SECTION 30. **An emergency is declared for this act.**

(Reference is to EHB 1136 as reprinted March 1, 2016.)

Lehman, Chair	Holdman
Hale	Mrvan
House Conferees	Senate Conferees

Roll Call 373: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

EHB 1231–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill 1231 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 14-22-2-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) This section applies to a hunting season beginning after June 30, 2016, and ending before January 1, 2020.**

(b) A hunter may use a rifle during the firearms season to hunt deer subject to the following:

(1) The use of a rifle is permitted only on privately owned land.

(2) The rifle must have a barrel length of at least sixteen (16) inches.

(3) The rifle must be chambered for one (1) of the following cartridges:

(A) .243.

(B) .30-30.

(C) .300.

(D) .30-06.

(E) .308.

(4) A hunter may not possess more than ten (10) cartridges for the rifle while hunting deer under this section.

(5) The rifle must meet any other requirements established by the department.

(c) The use of a full metal jacketed bullet to hunt deer is unlawful.

(d) The department shall report on the impact of the use of rifles to hunt deer under this section to the governor and, in an electronic format under IC 5-14-6, the general assembly before February 15, 2020.

(e) This section expires June 30, 2020.

SECTION 2. IC 14-22-2-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9. (a) This section applies to a hunting season beginning after June 30, 2016.**

(b) Notwithstanding any rule prescribing the minimum length of a handgun cartridge case, a hunter may use a handgun that fires a commercially available bullet of ten (10) millimeters in diameter to hunt deer.

(c) The use of a handgun described in subsection (b) to hunt deer is subject to the rules:

(1) requiring that the handgun conform to the requirements of IC 35-47-1-6;

(2) prescribing the minimum barrel length of the handgun; and

(3) prohibiting the use of full metal jacketed bullets.

(d) The director shall amend any rule necessary to comply with this section.

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

(Reference is to EHB 1231 as reprinted March 1, 2016.)

Arnold, Chair	Tomes
Kersey	Arnold
House Conferees	Senate Conferees

Roll Call 374: yeas 38, nays 12. Report adopted.

CONFERENCE COMMITTEE REPORT

EHB 1233–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill 1233 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 3, line 24, delete "consult with" and insert "**seek direction from**".

Page 3, line 28, delete "consultation." and insert "**seeking direction.**".

(Reference is to EHB 1233 as printed February 19, 2016.)

Olthoff, Chair	Crider
Hale	Broden
House Conferees	Senate Conferees

Roll Call 375: yeas 50, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

EHB 1344–1

Mr. President: Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill 1344 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 22-4-2-3 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 3. "Board" means the unemployment insurance board established by this article.~~

SECTION 2. IC 22-4-2-34, AS AMENDED BY P.L.12-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. (a) With respect to benefits for weeks of unemployment beginning after August 13, 1981, "extended benefit period" means a period which begins with the third week after a week for which there is a state "on" indicator and ends with the later of the following:

(1) The third week after the first week for which there is a state "off" indicator.

(2) The thirteenth consecutive week of such period.

(b) However, no extended benefit period may begin by reason of a state "on" indicator before the fourteenth week following the end of a prior extended benefit period which was in effect with respect to this state.

(c) There is a state "on" indicator for this state for a week if the commissioner determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve (12) weeks, the rate of insured unemployment (not seasonally adjusted) under this article:

(1) equaled or exceeded one hundred twenty percent (120%) of the average of such rates for the corresponding 13-week period ending in each of the preceding two (2) calendar years; and

(2) equaled or exceeded five percent (5%).

However, the determination of whether there has been a state "on" or "off" indicator beginning or ending any extended benefit period shall be made under this subsection as if it did not contain subdivision (1) if the insured unemployment rate is at least six percent (6%). Any week for which there would otherwise be a state "on" indicator shall continue to be such a week and may not be determined to be a week for which there is a state "off" indicator.

(d) In addition to the test for a state "on" indicator under subsection (c), there is a state "on" indicator for this state for a week if:

(1) the average rate of total unemployment in Indiana, seasonally adjusted, as determined by the United States Secretary of Labor, for the period consisting of the most recent three (3) months for which data for all states are published before the close of the week, equals or exceeds six and five-tenths percent (6.5%); and

(2) the average rate of total unemployment in Indiana, seasonally adjusted, as determined by the United States Secretary of Labor, for the three (3) month period referred to in subdivision (1) equals or exceeds one hundred ten percent (110%) of the average for either or both of the corresponding three (3) month periods ending in the two (2) preceding calendar years.

There is a state "off" indicator for a week if either of the requirements in subdivisions (1) and (2) are not satisfied. However, any week for which there would otherwise be a state "on" indicator under this section continues to be subject to the "on" indicator and shall not be considered a week for which there is a state "off" indicator. This subsection expires on the later of

December 5, 2009, or the week ending four (4) weeks before the last week for which federal sharing is authorized by Section 2005(a) of Division B, Title II (the federal Assistance to Unemployed Workers and Struggling Families Act) of the federal American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

(e) There is a state "off" indicator for this state for a week if the commissioner determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding twelve (12) weeks, the requirements of subsection (c) have not been met.

(f) With respect to benefits for weeks of unemployment beginning after August 13, 1981, "rate of insured unemployment," for purposes of subsection (c), means the percentage derived by dividing:

(1) the average weekly number of individuals filing claims for regular compensation in this state for weeks of unemployment with respect to the most recent 13 consecutive week period (as determined by the ~~board~~ **department** on the basis of this state's reports to the United States Secretary of Labor); by

(2) the average monthly employment covered under this article for the first four (4) of the most recent six (6) completed calendar quarters ending before the end of such 13-week period.

(g) "Regular benefits" means benefits payable to an individual under this article or under the law of any other state (including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. 8501 through 8525) other than extended benefits. "Additional benefits" means benefits other than extended benefits and which are totally financed by a state payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors under the provisions of any state law. If extended compensation is payable to an individual by this state and additional compensation is payable to the individual for the same week by any state, the individual may elect which of the two (2) types of compensation to claim.

(h) "Extended benefits" means benefits (including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 U.S.C. 8501 through 8525) payable to an individual under the provisions of this article for weeks of unemployment in the individual's "eligibility period". Pursuant to Section 3304 of the Internal Revenue Code extended benefits are not payable to interstate claimants filing claims in an agent state which is not in an extended benefit period, against the liable state of Indiana when the state of Indiana is in an extended benefit period. This prohibition does not apply to the first two (2) weeks claimed that would, but for this prohibition, otherwise be payable. However, only one (1) such two (2) week period will be granted on an extended claim. Notwithstanding any other provisions of this chapter, with respect to benefits for weeks of unemployment beginning after October 31, 1981, if the benefit year of any individual ends within an extended benefit period, the remaining balance of extended benefits that the individual would, but for this clause, be entitled to receive in that extended benefit period, with respect to weeks of unemployment beginning after the end of the benefit year, shall be reduced (but not below zero (0)) by the product of the number of weeks for which the individual received any amounts as trade readjustment allowances within that benefit year, multiplied by the individual's weekly benefit amount for extended benefits.

(i) "Eligibility period" of an individual means the period consisting of the weeks in the individual's benefit period which begin in an extended benefit period and, if the individual's benefit period ends within such extended benefit period, any weeks thereafter which begin in such extended benefit period. For any weeks of unemployment beginning after February 17, 2009, and before January 1, 2012, an individual's eligibility period (as described in Section 203(c) of the Federal-State Unemployment Compensation Act of 1970) is, for purposes of any determination of eligibility for extended compensation under state law, considered to include any week that begins:

(1) after the date as of which the individual exhausts all rights to emergency unemployment compensation; and

(2) during an extended benefit period that began on or before the date described in subdivision (1).

(j) "Exhaustee" means an individual who, with respect to any week of unemployment in the individual's eligibility period:

(1) has received, prior to such week, all of the regular benefits including dependent's allowances that were available to the individual under this article or under the law of any other state (including benefits payable to federal civilian employees and ex-servicemen under 5 U.S.C. 8501 through 8525) in the individual's current benefit period that includes such week. However, for the purposes of this subsection, an individual shall be deemed to have received all of the regular benefits that were available to the individual although as a result of a pending appeal with respect to wages that were not considered in the original monetary determination in the individual's benefit period or although a nonmonetary decision denying benefits is pending, the individual may subsequently be determined to be entitled to added regular benefits;

(2) may be entitled to regular benefits with respect to future weeks of unemployment but such benefits are not payable with respect to such week of unemployment by reason of seasonal limitations in any state unemployment insurance law; or

(3) having had the individual's benefit period expire prior to such week, has no, or insufficient, wages on the basis of which the individual could establish a new benefit period that would include such week;

and has no right to unemployment benefits or allowances, as the case may be, under the Railroad Unemployment Insurance Act, the Trade Act of 1974, the Automotive Products Trade Act of 1965 and such other federal laws as are specified in regulations issued by the United States Secretary of Labor, and has not

received and is not seeking unemployment benefits under the unemployment compensation law of Canada; but if the individual is seeking such benefits and the appropriate agency finally determines that the individual is not entitled to benefits under such law, the individual is considered an exhaustee.

(k) "State law" means the unemployment insurance law of any state, approved by the United States Secretary of Labor under Section 3304 of the Internal Revenue Code.

(l) With respect to compensation for weeks of unemployment beginning after March 1, 2011, and ending on the later of December 10, 2011, or the week ending four (4) weeks before the last week for which federal sharing is authorized by Section 2005(a) of Division B, Title II (the federal Assistance to Unemployed and Struggling Families Act) of the federal American Recovery and Reinvestment Act of 2009 (P.L. 111-5), in addition to the tests for a state "on" indicator under subsections (c) and (d), there is a state "on" indicator for a week if:

(1) the average rate of insured unemployment for the period consisting of the week and the immediately preceding twelve (12) weeks equals or exceeds five percent (5%); and

(2) the average rate of insured unemployment for the period consisting of the week and the immediately preceding twelve (12) weeks equals or exceeds one hundred twenty percent (120%) of the average rates of insured unemployment for the corresponding thirteen (13) week period ending in each of the preceding three (3) calendar years.

(m) There is a state "off" indicator for a week based on the rate of insured unemployment only if the rate of insured unemployment for the period consisting of the week and the immediately preceding twelve (12) weeks does not result in an "on" indicator under subsection (c)(1).

(n) With respect to compensation for weeks of unemployment beginning after March 1, 2011, and ending on the later of December 10, 2011, or the week ending four (4) weeks before the last week for which federal sharing is authorized by Section 2005(a) of Division B, Title II (the federal Assistance to Unemployed and Struggling Families Act) of the federal American Recovery and Reinvestment Act of 2009 (P.L. 111-5), in addition to the tests for a state "on" indicator under subsections (c), (d), and (l) there is a state "on" indicator for a week if:

(1) the average rate of total unemployment (seasonally adjusted), as determined by the United States Secretary of Labor, for the period consisting of the most recent three (3) months for which data for all states are published before the close of the week equals or exceeds six and one-half percent (6.5%); and

(2) the average rate of total unemployment in Indiana (seasonally adjusted), as determined by the United States Secretary of Labor, for the three (3) month period referred to in subdivision (1) equals or exceeds one hundred ten percent (110%) of the average for any or all of the corresponding three (3) month periods ending in the three (3) preceding calendar years.

(o) There is a state "off" indicator for a week based on the rate of total unemployment only if the rate of total unemployment for the period consisting of the most recent three (3) months for which data for all states are published before the close of the week does not result in an "on" indicator under subsection (d)(1).

SECTION 3. IC 22-4-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. "Remuneration" whenever used in this article, unless the context clearly denotes otherwise, means all compensation for personal services, including but not limited to commissions, bonuses, dismissal pay, vacation pay, sick pay (subject to the provisions of section 2(b)(2) of this chapter) payments in lieu of compensation for services, and cash value of all compensation paid in any medium other than cash. The reasonable cash value of compensation paid in any medium other than cash may be estimated and determined in accordance with rules prescribed by the ~~board.~~ **department.** Such term shall not, however, include the value of meals, lodging, books, tuition, or educational facilities furnished to a student while such student is attending an established school, college, university, hospital, or training course for services performed within the regular school term or school year, including the customary vacation days or periods falling within such school term or school year.

SECTION 4. IC 22-4-7-1, AS AMENDED BY P.L.121-2014, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Before January 1, 2015, "employer" means:

(1) any employing unit which for some portion of a day, but not necessarily simultaneously, in each of twenty (20) different weeks, whether or not such weeks are or were consecutive within either the current or the preceding year, has or had in employment, and/or has incurred liability for wages payable to, one (1) or more individuals (irrespective of whether the same individual or individuals are or were employed in each such day); or

(2) any employing unit which in any calendar quarter in either the current or preceding calendar year paid for service in employment wages of one thousand five hundred dollars ($1,500) or more, except as provided in section 2(e), 2(h), and 2(i) of this chapter.

(b) After December 31, 2014, "employer" means either of the following:

(1) An employing unit that has incurred liability for wages payable to one (1) or more individuals.

(2) An employing unit that in any calendar quarter during the current or preceding calendar year paid for service in employment wages of one dollar ($1) or more, except as provided in section 2(e), 2(h), and 2(i) of this chapter.

(c) For the purpose of this definition, if any week includes both December 31, and January 1, the days up to January 1 shall be deemed one (1) calendar week and the days beginning January

1 another such week.

(d) For purposes of this section, "employment" shall include services which would constitute employment but for the fact that such services are deemed to be performed entirely within another state pursuant to an election under an arrangement entered into by the ~~board~~ **department** (pursuant to IC 22-4-22) and an agency charged with the administration of any other state or federal unemployment compensation law.

SECTION 5. IC 22-4-8-3, AS AMENDED BY P.L.2-2007, SECTION 292, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. "Employment" shall not include the following:

(1) Except as provided in section 2(i) of this chapter, service performed prior to January 1, 1978, in the employ of this state, any other state, any town or city, or political subdivision, or any instrumentality of any of them, other than service performed in the employ of a municipally owned public utility as defined in this article; or service performed in the employ of the United States of America, or an instrumentality of the United States immune under the Constitution of the United States from the contributions imposed by this article, except that to the extent that the Congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation statute, all of the provisions of this article shall be applicable to such instrumentalities, in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and services. However, if this state shall not be certified for any year by the Secretary of Labor under Section 3304 of the Internal Revenue Code the payments required of such instrumentalities with respect to such year shall be refunded by the commissioner from the fund in the same manner and within the same period as is provided in IC 22-4-32-19 with respect to contribution erroneously paid or wrongfully assessed.

(2) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an Act of Congress; however, the department is authorized to enter into agreements with the proper agencies under such Act of Congress which agreements shall become effective ten (10) days after publication thereof, in accordance with rules adopted by the department under IC 4-22-2, to provide reciprocal treatment to individuals who have, after acquiring potential rights to benefits under this article, acquired rights to unemployment compensation under such Act of Congress, or who have, after having acquired potential rights to unemployment compensation under such Act of Congress, acquired rights to benefits under this article.

(3) "Agricultural labor" as provided in section 2(l)(1) of this chapter shall include only services performed:

(A) on a farm, in the employ of any person, in connection with cultivating the soil or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife;

(B) in the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm;

(C) in connection with the production or harvesting of any commodity defined as an agricultural commodity in Section 15(g) of the Agricultural Marketing Act (12 U.S.C. 1141j(g)) as amended, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(D) in the employ of:

(i) the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than one-half (1/2) of the commodity with respect to which such service is performed; or

(ii) a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in item (i), but only if such operators produce more than one-half (1/2) of the commodity with respect to which such service is performed;

except the provisions of items (i) and (ii) shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(E) on a farm operated for profit if such service is not in the course of the employer's trade or business or is domestic service in a private home of the employer.

(4) As used in subdivision (3), "farm" includes stock, dairy, poultry, fruit, furbearing animals, and truck farms, nurseries, orchards, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities.

(5) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, except as provided in section 2(m) of this chapter.

(6) Service performed on or in connection with a vessel or aircraft not an American vessel or American aircraft, if the employee is employed on and in connection with such vessel or aircraft when outside the United States.

(7) Service performed by an individual in the employ of child or spouse, and service performed by a child under the age of twenty-one (21) in the employ of a parent.

(8) Service not in the course of the employing unit's trade or business performed in any calendar quarter by an individual, unless the cash remuneration paid for such service is fifty dollars ($50) or more and such service is performed by an individual who is regularly employed by such employing unit to perform such service. For the purposes of this subdivision, an individual shall be deemed to be regularly employed to perform service not in the course of an employing unit's trade or business during a calendar quarter only if:

(A) on each of some of twenty-four (24) days during such quarter such individual performs such service for some portion of the day; or

(B) such individual was regularly employed (as determined under clause (A)) by such employing unit in the performance of such service during the preceding calendar quarter.

(9) Service performed by an individual in any calendar quarter in the employ of any organization exempt from income tax under Section 501 of the Internal Revenue Code (except those services included in sections 2(i) and 2(j) of this chapter if the remuneration for such service is less than fifty dollars ($50)).

(10) Service performed in the employ of a hospital, if such service is performed by a patient of such hospital.

(11) Service performed in the employ of a school or eligible postsecondary educational institution if the service is performed:

(A) by a student who is enrolled and is regularly attending classes at the school or eligible postsecondary educational institution; or

(B) by the spouse of such a student, if such spouse is advised, at the time such spouse commences to perform such service, that:

(i) the employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by the school or eligible postsecondary educational institution; and

(ii) such employment will not be covered by any program of unemployment insurance.

(12) Service performed by an individual who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program, and such institution has so certified to the employer, except that this subdivision shall not apply to service performed in a program established for or on behalf of an employer or group of employers.

(13) Service performed in the employ of a government foreign to the United States of America, including service as a consular or other officer or employee or a nondiplomatic representative.

(14) Service performed in the employ of an instrumentality wholly owned by a government foreign to that of the United States of America, if the service is of a character similar to that performed in foreign countries by employees of the United States of America or of an instrumentality thereof, and if the ~~board~~ **department** finds that the Secretary of State of the United States has certified to the Secretary of the Treasury of the United States that the government, foreign to the United States, with respect to whose instrumentality exemption is claimed, grants an equivalent exemption with respect to similar service performed in such country by employees of the United States and of instrumentalities thereof.

(15) Service performed as a student nurse in the employ of a hospital or nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law; and service performed as an intern in the employ of a hospital by an individual who has completed a four (4) year course in a medical school chartered or approved pursuant to state law.

(16) Service performed by an individual as an insurance producer or as an insurance solicitor, if all such service performed by such individual is performed for remuneration solely by way of commission.

(17) Service performed by an individual:

(A) under the age of eighteen (18) in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution; or

(B) in, and at the time of, the sale of newspapers or magazines to ultimate consumers, under an arrangement under which the newspapers or magazines are to be sold by the individual at a fixed price, the individual's compensation being based on the retention of the excess of such price over the amount at which the newspapers or magazines are charged to the individual, whether or not the individual is guaranteed a minimum amount of compensation for such service, or is entitled to be credited with the unsold newspapers or magazines turned back.

(18) Service performed in the employ of an international organization.

(19) Except as provided in IC 22-4-7-1, services covered by an election duly approved by the agency charged with

the administration of any other state or federal unemployment compensation law in accordance with an arrangement pursuant to IC 22-4-22-1 through IC 22-4-22-5, during the effective period of such election.

(20) If the service performed during one-half (1/2) or more of any pay period by an individual for an employing unit constitutes employment, all the services of such individual for such period shall be deemed to be employment; but if the services performed during more than one-half (1/2) of any pay period by such an individual do not constitute employment, then none of the services of such individual for such period shall be deemed to be employment. As used in this subsection, "pay period" means a period of not more than thirty-one (31) consecutive days for which a payment of remuneration is ordinarily made to the individual by the employing unit. This subsection shall not be applicable with respect to services performed in a pay period by any such individual where any such service is excepted by subdivision (2).

(21) Service performed by an inmate of a custodial or penal institution.

(22) Service performed as a precinct election officer (as defined in IC 3-5-2-40.1).

SECTION 6. IC 22-4-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Every employer subject to this article or who has ceased to be subject to this article pursuant to section 2 of this chapter shall post and maintain printed notices thereof on its premises of such design, in such numbers, and at such places as the ~~board~~ **department** may determine to be necessary to give such notice to persons in its service and may furnish for such purposes. Such employer shall also cause to be distributed to employees any booklets, pamphlets, leaflets, or other literature or materials supplied and furnished to such employer by the department and which contain instructions to employees on the filing of claims or which relate to the rights of employees under this article and are deemed by the ~~board~~ **department** to promote the proper and efficient administration of this article.

SECTION 7. IC 22-4-11-2, AS AMENDED BY P.L.183-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in IC 22-4-10-6 and IC 22-4-11.5, the department shall for each year determine the contribution rate applicable to each employer.

(b) The balance shall include contributions with respect to the period ending on the computation date and actually paid on or before July 31 immediately following the computation date and benefits actually paid on or before the computation date and shall also include any voluntary payments made in accordance with IC 22-4-10-5 or IC 22-4-10-5.5 (repealed):

(1) for each calendar year, an employer's rate shall be determined in accordance with the rate schedules in section 3.3 or 3.5 of this chapter; and

(2) for each calendar year, an employer's rate shall be two and five-tenths percent (2.5%), except as otherwise provided in subsection (g) or IC 22-4-37-3, unless:

(A) the employer has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date;

(B) there has been some annual payroll in each of the three (3) twelve (12) month periods immediately preceding the computation date; and

(C) the employer has properly filed all required contribution and wage reports, and all contributions, penalties, and interest due and owing by the employer or the employer's predecessors have been paid.

(c) In addition to the conditions and requirements set forth and provided in subsection (b)(2)(A), (b)(2)(B), and (b)(2)(C), an employer's rate is equal to the sum of the employer's contribution rate determined or estimated by the department under this article plus two percent (2%) unless all required contributions and wage reports have been filed within thirty-one (31) days following the computation date and all contributions, penalties, and interest due and owing by the employer or the employer's predecessor for periods before and including the computation date have been paid:

(1) within thirty-one (31) days following the computation date; or

(2) within ten (10) days after the department has given the employer a written notice by registered mail to the employer's last known address of:

(A) the delinquency; or

(B) failure to file the reports;

whichever is the later date. The ~~board~~ **department** or the ~~board's~~ **department's** designee may waive the imposition of rates under this subsection if the ~~board~~ **department** finds the employer's failure to meet the deadlines was for excusable cause. The department shall give written notice to the employer before this additional condition or requirement shall apply. An employer's rate under this subsection may not exceed twelve percent (12%).

(d) However, if the employer is the state or a political subdivision of the state or any instrumentality of a state or a political subdivision, or any instrumentality which is wholly owned by the state and one (1) or more other states or political subdivisions, the employer may contribute at a rate of one and six-tenths percent (1.6%) until it has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date.

(e) On the computation date every employer who had taxable wages in the previous calendar year shall have the employer's experience account charged with the amount determined under the following formula:

STEP ONE: Divide:

(A) the employer's taxable wages for the preceding calendar year; by

(B) the total taxable wages for the preceding calendar year.

STEP TWO: Subtract:

(A) the amount described in IC 22-4-10-4.5(e)(2), if any; from

(B) the total amount of benefits charged to the fund under section 1 of this chapter.

STEP THREE: Multiply the quotient determined under STEP ONE by the difference determined under STEP TWO.

(f) One (1) percentage point of the rate imposed under subsection (c), or the amount of the employer's payment that is attributable to the increase in the contribution rate, whichever is less, shall be imposed as a penalty that is due and shall be deposited upon collection into the special employment and training services fund established under IC 22-4-25-1. The remainder of the contributions paid by an employer pursuant to the maximum rate shall be:

(1) considered a contribution for the purposes of this article; and

(2) deposited in the unemployment insurance benefit fund established under IC 22-4-26.

(g) Except as otherwise provided in IC 22-4-37-3, this subsection, instead of subsection (b)(2), applies to an employer in the construction industry. As used in the subsection, "construction industry" means business establishments whose proper primary classification in the current edition of the North American Industry Classification System Manual - United States, published by the National Technical Information Service of the United States Department of Commerce is 23 (construction). For each calendar year beginning after December 31, 2013, an employer's rate shall be equal to the lesser of four percent (4%) or the average of the contribution rates paid by all employers in the construction industry subject to this article during the twelve (12) months preceding the computation date, unless:

(1) the employer has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date;

(2) there has been some annual payroll in each of the three

(3) twelve (12) month periods immediately preceding the computation date; and

(3) the employer has properly filed all required contribution and wage reports, and all contributions, penalties, and interest due and owing by the employer or the employer's predecessors have been paid.

SECTION 8. IC 22-4-12-4, AS AMENDED BY P.L.12-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Benefits shall be computed upon the basis of wage credits of an individual in the individual's base period. Wage credits shall be reported by the employer and credited to the individual in the manner prescribed by the ~~board.~~ **department.** With respect to initial claims filed for any week beginning on and after July 7, 1991, the maximum total amount of benefits payable to any eligible individual during any benefit period shall not exceed twenty-six (26) times the individual's weekly benefit, or twenty-eight percent (28%) of the individual's wage credits with respect to the individual's base period, whichever is less. If such maximum total amount of benefits is not a multiple of one dollar ($1), it shall be computed to the next lower multiple of one dollar ($1).

(b) Except as provided in subsection (d), the total extended benefit amount payable to any eligible individual with respect to the individual's applicable benefit period shall be fifty percent (50%) of the total amount of regular benefits (including dependents' allowances) which were payable to the individual under this article in the applicable benefit year, or thirteen (13) times the weekly benefit amount (including dependents' allowances) which was payable to the individual under this article for a week of total unemployment in the applicable benefit year, whichever is the lesser amount.

(c) This subsection applies to individuals who file a disaster unemployment claim or a state unemployment insurance claim after June 1, 1990, and before June 2, 1991, or during another time specified in another state statute. An individual is entitled to thirteen (13) weeks of additional benefits, as originally determined, if:

(1) the individual has established:

(A) a disaster unemployment claim under the Stafford Disaster Relief and Emergency Assistance Act; or

(B) a state unemployment insurance claim as a direct result of a major disaster;

(2) all regular benefits and all disaster unemployment assistance benefits:

(A) have been exhausted by the individual; or

(B) are no longer payable to the individual due to the expiration of the disaster assistance period; and

(3) the individual remains unemployed as a direct result of the disaster.

(d) For purposes of this subsection, "high unemployment period" means a period during which an extended benefit period would be in effect if IC 22-4-2-34(d)(1) were applied by substituting "eight percent (8%)" for "six and five-tenths percent (6.5%)". Effective with respect to weeks beginning in a high unemployment period, the total extended benefit amount payable to an eligible individual with respect to the applicable benefit year is equal to the least of the following amounts:

(1) Eighty percent (80%) of the total amount of regular benefits that were payable to the eligible individual under this article in the applicable benefit year.

(2) Twenty (20) times the weekly benefit amount that was payable to the eligible individual under this article for a week of total unemployment in the applicable benefit year.

(3) Forty-six (46) times the weekly benefit amount that was payable to the eligible individual under this article for a week of total unemployment in the applicable benefit year, reduced by the regular unemployment compensation benefits paid (or deemed paid) during the benefit year.

This subsection expires on the later of December 5, 2009, or the week ending four (4) weeks before the last week for which federal sharing is authorized by Section 2005(a) of Division B, Title II (the federal Assistance to Unemployed Workers and

Struggling Families Act) of the federal American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

(e) For purposes of this subsection, "high unemployment period" means a period during which an extended benefit period would be in effect if IC 22-4-2-34(n)(1) were applied by substituting "eight percent (8%)" for "six and one-half percent (6.5%)". Effective with respect to weeks of unemployment beginning after March 1, 2011, and ending on the later of December 10, 2011, or the week ending four (4) weeks before the last week for which federal sharing is authorized by Section 2005(a) of Division B, Title II (the federal Assistance to Unemployed and Struggling Families Act) of the federal American Recovery and Reinvestment Act of 2009 (P.L. 111-5), in a high unemployment period, the total extended benefit amount payable to an eligible individual with respect to the applicable benefit year is equal to the lesser of the following amounts:

(1) Eighty percent (80%) of the total amount of regular benefits that were payable to the eligible individual under this article in the applicable benefit year.

(2) Twenty (20) times the weekly benefit amount that was payable to the eligible individual under this article for a week of total unemployment in the applicable benefit year.

SECTION 9. IC 22-4-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As used in this section, the term "part-time worker" means an individual whose normal work is in an occupation in which ~~his~~ **the individual's** services are not required for the customary scheduled full-time hours prevailing in the establishment in which ~~he~~ **the individual** is employed, or who, owing to personal circumstances, does not customarily work the customary scheduled full-time hours prevailing in the establishment in which ~~he~~ **the individual** is employed.

(b) The ~~board~~ **department** may prescribe rules applicable to part-time workers for determining their weekly benefit amount and the wage credits required to qualify such individuals for benefits. Such rules shall, with respect to such individuals, supersede any inconsistent provisions of this article, but, so far as practicable, shall secure results reasonably equivalent to those provided in the analogous provisions of this article.

SECTION 10. IC 22-4-14-2, AS AMENDED BY P.L.175-2009, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) An unemployed individual is eligible to receive benefits with respect to any week only if the individual has:

(1) registered for work at an employment office or branch thereof or other agency designated by the commissioner within the time limits that the department by rule adopts; and

(2) subsequently reported with the frequency and in the manner, either in person or in writing, that the department by rule adopts.

(b) Failure to comply with subsection (a) shall be excused by the commissioner or the commissioner's authorized representative upon a showing of good cause therefor. The department shall waive or alter the requirements of this section as to such types of cases or situations that compliance with such requirements would be oppressive. ~~or would be inconsistent with the purposes of this article.~~

(c) The department shall provide job counseling or training to an individual who remains unemployed for at least four (4) weeks. The manner and duration of the counseling shall be determined by the department.

(d) An individual who is receiving benefits as determined under IC 22-4-15-1(c)(8) is entitled to complete the reporting, counseling, or training that must be conducted in person at a one stop center selected by the individual. The department shall advise an eligible individual that this option is available.

(e) The department may waive the requirements of subsection (a) for a week only when one (1) of the following applies to an individual for that week:

(1) The individual is attending training or retraining approved by the department.

(2) The individual is a job-attached worker with a specific recall date that is not more than sixty (60) days after the individual's separation date.

(3) The individual is using:

(A) a hiring service;

(B) a referral service; or

(C) another job placement service as determined by the department.

~~(4) Any other situation exists for which the department considers requiring compliance by the individual with this section to be inconsistent with the purposes of this article.~~

SECTION 11. IC 22-4-14-3, AS AMENDED BY P.L.195-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. (a) An individual who is receiving benefits as determined under IC 22-4-15-1(c)(8) may restrict the individual's availability because of the individual's need to address the physical, psychological, or legal effects of being a victim of domestic or family violence (as defined in IC 31-9-2-42).

(b) An unemployed individual shall be eligible to receive benefits with respect to any week only if the individual:

(1) is physically and mentally able to work;

(2) is available for work;

(3) is found by the department to be making an effort to secure full-time work; and

(4) participates in reemployment services and reemployment and eligibility assessment activities **as required by section 3.2 of this chapter or** when directed by the department as provided under section 3.5 of this chapter, unless the department determines that:

(A) the individual has completed the reemployment services; or

(B) failure by the individual to participate in or complete the reemployment services is excused by the director under IC 22-4-14-2(b).

The term "effort to secure full-time work" shall be defined by the department through rule which shall take into consideration whether such individual has a reasonable assurance of reemployment and, if so, the length of the prospective period of unemployment. However, if an otherwise eligible individual is unable to work or unavailable for work on any normal work day of the week the individual shall be eligible to receive benefits with respect to such week reduced by one-third (1/3) of the individual's weekly benefit amount for each day of such inability to work or unavailability for work.

(c) For the purpose of this article, unavailability for work of an individual exists in, but is not limited to, any case in which, with respect to any week, it is found:

(1) that such individual is engaged by any unit, agency, or instrumentality of the United States, in charge of public works or assistance through public employment, or any unit, agency, or instrumentality of this state, or any political subdivision thereof, in charge of any public works or assistance through public employment;

(2) that such individual is in full-time active military service of the United States, or is enrolled in civilian service as a conscientious objector to military service;

(3) that such individual is suspended for misconduct in connection with the individual's work; or

(4) that such individual is in attendance at a regularly established public or private school during the customary hours of the individual's occupation or is in any vacation period intervening between regular school terms during which the individual is a student. However, this subdivision does not apply to any individual who is attending a regularly established school, has been regularly employed and upon becoming unemployed makes an effort to secure full-time work and is available for suitable full-time work with the individual's last employer, or is available for any other full-time employment deemed suitable.

(d) Notwithstanding any other provisions in this section or IC 22-4-15-2, no otherwise eligible individual shall be denied benefits for any week because the individual is in training with the approval of the department, nor shall such individual be denied benefits with respect to any week in which the individual is in training with the approval of the department by reason of the application of the provisions of this section with respect to the availability for work or active search for work or by reason of the application of the provisions of IC 22-4-15-2 relating to failure to apply for, or the refusal to accept, suitable work. The department shall by rule prescribe the conditions under which approval of such training will be granted.

(e) Notwithstanding subsection (b), (c), or (d), or IC 22-4-15-2, an otherwise eligible individual shall not be denied benefits for any week or determined not able, available, and actively seeking work, because the individual is responding to a summons for jury service. The individual shall:

(1) obtain from the court proof of the individual's jury service; and

(2) provide to the department, in the manner the department prescribes by rule, proof of the individual's jury service.

SECTION 12. IC 22-4-14-3.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 3.2. (a) For purposes of section 3 of this chapter, not later than the fourth week after the week an individual begins receiving benefits, the individual must be scheduled to visit and receive an orientation to the services available through a one stop center (as defined by IC 22-4.1-1-5). The individual must appear when scheduled, but in any event, the individual's orientation must be completed not later than the sixth week after the week the individual begins receiving benefits.**

(b) The department may waive the requirements of subsection (a) only when one (1) of the following applies to an individual:

(1) The individual is attending training or retraining approved by the department.

(2) The individual is a job-attached worker with a specific recall date that is not more than sixty (60) days after the individual's separation date.

(3) The individual is using:

(A) a hiring service;

(B) a referral service; or

(C) another job placement service as determined by the department.

(4) The individual is receiving a supplemental unemployment benefit under a contract or agreement.

SECTION 13. IC 22-4-14-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) For weeks of unemployment occurring after October 1, 1983, benefits may be paid to an individual on the basis of service performed in seasonal employment (as defined in IC 22-4-8-4) only if the claim is filed within the operating period of the seasonal employment. If the claim is filed outside the operating period of the seasonal employment, benefits may be paid on the basis of nonseasonal wages only.

(b) An employer shall file an application for a seasonal determination (as defined by IC 22-4-7-3) with the department of workforce development. A seasonal determination shall be made by the department within ninety (90) days after the filing of such an application. Until a seasonal determination by the department has been made in accordance with this section, no employer or worker may be considered seasonal.

(c) Any interested party may file an appeal regarding a seasonal determination within fifteen (15) calendar days after the determination by the department and obtain review of the determination in accordance with IC 22-4-32.

(d) Whenever an employer is determined to be a seasonal employer, the following provisions apply:

(1) The seasonal determination becomes effective the first day of the calendar quarter commencing after the date of the seasonal determination.

(2) The seasonal determination does not affect any benefit rights of seasonal workers with respect to employment before the effective date of the seasonal determination.

(e) If a seasonal employer, after the date of its seasonal determination, operates its business or its seasonal operation during a period or periods of twenty-six (26) weeks or more in a calendar year, the employer shall be determined by the department to have lost its seasonal status with respect to that business or operation effective at the end of the then current calendar quarter. The redetermination shall be reported in writing to the employer. Any interested party may file an appeal within fifteen (15) calendar days after the redetermination by the department and obtain review of the redetermination in accordance with IC 22-4-32.

(f) Seasonal employers shall keep account of wages paid to seasonal workers within the seasonal period as determined by the department and shall report these wages on a special seasonal quarterly report form provided by the department.

(g) The ~~board~~ **department** shall adopt rules applicable to seasonal employers for determining their normal seasonal period or periods.

SECTION 14. IC 22-4-17-5, AS AMENDED BY P.L.175-2009, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The governor shall appoint a review board composed of three (3) members, not more than two (2) of whom shall be members of the same political party, with salaries to be fixed by the governor. The review board shall consist of the chairman and the two (2) members who shall serve for terms of three (3) years. At least one (1) member must be admitted to the practice of law in Indiana.

(b) Any claim pending before an administrative law judge, and all proceedings therein, may be transferred to and determined by the review board upon its own motion, at any time before the administrative law judge announces a decision. ~~Any claim pending before either an administrative law judge or the review board may be transferred to the board for determination at the direction of the board.~~ If the review board considers it advisable to procure additional evidence, it may direct the taking of additional evidence within a time period it shall fix. An employer that is a party to a claim transferred to the review board ~~or the board~~ under this subsection is entitled to receive notice in accordance with section 6 of this chapter of the transfer or any other action to be taken under this section before a determination is made or other action concerning the claim is taken.

(c) Any proceeding so removed to the review board shall be heard by a quorum of the review board in accordance with the requirements of section 3 of this chapter. The review board shall notify the parties to any claim of its decision, together with its reasons for the decision.

(d) Members of the review board, when acting as administrative law judges, are subject to section 15 of this chapter.

(e) The review board may on the board's own motion affirm, modify, set aside, remand, or reverse the findings, conclusions, or orders of an administrative law judge on the basis of any of the following:

(1) Evidence previously submitted to the administrative law judge.

(2) The record of the proceeding after the taking of additional evidence as directed by the review board.

(3) A procedural error by the administrative law judge.

SECTION 15. IC 22-4-17-7, AS AMENDED BY P.L.108-2006, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. In the discharge of the duties imposed by this article, ~~any member of the board,~~ the department, the review board, ~~or~~ an administrative law judge, or any duly authorized representative of any of them, shall have power to administer oaths and affirmations, take depositions, certify to official acts, and issue and serve subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with the disputed claim or the administration of this article.

SECTION 16. IC 22-4-17-8, AS AMENDED BY P.L.108-2006, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. In case of contumacy by, or refusal to obey a subpoena issued to, any person in the administration of this article, any court of this state within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by ~~the board,~~ the department, ~~or~~ the review board, or a duly authorized representative of ~~any~~ **either** of these, shall have jurisdiction to issue to such person an order requiring such person to appear before ~~the board,~~ the department, the review board, an administrative law judge, or the duly authorized representative of any of these, there to produce evidence if so ordered, or there to give testimony touching the matter in question or under investigation. Any failure to obey such order of the court may be punished by said court as a contempt thereof.

SECTION 17. IC 22-4-17-9, AS AMENDED BY P.L.108-2006, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before ~~the board,~~ the department, the review board, an administrative law judge, or the duly authorized representative of any of them, in obedience to the subpoena of any of them in any cause or proceeding before any of them on the ground that the testimony or evidence, documentary or otherwise, required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture, but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which the person is compelled after having claimed the privilege against self-incrimination to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be

exempt from prosecution and punishment for perjury committed in so testifying. Any testimony or evidence submitted in due course before ~~the board,~~ the department, the review board, an administrative law judge, or any duly authorized representative of any of them, shall be deemed a communication presumptively privileged with respect to any civil action except actions to enforce the provisions of this article.

SECTION 18. IC 22-4-17-14, AS AMENDED BY P.L.108-2006, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) This section applies to notices given under sections 2, 3, 11, and 12 of this chapter. This section does not apply to rules adopted by ~~the board or~~ the department, unless specifically provided.

(b) As used in this section, "notices" includes mailings of notices, determinations, decisions, orders, motions, or the filing of any document with the appellate division or review board.

(c) If a notice is served through the United States mail, three (3) days must be added to a period that commences upon service of that notice.

(d) The filing of a document with the appellate division or review board is complete on the earliest of the following dates that apply to the filing:

(1) The date on which the document is delivered to the appellate division or review board.

(2) The date of the postmark on the envelope containing the document if the document is mailed to the appellate division or review board by the United States Postal Service.

(3) The date on which the document is deposited with a private carrier, as shown by a receipt issued by the carrier, if the document is sent to the appellate division or review board by a private carrier.

SECTION 19. IC 22-4-17-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) An administrative law judge may not preside over or otherwise participate in the hearing or disposition of an appeal in which the judge's impartiality might reasonably be questioned, including instances where the judge:

(1) has:

(A) personal bias or prejudice concerning a party; or

(B) personal knowledge of disputed evidentiary facts concerning the appeal;

(2) has served as a lawyer in the matter in controversy; or

(3) knows that the judge has any direct or indirect financial or other interest in the subject matter of an appeal or in a party to the appeal.

(b) Disqualification of an administrative law judge shall be in accordance with the rules adopted by the ~~Indiana unemployment insurance board.~~ **department.**

(c) This subsection does not apply to the disposition of ex parte matters specifically authorized by statute or rule. An administrative law judge may not communicate, directly or indirectly, regarding any substantive issue in the appeal while the appeal is pending, with any party to the appeal, or with any individual who has a direct or indirect interest in the outcome of the appeal, without notice and opportunity for all parties to participate in the communication.

SECTION 20. IC 22-4-18-1, AS AMENDED BY P.L.69-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) There is created a department under IC 22-4.1-2-1 which shall be known as the department of workforce development.

(b) The department of workforce development may:

(1) Administer the unemployment insurance program.

(2) Enter into agreements with the United States government that may be required as a condition of obtaining federal funds related to activities of the department under this article.

(3) Enter into contracts or agreements and cooperate with local governmental units or corporations, including profit or nonprofit corporations, or combinations of units and corporations to carry out the duties of the department imposed by this article, including contracts for the delegation of the department's administrative, monitoring, and program responsibilities and duties set forth in this article.

(c) The payment of unemployment insurance benefits must be made in accordance with 26 U.S.C. 3304.

(d) The department of workforce development may do all acts and things necessary or proper to carry out the powers expressly granted under this article, including the adoption of rules under IC 4-22-2.

(e) The department of workforce development may not charge any claimant for benefits for providing services under this article, except as provided in IC 22-4-17-12.

(f) The department of workforce development shall do the following:

(1) Submit a report to the general assembly in an electronic format under IC 5-14-6 and to the governor before December 1 of each year concerning the status of the unemployment compensation system, including the following:

(A) Recommendations for maintaining the solvency of the unemployment insurance benefit fund established under IC 22-4-26-1.

(B) Information regarding expenditures from the special employment and training services fund.

(C) Information regarding money released under IC 22-4-25-1(c).

(2) Make a presentation to the budget committee at each meeting of the budget committee held before November 1, 2016, concerning the status of the unemployment compensation system, including the following:

(A) Recommendations for maintaining the solvency of the unemployment insurance benefit fund established under IC 22-4-26-1.

(B) Information regarding expenditures from the special employment and training services fund.

(C) Information regarding money released under IC 22-4-25-1(c).

(D) Any other information requested by the budget committee.

~~(f)~~ **(g)** In addition to the duties prescribed in subsections (a) through ~~(e),~~ **(f),** the department of workforce development shall establish, implement, and maintain a training program in the nature and dynamics of domestic and family violence for training of all employees of the department who interact with a claimant for benefits to determine whether the claim of the individual for unemployment benefits is valid and to determine that employment separations stemming from domestic or family violence are reliably screened, identified, and adjudicated and that victims of domestic or family violence are able to take advantage of the full range of job services provided by the department. The training presenters shall include domestic violence experts with expertise in the delivery of direct services to victims of domestic violence, including using the staff of shelters for battered women in the presentation of the training. The initial training shall consist of instruction of not less than six (6) hours. Refresher training shall be required annually and shall consist of instruction of not less than three (3) hours.

SECTION 21. IC 22-4-18-2 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 2. (a) The Indiana unemployment insurance board is created. The board is responsible for the oversight of the unemployment insurance program. The board shall report annually to the governor on the status of unemployment insurance together with recommendations for maintaining the solvency of the unemployment insurance benefit fund. The department staff shall provide support to the board. The unemployment insurance board shall consist of nine (9) members, who shall be appointed by the governor, as follows:~~

~~(1) Four (4) members shall be appointed as representatives of labor and its interests.~~

~~(2) One (1) member shall be appointed as a representative of the state and its interest and of the public at large.~~

~~(3) Two (2) members shall be appointed as representatives of the large employers of the state.~~

~~(4) Two (2) members shall be appointed as representatives of the independent merchants and small employers of the state.~~

~~All appointments shall be made for terms of four (4) years. All appointments to full terms or to fill vacancies shall be made so that all terms end on March 31.~~

~~(b) Every Indiana unemployment insurance board member so appointed shall serve until a successor shall have been appointed and qualified. Before entering upon the discharge of official duties, each member of the board shall take and subscribe to an oath of office, which shall be filed in the office of the secretary of state. Any vacancy occurring in the membership of the board for any cause shall be filled by appointment by the governor for the unexpired term. The governor may, at any time, remove any member of the board for misconduct, incapacity, or neglect of duty. Each member of the board shall be entitled to receive as compensation for the member's services the sum of one hundred dollars ($100) per month for each and every month which the member devotes to the actual performance of the member's duties, as prescribed in this article, but the total amount of such compensation shall not exceed the sum of twelve hundred dollars ($1,200) per year. In addition to the compensation hereinbefore prescribed, each member of the board shall be entitled to receive the amount of traveling and other necessary expenses actually incurred while engaged in the performance of official duties.~~

~~(c) The board may hold one (1) regular meeting each month and such called meetings as may be deemed necessary by the commissioner or the board. The April meeting shall be known as the annual meeting. Five (5) members of the board constitute a quorum for the transaction of business. At its first meeting and at each annual meeting held thereafter, the board shall organize by the election of a president and vice president from its own number, each of whom, except those first elected, shall serve for a term of one (1) year and until a successor is elected.~~

SECTION 22. IC 22-4-18-2.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.4. (a) The Indiana unemployment insurance board and the department shall cooperate to provide for an orderly transition of the powers, duties, agreements, liabilities, records, property, and other assets as described in section 2.5 of this chapter on April 1, 2016.**

(b) This section expires January 1, 2017.

SECTION 23. IC 22-4-18-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) The Indiana unemployment insurance board is abolished on April 1, 2016.**

(b) On April 1, 2016, all powers, duties, agreements, and liabilities of the Indiana unemployment insurance board are transferred to the department.

(c) On April 1, 2016, all records and property of the Indiana unemployment insurance board, including appropriations or other funds under the control or supervision of the Indiana unemployment insurance board, are transferred to the department.

(d) After March 31, 2016, any amounts owed to the Indiana unemployment insurance board are considered to be owed to the department.

(e) After March 31, 2016, a reference to the Indiana unemployment insurance board in a statute, rule, or other document is considered a reference to the department.

(f) Rules that were adopted by the Indiana unemployment insurance board before April 1, 2016, shall be treated as though the rules were adopted by the department until the department adopts rules under IC 4-22-2 to administer this article.

(g) Proceedings that pertain to the unemployment insurance system pending before the Indiana unemployment insurance board on April 1, 2016, shall be transferred to the department and must be treated as if the department was the

original party.

(h) This section expires January 1, 2017.

SECTION 24. IC 22-4-19-1, AS AMENDED BY P.L.108-2006, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The ~~board~~ **department** shall have the power and authority to adopt, amend, or rescind such rules and regulations to employ such persons, make such expenditures, require such reports, make such investigations and take such other action as it may deem necessary or suitable for the proper administration of this article. All rules and regulations issued under the provisions of this article shall be effective upon publication in the manner hereinafter provided and shall have the force and effect of law. The ~~board~~ **department** may prescribe the extent, if any, to which any rule or regulation so issued or legal interpretation of this article shall be with or without retroactive effect. Whenever the ~~board~~ **department** believes that a change in contribution or benefit rates will become necessary to protect the solvency of the unemployment insurance benefit fund, ~~it~~ **the department** shall promptly so inform the governor and the general assembly, and make recommendations with respect thereto.

SECTION 25. IC 22-4-19-4 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 4. Subject to the further provisions of this article, the board is authorized to appoint, fix the compensation, and prescribe the duties and powers of such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of its duties. All positions shall be filled by persons selected and appointed as provided in this section. The board may authorize any such person so appointed to do any act or acts which would lawfully be done by the board and may, in its discretion, require suitable bond from any person charged with the custody of any money or securities.~~

SECTION 26. IC 22-4-19-7, AS AMENDED BY P.L.175-2009, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. In any case where an employing unit, or any officer, member, or agent thereof or any other person having possession of the records thereof, shall fail or refuse upon demand by ~~the board,~~ the department, the review board, or an administrative law judge, or the duly authorized representative of any of them, to produce or permit the examination or copying of any book, paper, account, record, or other data pertaining to payrolls or employment or ownership of interests or stock in any employing unit, or bearing upon the correctness of any contribution report, or for the purpose of making a report as required by this article where none has been made, then and in that event ~~the board,~~ the department, the review board, or the administrative law judge, or the duly authorized representative of any of them, may by issuance of a subpoena require the attendance of such employing unit, or any officer, member, or agent thereof or any other person having possession of the records thereof, and take testimony with respect to any such matter and may require any such person to produce any books or records specified in such subpoena.

SECTION 27. IC 22-4-19-8, AS AMENDED BY P.L.108-2006, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) ~~The board,~~ The department, the review board, or the administrative law judge, or the duly authorized representative of any of them, at any such hearing shall have power to administer oaths to any such person or persons. When any person called as a witness by such subpoena, duly signed, and served upon the witness by any duly authorized person or by the sheriff of the county of which such person is a resident, or wherein is located the principal office of such employing unit or wherein such records are located or kept, shall fail to obey such subpoena to appear before ~~the board,~~ the department, the review board, or the administrative law judge, or the authorized representative of any of them, or shall refuse to testify or to answer any questions, or to produce any book, record, paper, or other data when notified and demanded so to do, such failure or refusal shall be reported to the attorney general for the state ~~of Indiana~~ who shall thereupon institute proceedings by the filing of a petition in the name of the state ~~of Indiana~~ on the relation of the ~~board,~~ **department,** in the circuit court or superior or other court of competent jurisdiction of the county where such witness resides, or wherein such records are located or kept, to compel obedience of and by such witness.

(b) Such petition shall set forth the facts and circumstances of the demand for and refusal or failure to permit the examination or copying of such records or the failure or refusal of such witness to testify in answer to such subpoena or to produce the records so required by such subpoena. Such court, upon the filing and docketing of such petition shall thereupon promptly issue an order to the defendants named in said petition, to produce forthwith in such court or at a place in such county designated in such order, for the examination or copying by ~~the board,~~ the department, the review board, an administrative law judge, or the duly authorized representative of any of them, the records, books, or documents so described and to testify concerning matters described in such petition. Unless such defendants to such petition shall appear in said court upon a day specified in such order, which said day shall be not more than ten (10) days after the date of issuance of such order, and offer, under oath, good and sufficient reasons why such examination or copying should not be permitted, or why such subpoena should not be obeyed, such court shall thereupon deliver to ~~the board,~~ the department, the review board, the administrative law judge, or representative of any of them, for examination or copying, the records, books and documents so described in said petition and so produced in such court and shall order said defendants to appear in answer to the subpoena, and to testify concerning the subject matter of the inquiry. Any employing unit, or any officer, member, or agent ~~thereof,~~ **of the employing unit,** or any other persons having possession of the records thereof who shall willfully disobey such order of the court after the same shall have been served upon ~~him,~~ **the employing unit, any officer, member, or agent of the employing unit, or any other person having possession of the records** shall be guilty of indirect contempt of such court from

which such order shall have issued and may be adjudged in contempt of said court and punished therefor as provided by law.

SECTION 28. IC 22-4-19-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. If the ~~board~~ **department** determines that Public Law 94-566 or the federal laws it amends have been adjudged unconstitutional or invalid in its application to, or have been stayed pendente lite as to, a state or a political subdivision or an instrumentality which is wholly owned by the state and one (1) or more other states or political subdivisions and its employees by any court of competent jurisdiction, the ~~board~~ **department** shall suspend the enforcement of this article with respect to these employers and employees to the extent of the adjudged unconstitutionality or inapplicability or of the stay.

SECTION 29. IC 22-4-20-1, AS AMENDED BY P.L.175-2009, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Whenever the commissioner shall consider any account or claim for contributions against an employer, and any penalty or interest due thereon, or any part thereof, to be uncollectible, written notification containing appropriate information shall be furnished to the attorney general by the commissioner setting forth the reasons therefor and the extent to which collection proceedings have been taken. The attorney general may review such notice and may undertake additional investigation as to the facts relating thereto, and shall thereupon certify to the commissioner an opinion as to the collectibility of such account or claim. If the attorney general consents to the cancellation of such claim for delinquent contributions, and any interest or penalty due thereon, the board may then cancel all or any part of such claim.

(b) In addition to the procedure for cancellation of claims for delinquent contributions set out in subsection (a), the ~~board~~ **department** may cancel all or any part of a claim for delinquent contributions against an employer if all of the following conditions are met:

(1) The employer's account has been delinquent for at least seven (7) years.

(2) The commissioner has determined that the account is uncollectible and has recommended that the ~~board~~ **department** cancel the claim for delinquent contributions.

(c) When any such claim or any part thereof is cancelled by the ~~board,~~ **department,** there shall be placed in the files and records of the department, in the appropriate place for the same, a statement of the amount of contributions, any interest or penalty due thereon, and the action of the ~~board~~ **department** taken with relation thereto, together with the reasons therefor.

SECTION 30. IC 22-4-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. In the administration of this article the ~~board~~ **department** shall cooperate to the fullest extent consistent with the provisions of this article with the federal Department of Labor, shall make such reports in such form and containing such information as the federal Department of Labor may from time to time require and shall comply with such provisions as the federal Department of Labor may from time to time find necessary to insure the correctness and verification of such reports, and shall comply with the regulations prescribed by the Secretary of Labor governing the expenditures of such sums as may be allotted and paid to the state of Indiana under 42 U.S.C. 501 through 504 or any other federal statute for the purpose of assisting in the administration of this article.

SECTION 31. IC 22-4-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. Upon request therefor the ~~board~~ **department** shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this article.

SECTION 32. IC 22-4-21-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The ~~board~~ **department** may afford reasonable cooperation with every agency of the United States of America, or with any state charged with the administration of any unemployment compensation law.

SECTION 33. IC 22-4-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The ~~board~~ **department** shall enter into arrangements with the appropriate agencies of other states or jurisdictions or the United States of America whereby individuals performing services in this and other states or jurisdictions for a single employing unit under circumstances not specifically provided for in ~~IC 1971,~~ **IC** 22-4-8-2(b), ~~of this article,~~ or under similar provisions in the unemployment compensation laws of such other states or jurisdictions, shall be deemed to be employment performed entirely within this state or within one (1) of such other states or jurisdictions, and whereby potential rights to benefits accumulated under the unemployment compensation laws of several states or jurisdictions, or under such a law of the United States of America, or both, may constitute the basis for the payment of benefits through a single appropriate agency under the terms which the ~~board~~ **department** finds will be fair and reasonable to all affected interests and will not result in substantial loss to the fund.

SECTION 34. IC 22-4-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The ~~board~~ **department** is authorized to enter into reciprocal arrangements with the appropriate agencies of other states or jurisdictions or the United States of America, adjusting the collection and payment of contributions by employers with respect to employment not localized within this state.

SECTION 35. IC 22-4-22-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The ~~board~~ **department** is authorized to enter into reciprocal agreements with the agencies of other states or jurisdictions administering unemployment compensation laws whereby the ~~board~~ **department** and such other agencies or jurisdictions may act as agents for each other for the purpose of accepting contributions on each other's behalf. Such contributions upon remittance to the

state or jurisdiction on whose behalf such contributions were received, shall be deemed contributions required and paid into the unemployment compensation fund of such state or jurisdiction as of the date received by the agent, state or jurisdiction.

SECTION 36. IC 22-4-22-5, AS AMENDED BY P.L.108-2006, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. In order that the administration of this article and the unemployment insurance laws of other states or jurisdictions or of the United States of America will be promoted by cooperation between this state and such other states or jurisdictions or the appropriate agencies of the United States in exchanging services and making available facilities and information, ~~the board and~~ the department ~~are~~ **is** authorized to make such investigations, secure and transmit such information, make available such services and facilities, and exercise such of the other powers provided in this article with respect to the administration of this article as deemed necessary or appropriate to facilitate the administration of any unemployment insurance law and in like manner to accept and utilize information, services, and facilities made available to this state by the agency or jurisdiction charged with the administration of any such other unemployment insurance law.

SECTION 37. IC 22-4-25-1, AS AMENDED BY P.L.69-2015, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the ~~board~~ **department** for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the ~~board~~ **department** directly, or by transfer by the ~~board~~ **department** of the required amount from the special employment and training services fund to the employment and training services administration fund. The ~~board~~ **department** shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the ~~board~~ **department** directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by ~~the board or~~ the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the bureau of employment security. The money in this fund shall be continuously available to the ~~board~~ **department** for expenditures in accordance with the provisions of this section and for the prevention, detection, and recovery of delinquent contributions, penalties, and improper benefit payments, and shall not lapse at any time or be transferred to any other fund, except as provided in this article. **After making the grants required under subsection (c), the department may expend an amount not to exceed five million dollars ($5,000,000) in a state fiscal year for the purposes described in this subsection, unless an additional amount is approved by the budget committee.** Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) Whenever the balance in the special employment and training services fund exceeds eight million five hundred thousand dollars ($8,500,000), the ~~board~~ **department** shall order payment of the amount that exceeds eight million five hundred thousand dollars ($8,500,000) into the unemployment insurance benefit fund.

(c) Subject to ~~the approval of the board, and~~ the availability of funds, on July 1 each year the commissioner shall release:

(1) one million dollars ($1,000,000) to the state educational institution established under IC 21-25-2-1 for training provided to participants in apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(2) four million dollars ($4,000,000) to the state educational institution instituted and incorporated under IC 21-22-2-1 for training provided to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(3) two hundred fifty thousand dollars ($250,000) for journeyman upgrade training to each of the state educational institutions described in subdivisions (1) and (2);

(4) four hundred thousand dollars ($400,000) annually for training and counseling assistance:

(A) provided by Hometown Plans under 41 CFR 60-4.5; and

(B) approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars ($20,000); and

(5) three hundred thousand dollars ($300,000) annually for training and counseling assistance provided by the state institution established under IC 21-25-2-1 to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars ($20,000) for the purpose of enabling those individuals to apply for admission to apprenticeship programs offered by providers approved by the United States Department of Labor, Bureau of Apprenticeship and Training.

(d) Each state educational institution described in subsection (c) is entitled to keep ten percent (10%) of the funds released under subsection (c) for the payment of costs of administering the funds. On each June 30 following the release of the funds, any funds released under subsection (c) not used by the state educational institutions under subsection (c) shall be returned to the special employment and training services fund.

SECTION 38. IC 22-4-26-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. There is established a special fund to be known as the unemployment insurance benefit fund which shall be administered separate and apart from all public money or funds of the state. This fund shall consist of:

(1) all contributions, all payments in lieu of contributions, all money received from the federal government as reimbursements pursuant to section 204 of the Federal-State Extended Compensation Act of 1970, and all money paid into and received by it as provided in this article;

(2) any property or securities and the earnings thereof acquired through the use of money belonging to the fund;

(3) all other money received for the fund from any other source;

(4) all money credited to this state's account in the unemployment trust fund pursuant to 42 U.S.C. 1103, as amended; and

(5) interest earned from all money in the fund.

Subject to the provisions of this article, the ~~board~~ **department** is vested with full power, authority, and jurisdiction over the fund, including all money and property or securities belonging thereto, and may perform any and all acts whether or not specifically designated in this article which are necessary or convenient in the administration thereof consistent with the provisions of this article and the Depository Act. The money in this fund shall be used only for the payment of unemployment compensation benefits.

SECTION 39. IC 22-4-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The treasurer of state shall be ex officio treasurer and custodian of the fund and shall administer the fund in accordance with the provisions of this article and the directions of the commissioner and shall pay all warrants drawn upon it in accordance with such rules as the ~~board~~ **department** may prescribe. All contributions provided for in this article shall be paid to and collected by the department. All contributions and other money payable to the fund as provided in this article upon receipt thereof by the department shall be paid to and deposited with the treasurer of state to the credit of the unemployment insurance benefit fund. The commissioner shall immediately order the auditor of state to issue the auditor's warrant on the treasurer of state immediately to forward such money and deposit it, together with any money earned thereby while in the treasurer's custody and any other money received by the treasurer for the payment of benefits from any source other than the unemployment trust fund, with the Secretary of the Treasury of the United States of America to the credit of the unemployment trust fund. All money belonging to the unemployment insurance benefit fund and not otherwise deposited, invested, or paid over pursuant to the provisions of this article may be deposited by the treasurer of state under the direction of the commissioner in any banks or public depositories in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of money in the unemployment insurance benefit fund, any other provisions of law to the contrary notwithstanding. The treasurer of state shall, if required by the Social Security Administration, give a separate bond conditioned upon the faithful performance of the treasurer's duties as custodian of the fund in an amount and with such sureties as shall be fixed and approved by the governor. Premiums for the said bond shall be paid as provided in IC 22-4-24.

SECTION 40. IC 22-4-28-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. If any money received after June 30, 1941, from the Social Security Administration under 42 U.S.C. 501 through 504, or any unencumbered balances in the employment and training services administration fund as of June 30, 1941, or any money granted after June 30, 1941 to this state under 29 U.S.C. 49 et seq. or any money made available by this state or its political subdivisions and matched by such money granted to this state under 29 U.S.C. 49 et seq. is found by the Secretary of Labor because of any action or contingency to have been lost or been expended for purposes other than or in amounts in excess of those found necessary by the Secretary of Labor for the proper administration of this article, it is the policy of this state that upon receipt of notice of such a finding by the Secretary of Labor the ~~board~~ **department** shall promptly report the amount required for such replacement to the governor, and the governor shall at the earliest opportunity submit to the general assembly a request for the appropriation of such amount. This section shall not be construed to relieve this state of its obligation with respect to funds received prior to July 1, 1941, under 49 U.S.C. 501 through 504.

SECTION 41. IC 22-4-29-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Contributions unpaid on the date on which they are due and

payable, as prescribed by the commissioner, shall bear interest at the rate of one percent (1%) per month or fraction thereof from and after such date until payment, plus accrued interest, is received by the department. The ~~board~~ **department** may prescribe fair and reasonable regulations pursuant to which such interest shall not accrue.

(b) If the failure to pay any part or all of the delinquent contributions is due to negligence or intentional disregard of authorized rules, regulations, or notices, but without intent to defraud, there shall be added, as a penalty, ten percent (10%) of the total amount of contributions unpaid, which penalty shall become due and payable upon notice and demand by the commissioner.

(c) If the commissioner finds that the failure to pay any part or all of delinquent contributions is due to fraud with intent to evade the payment of contributions, there shall be added, as a penalty, fifty percent (50%) of the total amount of delinquent contributions, which penalty shall become due and payable upon notice and demand by the commissioner.

(d) Interest and penalties collected pursuant to this section shall be paid into the special employment and training services fund.

SECTION 42. IC 22-4-29-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Unless an assessment is paid in full within seven (7) days after it becomes final, the commissioner or the commissioner's representative may file with the clerk of the circuit court of any county in the state a warrant in duplicate, directed to the sheriff of such county, commanding the sheriff to levy upon and sell the property, real and personal, tangible and intangible, of the employing unit against whom the assessment has been made, in sufficient quantity to satisfy the amount thereof, plus damages to the amount of ten percent (10%) of such assessment, which shall be in addition to the penalties prescribed in this article for delinquent payment, and in addition to the interest at the rate of one percent (1%) per month upon the unpaid contribution from the date it was due, to the date of payment of the warrant, and in addition to all costs incident to the recording and execution thereof. The remedies by garnishment and proceedings supplementary to execution as provided by law shall be available to the ~~board~~ **department** to effectuate the purposes of this chapter. Within five (5) days after receipt of a warrant under this section, the clerk shall:

(1) retain the duplicate copy of the warrant;

(2) enter in the judgment record in the column for judgment debtors the name of the employing unit stated in the warrant, or if the employing unit is a partnership, the names of the partners;

(3) enter the amount sought by the warrant;

(4) enter the date the warrant was received; and

(5) certify the original warrant and return it to the department.

(b) Five (5) days after the clerk receives a warrant under subsection (a), the amount sought in the warrant, the damages to an amount of ten percent (10%) of the assessment as provided in subsection (a), penalties, and interest described in subsection (a) become a lien upon the title to and interest in the real and personal property of the employing unit.

SECTION 43. IC 22-4-31-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The collection of the whole or any part of the amount of such assessment may be stayed for not exceeding sixty (60) days, by filing with the ~~board~~ **department** a bond in such amount, not exceeding double the amount as to which the stay is desired, and with such sureties as the ~~board~~ **department** considers necessary, conditioned upon payment of the amount which may finally be found to be due after notice and opportunity to be heard as herein provided.

SECTION 44. IC 22-4-32-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. Upon receipt of such protest in writing, the commissioner promptly shall refer the written protest to the liability administrative law judge who shall set a date for a hearing before the liability administrative law judge and notify the interested parties thereof by registered mail. Unless such written protest is withdrawn, the liability administrative law judge, after affording the parties a reasonable opportunity for a fair hearing, shall make findings and conclusions, and, on the basis thereof, affirm, modify, or reverse the initial determination of the ~~board.~~ **department.**

SECTION 45. IC 22-4-32-23, AS AMENDED BY P.L.42-2011, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) As used in this section:

(1) "Dissolution" refers to dissolution of a corporation under IC 23-1-45 through IC 23-1-48 or dissolution under Indiana law of an association, a joint venture, an estate, a partnership, a limited liability partnership, a limited liability company, a joint stock company, or an insurance company (referred to as a "noncorporate entity" in this section).

(2) "Liquidation" means the operation or act of winding up a corporation's or entity's affairs, when normal business activities have ceased, by settling its debts and realizing upon and distributing its assets.

(3) "Withdrawal" refers to the withdrawal of a foreign corporation from Indiana under IC 23-1-50.

(b) The officers and directors of a corporation effecting dissolution, liquidation, or withdrawal or the appropriate individuals of a noncorporate entity shall do the following:

(1) File all necessary documents with the department in a timely manner as required by this article.

(2) Make all payments of contributions to the department in a timely manner as required by this article.

(3) File with the department a form of notification within thirty (30) days of the adoption of a resolution or plan. The form of notification shall be prescribed by the department and may require information concerning:

(A) the corporation's or noncorporate entity's assets;

(B) the corporation's or noncorporate entity's liabilities;

(C) details of the plan or resolution;

(D) the names and addresses of corporate officers, directors, and shareholders or the noncorporate entity's owners, members, or trustees;

(E) a copy of the minutes of the shareholders' meeting or the noncorporate entity's meeting at which the plan or resolution was formally adopted; and

(F) such other information as the ~~board~~ **department** may require.

The commissioner may accept, in lieu of the department's form of notification, a copy of Form 966 that the corporation filed with the Internal Revenue Service.

(c) Unless a clearance is issued under subsection (g), for a period of one (1) year following the filing of the form of notification with the department, the corporate officers and directors of a corporation and the chief executive of a noncorporate entity remain personally liable, subject to IC 23-1-35-1(e), for any acts or omissions that result in the distribution of corporate or noncorporate entity assets in violation of the interests of the state. An officer or director of a corporation or a chief executive of a noncorporate entity held liable for an unlawful distribution under this subsection is entitled to contribution:

(1) from every other director who voted for or assented to the distribution, subject to IC 23-1-35-1(e); and

(2) from each shareholder, owner, member, or trustee for the amount the shareholder, owner, member, or trustee accepted.

(d) The corporation's officers' and directors' and the noncorporate entity's chief executive's personal liability includes all contributions, penalties, interest, and fees associated with the collection of the liability due the department. In addition to the penalties provided elsewhere in this article, a penalty of up to thirty percent (30%) of the unpaid contributions may be imposed on the corporate officers and directors and the noncorporate entity's chief executive for failure to take reasonable steps to set aside corporate assets to meet the liability due the department.

(e) If the department fails to begin a collection action against a corporate officer or director or a noncorporate entity's chief executive within one (1) year after the filing of a completed form of notification with the department, the personal liability of the corporate officer or director or noncorporate entity's chief executive expires. The filing of a substantially blank form of notification or a form containing misrepresentation of material facts does not constitute filing a form of notification for the purpose of determining the period of personal liability of the officers and directors of the corporation or the chief executive of the noncorporate entity.

(f) In addition to the remedies contained in this section, the department is entitled to pursue corporate assets that have been distributed to shareholders or noncorporate entity assets that have been distributed to owners, members, or beneficiaries, in violation of the interests of the state. The election to pursue one (1) remedy does not foreclose the state's option to pursue other legal remedies.

(g) The department may issue a clearance to a corporation or noncorporate entity effecting dissolution, liquidation, or withdrawal if:

(1) the:

(A) officers and directors of the corporation have; or

(B) chief executive of the noncorporate entity has;

met the requirements of subsection (b); and

(2) request for the clearance is made in writing by the officers and directors of the corporation or chief executive of the noncorporate entity within thirty (30) days after the filing of the form of notification with the department.

(h) The issuance of a clearance by the department under subsection (g) releases the officers and directors of a corporation and the chief executive of a noncorporate entity from personal liability under this section.

SECTION 46. IC 22-4-33-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except for fees charged under IC 22-4-17-12, no individual claiming benefits may be charged fees of any kind in a proceeding by ~~the board,~~ the review board, an administrative law judge, or the representative of ~~any~~ **either** of them or by any court or any officer thereof.

(b) An individual claiming benefits in a proceeding before ~~the board,~~ the review board, an administrative law judge, or a court may be represented by counsel or other authorized agent, but no counsel or agent may charge or receive for ~~his~~ **the counsel's or agent's** service more than an amount approved by the ~~board or~~ review board.

SECTION 47. IC 22-4-34-5, AS AMENDED BY P.L.108-2006, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A person who knowingly fails to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, in obedience to a subpoena of ~~the board,~~ the department, the review board, an administrative law judge, or any duly authorized representative of any of them, commits a Class C misdemeanor. Each day a violation continues constitutes a separate offense.

SECTION 48. IC 22-4-35-1, AS AMENDED BY P.L.161-2006, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. In any civil action to enforce the provisions of this article, the department, commissioner, state workforce innovation council, ~~unemployment insurance board,~~ unemployment insurance review board, and the state may be represented by any qualified attorney who is a regular salaried employee of the department and is designated by it for this purpose or, at the director's request, by the attorney general of the state. In case the governor designates special counsel to defend, on behalf of the state, the validity of this article, the expenses and compensation of such special counsel and of any experts employed by the commissioner in connection with such proceedings may be charged to the

employment and training services administration fund.

SECTION 49. IC 22-4-37-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) If at any time the governor of Indiana shall find that the tax imposed by 42 U.S.C. 1101 through 1109, as amended, has been amended or repealed by Congress or has been held unconstitutional by the Supreme Court of the United States with the result that no portion of the contributions required by this article may be credited against such tax, or if this article is declared inoperative by the supreme court of Indiana, the governor of Indiana shall publicly so proclaim, and upon the date of such proclamation the provisions of this article requiring the payment of contributions and benefits shall be suspended for a period ending not later than the last day of the next following regular or special session of the general assembly of the state of Indiana. The ~~board~~ **department** shall thereupon requisition from the unemployment trust fund all moneys therein standing to its credit and shall direct the treasurer of state of Indiana to deposit such moneys, together with any other moneys in the fund, as a special fund in any banks or public depositories in this state in which general funds of the state may be deposited.

(b) Unless prior to the expiration of such period, the general assembly of the state of Indiana has made provision for an employment security law in this state and has directed that the funds so deposited shall be used for the payment of benefits in this state, the provisions of this article shall cease to be operative, and the ~~board~~ **department** shall, under rules prescribed by ~~it,~~ **the department,** refund without interest to each person by whom contributions have been paid ~~its~~ **the person's** pro rata share of the total contributions paid under this article.

SECTION 50. IC 22-4.1-2-2, AS AMENDED BY P.L.69-2015, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The department includes the following entities:

~~(1) The unemployment insurance board.~~

~~(2)~~ **(1)** The unemployment insurance review board.

~~(3)~~ **(2)** State workforce innovation council established by IC 22-4.1-22-3.

SECTION 51. IC 22-4.1-4-8, AS ADDED BY P.L.69-2015, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The department annually shall prepare a written report of its training activities and the training activities of the workforce service area during the immediately preceding state fiscal year. The department's annual report for a particular state fiscal year must include information for each training project for which either the department or the workforce service area provided any funding during that state fiscal year. At a minimum, the following information must be provided for each training project:

(1) A description of the training project, including the name and address of the training provider.

(2) The amount of funding that either the department or the workforce service area provided for the project and an indication of which entity provided the funding.

(3) The number of trainees who participated in the project.

(4) Demographic information about the trainees, including:

(A) the age of each trainee;

(B) the education attainment level of each trainee; and

(C) for those training projects that have specific gender requirements, the gender of each trainee.

(5) The results of the project, including:

(A) skills developed by trainees;

(B) any license or certification associated with the training project;

(C) the extent to which trainees have been able to secure employment or obtain better employment; and

(D) descriptions of the specific jobs which trainees have been able to secure or to which trainees have been able to advance.

(b) With respect to trainees that have been able to secure employment or obtain better employment, the department shall compile data on the retention rates of those trainees in the jobs which the trainees secured or to which they advanced. The department shall include information concerning those retention rates in each of its annual reports.

(c) On or before October 1 of each state fiscal year, each workforce service area shall provide the department with a written report of its training activities for the immediately preceding state fiscal year. The workforce service area shall prepare the report in the manner prescribed by the department. However, at a minimum, the workforce service area shall include in its report the information required by subsection (a) for each training project for which the workforce service area provided any funding during the state fiscal year covered by the report. In addition, the workforce service area shall include in each report retention rate information as set forth in subsection (b).

(d) The department shall provide a copy of its annual report for a particular state fiscal year to the:

(1) governor; **and**

(2) legislative council; ~~and~~

~~(3) unemployment insurance board;~~

on or before December 1 of the immediately preceding state fiscal year. An annual report provided under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 52. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "legislative council" refers to the legislative council established by IC 2-5-1.1-1.**

(b) The legislative council is urged to assign to the interim study committee on employment and labor established by IC 2-5-1.3-4 or another appropriate interim study committee during the 2016 legislative interim the topic of establishing a committee or board to oversee:

(1) the unemployment insurance benefit fund established by IC 22-4-26-1; and

(2) the special employment and training services fund established by IC 22-4-25-1.

(c) If the topic described in subsection (b) is assigned to an interim study committee, the interim study committee shall

issue a final report to the legislative council containing the interim study committee's findings and recommendations, including any recommended legislation, in an electronic format under IC 5-14-6 not later than November 1, 2016.

(d) This SECTION expires December 31, 2016.

SECTION 53. **An emergency is declared for this act.**

(Reference is to EHB 1344 as reprinted February 26, 2016.)

Leonard, Chair	Boots
Moseley	Tallian
House Conferees	Senate Conferees

Roll Call 376: yeas 50, nays 0. Report adopted.

SENATE MOTION

Mr. President: I move that the following resolutions be adopted:

HCR 71 Senator Charbonneau
Honoring Dan Pastrick.

HCR 72 Senator Becker
Recognizing the many accomplishments of Dennis Pennington and the great influence he had on the development of our state.

HCR 73 Senator Long
Fixing the date for the second regular technical session of the One Hundred Nineteenth General Assembly.

LONG

Motion prevailed.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 71

House Concurrent Resolution 71, sponsored by Senator Charbonneau:

A CONCURRENT RESOLUTION honoring Dan Pastrick.

Whereas, Hebron Middle School science teacher Dan Pastrick was named a 2015-2016 "LifeChanger of the Year" award winner by the National Life Group;

Whereas, The "LifeChanger of the Year" award is given to the best educators who have made a difference in a student's life;

Whereas, Dan Pastrick was one of 16 educators from across the country selected as a "LifeChanger of the Year" winner out of more than 620 teachers, administrators, and school district employees nominated from all 50 states and Washington, D.C.;

Whereas, Nominated by Hebron Middle School Principal Jeff Brooks, Dan Pastrick has been a science teacher for almost 20 years at Hebron Middle School and has a true passion for teaching, using innovative techniques, and learning strategies to reach his students;

Whereas, Outside the classroom, Dan Pastrick leads the National Junior Honor Society, organizes services project, and is involved in the annual Haunted House, which annually raises more than $5,000 for the Lion's Club Angel Tree, an organization that supplies gifts to those in need during the holidays;

Whereas, Dan Pastrick and his wife, Andrea, who also teaches at Hebron Middle School, have three children, sixth graders Olivia and Max and kindergartner Gavin;

Whereas, Principal Brooks refers to Dan Pastrick as "the heartbeat of the school"; and

Whereas, Dan Pastrick is an outstanding Hoosier educator who has influenced, for the better, countless young lives: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly congratulates Dan Pastrick on being named 2015-2016 "LifeChanger of the Year" award winner by the National Life Group and encourages him to keep up the good work.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to Dan Pastrick and his family, Principal Jeff Brooks, and Superintendent Dr. Nathan H. Kleefisch.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution.

House Concurrent Resolution 72

House Concurrent Resolution 72, sponsored by Senator Becker:

A CONCURRENT RESOLUTION recognizing the many accomplishments of Dennis Pennington and the great influence he had on the development of our state.

Whereas, Dennis Pennington, one of Indiana's founding fathers, was born in Cumberland County, Virginia, on May 18, 1776, and died in his Harrison County home on December 2, 1854;

Whereas, Dennis Pennington was an early legislator in Indiana and the Indiana Territory, Speaker of the first Indiana State Senate, Speaker of the territorial legislature, and a member of the Whig Party serving over 37 years in public office;

Whereas, Dennis Pennington's major political contributions to the growth of our state were his strong opposition of slavery and his support of squatter's rights;

Whereas, In 1816, Pennington was elected as a delegate to Indiana's first Constitutional Convention as a slavery opponent;

Whereas, Dennis Pennington ran for a seat in the Senate in Indiana's new government;

Whereas, Dennis Pennington won the election and became the first Speaker of the Indiana State Senate, serving in this position from 1816 through 1818, and was an outspoken critic of slavery;

Whereas, Dennis Pennington served four terms in the Indiana Senate: 1816 through 1820, 1825 through 1827, 1830 through 1833, and 1842 through 1845;

Whereas, Dennis Pennington also served three terms as a state representative, as a member of the Whig Party, from 1822 through 1824, 1828 through 1830, and 1845 through 1846;

Whereas, Dennis Pennington was responsible for the construction of Indiana's first state capitol building, where his photo is on display;

Whereas, In 1825, Dennis Pennington campaigned for the position of lieutenant governor but was defeated;

Whereas, Dennis Pennington was later appointed as sheriff of Harrison County and successfully ran for a second term;

Whereas, In his later years, Dennis Pennington served on the Indiana University Board of Trustees; and

Whereas, Dennis Pennington is truly one of the greatest Hoosiers whose influence is still felt in our state today: Therefore,

Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana,
the Senate concurring:

SECTION 1. That the Indiana General Assembly recognizes the many contributions of Dennis Pennington to our state's history.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution.

House Concurrent Resolution 73

House Concurrent Resolution 73, sponsored by Senator Long:

A CONCURRENT RESOLUTION fixing the date for the second regular technical session of the One Hundred Nineteenth General Assembly.

Whereas, IC 2-2.1-1-3.5 authorizes the General Assembly to fix a date for the second regular technical session of the General Assembly;

Whereas, The General Assembly finds that it is in the best interest of the State of Indiana to fix a date for the Technical Session; and

Whereas, It is prudent to allow the Speaker of the House of Representatives and the President Pro Tempore of the Senate to jointly order that the Technical Session not convene if they determine that the cost and inconvenience do not justify meeting in Technical Session: Now, therefore,

Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana,
the Senate concurring:

SECTION 1. That the date for the Second Regular Technical Session of the One Hundred Nineteenth General Assembly is hereby fixed for Wednesday, May 25, 2016, at 1:00 p.m.

SECTION 2. The Speaker of the House of Representatives and the President Pro Tempore of the Senate may issue a joint order that the General Assembly not convene in Technical Session if they determine that the cost and inconvenience of meeting in Technical Session are not justified.

The resolution was read in full and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution.

REPORT OF THE PRESIDENT PRO TEMPORE

Pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore David C. Long has appointed/removed/changed the following senator(s) as Senate conferees (or advisors) on Engrossed Senate Bill 165:
Conferees: Merritt to replace Breaux

LONG
Date: 3/9/16
Time: 2:44 p.m.

Report adopted.

MESSAGE FROM THE PRESIDENT PRO TEMPORE

Mr. President and Members of the Senate: I have on Wednesday, March 9, 2016, signed Senate Enrolled Act: 256.

DAVID C. LONG
President Pro Tempore

MESSAGE FROM THE PRESIDENT PRO TEMPORE

Mr. President and Members of the Senate: I have on Wednesday, March 9, 2016, signed Senate Enrolled Acts: 253, 324, 355, and 362.

DAVID C. LONG
President Pro Tempore

SENATE MOTION

Mr. President: I move that Senators Alting, Arnold, Banks, Bassler, Becker, Boots, Bray, Breaux, Broden, Brown, Buck, Charbonneau, Crider, Delph, Eckerty, Ford, Glick, Grooms, Head, Hershman, Holdman, Houchin, Kenley, Kruse, Lanane, Leising, Long, Merritt, Messmer, Patricia Miller, Pete Miller, Mishler, Mrvan, Niemeyer, Perfect, Raatz, Randolph, Rogers, Schneider, Smith, Steele, Stoops, Tallian, Taylor, Tomes, Walker, Waltz, Yoder, and Zakas be added as coauthors of Senate Concurrent Resolution 61.

M. YOUNG

Motion prevailed.

SENATE MOTION

Mr. President: I move we adjourn until 10:45 a.m., Thursday, March 10, 2016.

HERSHMAN

Motion prevailed.

The Senate adjourned at 3:48 p.m.

JENNIFER L. MERTZ
Secretary of the Senate

ERIC J. HOLCOMB
President of the Senate