Journal of the Senate

State of Indiana

118th General Assembly Second Regular Session

Twenty-fourth Meeting Day Tuesday Afternoon February 25, 2014

The Senate convened at 2:30 p.m., with the President of the Senate, Sue Ellspermann, in the Chair.

Prayer was offered by William Katip, Grace College President.

The Pledge of Allegiance to the Flag was led by Senator James E. Banks.

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

Alting	Merritt
Arnold	Miller, Patricia
Banks	Miller, Pete
Becker	Mishler
Boots	Mrvan
Bray	Nugent
Breaux	Paul
Broden	Randolph ▶
Buck	Rogers ▶
Charbonneau	Schneider
Crider	Skinner
Delph	Smith
Eckerty	Steele
Glick	Stoops
Grooms	Tallian
Head	Taylor
Hershman	Tomes
Holdman	Walker
Hume	Waltz
Kenley	Waterman
Kruse	Wyss
Lanane	Yoder
Landske ▶	Young, M.
Leising	Young, R.
Long	Zakas

Roll Call 231: present 47; excused 3. [*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 52

Senate Resolution 52, introduced by Senator Merritt:

A SENATE RESOLUTION urging the legislative council to assign the topic of service areas of electric utilities to the appropriate committee.

Whereas, In 1980 legislation was passed that required that Indiana be divided into designated geographic areas, and within each geographic area only one electricity supplier would have the right to furnish retail electric service to the public;

Whereas, The purpose of this legislation was to ensure the orderly development of statewide electric service, avoid unnecessary duplication of electric facilities, prevent waste of material and resources, and promote economical, efficient, and adequate service to the public; and

Whereas, In order to ensure that these goals are being maintained, it would be beneficial to the citizens of Indiana if further study was done regarding service areas of electric utilities: Therefore,

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

SECTION 1. That the Indiana Senate urges the legislative council to assign the topic of service areas of electric utilities to the appropriate committee.

The resolution was read in full and referred to the Committee on Utilities.

House Concurrent Resolution 36

House Concurrent Resolution 36, sponsored by Senators Breaux and Grooms:

A CONCURRENT RESOLUTION congratulating the Indiana Association of Rehabilitation Facilities, Inc., on the occasion of the 40th anniversary of its establishment.

Whereas, The Indiana Association of Rehabilitation Facilities, Inc., (INARF) is the principal trade association serving the needs of Indiana's disability service provider community;

Whereas, The Association brings together a diverse array of providers, all of whom are dedicated to serving and empowering persons with disabilities;

Whereas, Celebrating its 40th year of operation this year, INARF came from humble beginnings as a volunteer organization, but is 79 institutional members strong with 44 associate members supporting the missions of the provider community and is active in every county in Indiana;

Whereas, INARF and its members have consistently demonstrated the ability to serve as a catalyst for positive

change, promoting best practices to empower persons with disabilities, and working collaboratively with industry partners, including The Arc of Indiana and Self-Advocates of Indiana and the Indiana Division of Disability and Rehabilitative Services (DDRS) and the Commission on Developmental Disabilities; and

Whereas, The Indiana General Assembly applauds INARF for 40 years of service to the provider community and productive partnerships with policymaking bodies and the disability community. As a driving force for positive change and systemic innovation, INARF and its members are applauded for 40 years of service and countless efforts to sustain a vibrant system of services and supports: 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 expresses its deep gratitude to the Indiana Association of Rehabilitation Facilities, Inc., for its four decades of dedicated service to the citizens of Indiana who need help the most, urges it to continue its good work, and congratulates it on the occasion of the 40th anniversary of its establishment.

SECTION 2. That the Principal Clerk of the House of Representatives transmit copies of this resolution to INARF and its 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.

Senate Concurrent Resolution 31

Senate Concurrent Resolution 31, introduced by Senator Tomes:

A CONCURRENT RESOLUTION recognizing and honoring the Town of New Harmony, Indiana, on the occasion of its bicentennial anniversary.

Whereas, New Harmony, Indiana was founded in 1814 by a group of separatist German Lutherans from Harmony, Pennsylvania;

Whereas, Over the past 200 years, the town has preserved the spirit and appearance of its unique origins;

Whereas, New Harmony has remained an oasis of artistic endeavor and small town comfort;

Whereas, New Harmony has attracted new visitors and spurred economic growth in our state; and

Whereas, In this year of 2014, New Harmony will celebrate its bicentennial anniversary: 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 General Assembly recognizes and honors the Town of New Harmony, Indiana, on the occasion of its bicentennial anniversary.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this Resolution to the Town of New Harmony, the New Harmony Town Hall, Historic New Harmony, the University of Southern Indiana Archives, the Working Men's Institute, and New Harmony State Historic Site.

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 sponsor: Representative McNamara.

Senate Resolution 46

Senate Resolution 46, introduced by Senator Breaux:

A SENATE RESOLUTION to honor Leonica "Lee" Porter for her steadfast commitment to fair housing across the United States.

Whereas, Leoncia "Lee" Porter, affectionately known as the "Mother of Fair Housing," has worked tirelessly to promote fair housing and a good quality of life for all people;

Whereas, After being denied housing in Bergen County, New Jersey, Lee began volunteering for the Fair Housing Council of Bergen County, where she quickly progressed through the staff ranks and went from victim to victor;

Whereas, Lee has been the Executive Director of The Fair Housing Council of Bergen County since 1971. The Council has approximately 4,000 clients in addition to providing aid to the homeless;

Whereas, Lee has paired with scores of organizations to help others, including the Girl Scouts, the League of Women Voters, and the National Association for the Advancement of Colored People;

Whereas, Lee's efforts for promoting fair housing nationally have earned her the United States Department of Housing and Development's Fair Housing Lifetime Achievement Award, as well as awards from the National Fair Housing Alliance, the New Jersey Division on Civil Rights the National Coalition of 100 Black Women, and a multitude of community service awards;

Whereas, Lee played an invaluable role in establishing the council's extensive network of resources and contacts: Therefore,

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

SECTION 1. The Indiana Senate recognizes the tireless efforts exhibited by Leoncia "Lee" Porter when promoting fair housing across the United States.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of the resolution to Lee Porter.

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

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred Senate Concurrent Resolution 19, 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 9, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred House Concurrent Resolution 3, 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 9, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred House Concurrent Resolution 7, 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 9, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill 1001, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-22-5-8, AS AMENDED BY P.L.148-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) This section does not apply to a political subdivision, except a school corporation (as defined in IC 20-18-2-16(a)).

(b) As used in this section, "blended biodiesel" ~~has the meaning set forth in IC 6-3.1-27-2.~~ **refers to a blend of biodiesel with petroleum diesel so that the percentage of biodiesel in the blend is at least two percent (2%) (B2 or greater). The term does not include biodiesel (B100).**

(c) As used in this section, "diesel fueled vehicle" refers to a vehicle that is capable of using diesel to fuel its primary motor.

(d) As used in this section, "ethanol" means agriculturally derived ethyl alcohol.

(e) As used in this section, "E85" has the meaning set forth in IC 6-6-1.1-103.

(f) As used in this section, "gasoline fueled vehicle" refers to a vehicle that is capable of using gasoline to fuel its primary motor.

(g) As used in this section "mid-level blend fuel" means a fuel blend consisting of:

(1) at least twenty percent (20%) but not more than seventy-three percent (73%) ethanol; and

(2) gasoline as the balance.

(h) As used in this section, "vehicle" includes the following:

(1) An automobile.

(2) A truck.

(3) A tractor.

(i) Except as provided by subsections (k) and (l), a governmental body shall whenever possible purchase mid-level blend fuel or E85 to fuel the gasoline fueled vehicles owned or operated by the governmental body.

(j) Except as provided by subsections (k) and (l), a governmental body shall whenever possible purchase blended biodiesel fuel to fuel the diesel fueled vehicles owned or operated by the governmental body.

(k) The following vehicles are exempt from the requirements of subsections (i) and (j):

(1) A vehicle that is leased by the governmental body for thirty (30) days or less.

(2) A vehicle that:

(A) is primarily powered by an electric motor; or

(B) can use only propane, compressed or liquified natural gas, or methanol as its fuel source.

(l) The following vehicles are exempt from the requirements of subsection (i) or (j), whichever is appropriate:

(1) A gasoline fueled vehicle in which the use of mid-level blend fuel or E85 has not been approved by the manufacturer.

(2) A diesel fueled vehicle in which the use of blended biodiesel fuel has not been approved by the manufacturer.

(3) A gasoline fueled vehicle in which the use of mid-level blend fuel is prohibited by the federal Clean Air Act (42 U.S.C. 7401 et seq.).

SECTION 2. IC 5-28-6-3, AS AMENDED BY P.L.122-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The general assembly declares that the opportunity for the participation of underutilized small businesses, especially women and minority business enterprises, in the biodiesel and ethanol production industries is essential if social and economic parity is to be obtained by women and minority business persons and if the economy of Indiana is to be stimulated as contemplated by this section, IC 6-3.1-27, and IC 6-3.1-28. A recipient of a credit under this chapter is encouraged to purchase goods and services from underutilized small businesses, especially women and minority business enterprises.

(b) The definitions in IC 6-3.1-27 and IC 6-3.1-28 apply throughout this section. A term used in this section that is defined in both IC 6-3.1-27 and IC 6-3.1-28 refers to the term as defined in:

(1) IC 6-3.1-27 whenever this section applies to the certification of a person for a credit under IC 6-3.1-27; and

(2) IC 6-3.1-28 whenever this section applies to the certification of a person for a credit under IC 6-3.1-28.

In addition, as used in this section, "person" refers to a taxpayer or a pass through entity.

(c) As used in this section, "minority" means a member of a minority group (as defined in IC 4-13-16.5-1).

(d) As used in this section, "minority business enterprise" has the meaning set forth in IC 4-13-16.5-1.

(e) As used in this section, "women's business enterprise" has the meaning set forth in IC 4-13-16.5-1.3.

(f) A person that:

(1) begins construction of a facility or an expansion of a facility for the production of biodiesel, blended biodiesel, or ethanol in Indiana after February 28, 2005; and

(2) wishes to claim a tax credit with respect to that facility or the expansion of a facility under any combination of IC 6-3.1-27-8 **(before its expiration January 1, 2021),** IC 6-3.1-27-9 **(before its expiration January 1, 2021),** or IC 6-3.1-28-7 **(before its expiration January 1, 2024);**

must apply to the corporation for a determination of the person's eligibility for the tax credit. **However, a taxpayer may not be awarded a credit under IC 6-3.1-27 after December 31, 2014, and a taxpayer may not be awarded a credit under IC 6-3.1-28 after December 31, 2014.**

(g) Subject to this section, the corporation shall issue to each qualifying applicant a certification that:

(1) certifies the person as eligible for the tax credits for which the person applied;

(2) identifies the facilities covered by the certification; and

(3) allocates to the person a credit under IC 6-3.1-27-8, IC 6-3.1-27-9, or IC 6-3.1-28-11.

(h) To qualify for certification under subsection (g), a person must do the following:

(1) Submit an application for the credit on the forms and in the manner prescribed by the corporation for the credit that is the subject of the application.

(2) Demonstrate through a business plan and other information presented to the corporation that the level of production proposed by the person is feasible and economically viable. In making a determination under this subdivision, the corporation shall consider:

(A) whether the person is sufficiently capitalized to complete the project;

(B) the person's credit rating;

(C) whether the person has sufficient technical expertise to build and operate a facility; and

(D) other relevant financial information as determined by the corporation.

(i) The corporation shall record the time of filing of each application submitted under this section. The corporation shall grant certifications under this section to qualifying applicants in the chronological order in which the applications for the same type of credit are filed until the maximum allowable credit for that type of credit is fully allocated.

(j) The corporation may terminate a certification or reduce an allocation of a credit granted under this section only if the corporation determines, after a hearing, that the person granted the certification or allocation has failed to:

(1) substantially comply with the business plan that is the basis for the certification or allocation; or

(2) submit the information needed by the corporation to determine whether the person has substantially complied with the business plan that is the basis of the certification or allocation.

If an allocation of a credit is terminated or reduced, the unused credit becomes available for allocation to other qualifying applicants in the chronological order in which the applications for the same type of credit are filed until the maximum allowable credit for that type of credit is fully allocated. The corporation may approve an amendment to a business plan or a transfer of a certificate of eligibility in conformity with the terms and conditions specified by the corporation in rules adopted by the corporation under IC 4-22-2.

(k) The corporation shall give the department of state revenue written notice of each action taken under this section.

SECTION 3. IC 5-28-28-4, AS AMENDED BY P.L.288-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. As used in this chapter, "tax credit" means a state tax liability credit under any of the following:

(1) IC 6-3.1-7.

(2) IC 6-3.1-13.

(3) IC 6-3.1-26.

(4) IC 6-3.1-27 **(before its expiration January 1, 2021).**

(5) IC 6-3.1-28 **(before its expiration January 1, 2024).**

(6) IC 6-3.1-30.

(7) IC 6-3.1-31.9.

(8) IC 6-3.1-33 **(before its expiration January 1, 2024).**

SECTION 4. IC 6-1.1-3-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7.2. (a) This section applies**

to assessment dates after February 29, 2016.

(b) As used in this section, "affiliate" has the meaning set forth in IC 6-1.1-12.1-1.

(c) As used in this section, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article;

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income; and

(3) was:

(A) acquired by the taxpayer in an arms length transaction from an entity that is not an affiliate of the taxpayer, if the personal property has been previously used in Indiana before being placed in service in the county; or

(B) acquired in any manner, if the personal property has never been previously used in Indiana before being placed in service in the county.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (3), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

(d) Notwithstanding section 7 of this chapter, if the acquisition cost of a taxpayer's business personal property in a county is less than twenty thousand dollars ($20,000) for a particular assessment date, the taxpayer's business personal property in the county for that assessment date is exempt from taxation.

(e) A taxpayer that is eligible for the exemption under this section is not required to file a personal property return for the taxpayer's business personal property in the county for that assessment date. However, the taxpayer must, before the end of the calendar year containing the assessment date, file with the county assessor an annual certification stating that the taxpayer's business personal property in the county is exempt from taxation under this section for that assessment date. If a taxpayer that is required to file an annual certification under this subsection does not file the annual certification by the due date for the annual certification, the taxpayer must pay to the county assessor a penalty of fifty dollars ($50). The county assessor shall deposit any such penalty collected into the county general fund.

SECTION 5. IC 6-1.1-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 4.2 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as in effect January 1, 2001), **except that in the case of tangible personal property that has been granted a deduction under IC 6-1.1-12.1 as new business personal property and for which the designating body has waived a minimum valuation:**

(1) a minimum valuation may not be applied to the total valuation under 50 IAC 4.2-4-9 or any similar rule for that new business personal property of the taxpayer;

(2) that new business personal property of the taxpayer may not be considered in the calculation of any minimum valuation for other property of the taxpayer; and

(3) subdivisions (1) and (2) continue to apply to that new business personal property of the taxpayer for the assessment dates specified by the designating body or, if specified by the designating body, for all assessment dates after the installation of the new business personal property, regardless of whether the abatement ordinance is amended or repealed.

(c) The publisher of the Indiana Administrative Code shall publish 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 4.3 and any other rule to the extent that it conflicts with this section is void.

(e) A reference in 50 IAC 4.2 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

(1) 50 IAC 4.2-4-3(f).

(2) 50 IAC 4.2-4-7.

~~(3) 50 IAC 4.2-4-9.~~

~~(4)~~ **(3)** 50 IAC 4.2-5-7.

~~(5)~~ **(4)** 50 IAC 4.2-5-13.

~~(6)~~ **(5)** 50 IAC 4.2-6-1.

~~(7)~~ **(6)** 50 IAC 4.2-6-2.

~~(8)~~ **(7)** 50 IAC 4.2-8-9.

(g) The department of local government finance may amend 50 IAC 4.2-4-9 to the extent necessary to comply with subsection (b), as amended during the 2014 regular session of the general assembly.

SECTION 6. IC 6-1.1-12.1-1, AS AMENDED BY P.L.288-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. For purposes of this chapter:

(1) "Economic revitalization area" means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of

improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes:

(A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and

(B) a residentially distressed area, except as otherwise provided in this chapter.

(2) "City" means any city in this state, and "town" means any town incorporated under IC 36-5-1.

(3) "New manufacturing equipment" means tangible personal property that a deduction applicant:

(A) installs on or before the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including but not limited to use to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products;

(C) acquires for use as described in clause (B):

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(D) has never used for any purpose in Indiana before the installation described in clause (A).

(4) "Property" means a building or structure, but does not include land.

(5) "Redevelopment" means the construction of new structures, in economic revitalization areas, either:

(A) on unimproved real estate; or

(B) on real estate upon which a prior existing structure is demolished to allow for a new construction.

(6) "Rehabilitation" means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

(A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.

(B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means:

(A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter;

(B) the application filed in accordance with section 5.4 of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter; or

(C) the application filed in accordance with section 5.3 of this chapter by a property owner that desires to obtain the deduction provided by section 4.8 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) laboratory equipment;

(ii) research and development equipment;

(iii) computers and computer software;

(iv) telecommunications equipment; or

(v) testing equipment;

(C) the deduction applicant uses in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products;

(D) the deduction applicant acquires for purposes described in this subdivision:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(E) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

(i) racking equipment;

(ii) scanning or coding equipment;

(iii) separators;

(iv) conveyors;

(v) fork lifts or lifting equipment (including "walk behinds");

(vi) transitional moving equipment;

(vii) packaging equipment;

(viii) sorting and picking equipment; or

(ix) software for technology used in logistical distribution;

(C) the deduction applicant acquires for the storage or distribution of goods, services, or information:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (A); and

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and

(D) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (A).

(14) "New information technology equipment" means tangible personal property that:

(A) a deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of equipment, including software, used in the fields of:

(i) information processing;

(ii) office automation;

(iii) telecommunication facilities and networks;

(iv) informatics;

(v) network administration;

(vi) software development; and

(vii) fiber optics;

(C) the deduction applicant acquires in an arms length transaction from an entity that is not an affiliate of the deduction applicant; and

(D) the deduction applicant never used for any purpose in Indiana before the installation described in clause (A).

(15) "Deduction applicant" means an owner of tangible personal property who makes a deduction application.

(16) "Affiliate" means an entity that effectively controls or is controlled by a deduction applicant or is associated with a deduction applicant under common ownership or control, whether by shareholdings or other means.

(17) "Eligible vacant building" means a building that:

(A) is zoned for commercial or industrial purposes; and

(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

(18) "New business personal property" means tangible personal property that:

(A) is otherwise subject to assessment and taxation under this article and is used in a trade or business or otherwise held, used, or consumed in connection with the production of income;

(B) has an acquisition cost of at least three million dollars ($3,000,000);

(C) the deduction applicant installs on or before the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area in which a deduction for tangible personal property is allowed;

(D) the deduction applicant acquires:

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant, if the tangible personal property has been previously used in Indiana before the installation described in clause (C); or

(ii) in any manner, if the tangible personal property has never been previously used in Indiana before the installation described in clause (C); and

(E) the deduction applicant has never used for any purpose in Indiana before the installation described in clause (C).

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of clause (A) through (E), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission. For purposes of determining whether tangible personal property has an acquisition cost of at least three million dollars ($3,000,000), the designating body may consider the total cost of all the tangible personal property that is part of a particular investment, installation, or project, as designated in the statement of benefits.

SECTION 7. IC 6-1.1-12.1-2, AS AMENDED BY P.L.288-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A designating body may find that a particular area within its jurisdiction is an economic revitalization area. However, the deduction provided by this chapter for economic revitalization areas not within a city or town shall not be available to retail businesses.

(b) In a county containing a consolidated city or within a city or town, a designating body may find that a particular area within its jurisdiction is a residentially distressed area. Designation of an area as a residentially distressed area has the same effect as designating an area as an economic revitalization area, except that the amount of the deduction shall be calculated as specified in section 4.1 of this chapter and the deduction is allowed for not more than the number of years specified by the designating body under section 17 of this chapter. In order to declare a particular area a residentially distressed area, the designating body must follow the same procedure that is required to designate an area as an economic revitalization area and must make all the following additional findings or all the additional findings described in subsection (c):

(1) The area is comprised of parcels that are either unimproved or contain only one (1) or two (2) family dwellings or multifamily dwellings designed for up to four (4) families, including accessory buildings for those dwellings.

(2) Any dwellings in the area are not permanently occupied and are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) Parcels of property in the area:

(A) have been sold and not redeemed under IC 6-1.1-24 and IC 6-1.1-25; or

(B) are owned by a unit of local government.

However, in a city in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the designating body is only required to make one (1) of the additional findings described in this subsection or one (1) of the additional findings described in subsection (c).

(c) In a county containing a consolidated city or within a city or town, a designating body that wishes to designate a particular area a residentially distressed area may make the following additional findings as an alternative to the additional findings described in subsection (b):

(1) A significant number of dwelling units within the area are not permanently occupied or a significant number of parcels in the area are vacant land.

(2) A significant number of dwelling units within the area are:

(A) the subject of an order issued under IC 36-7-9; or

(B) evidencing significant building deficiencies.

(3) The area has experienced a net loss in the number of dwelling units, as documented by census information, local building and demolition permits, or certificates of occupancy, or the area is owned by Indiana or the United States.

(4) The area (plus any areas previously designated under this subsection) will not exceed ten percent (10%) of the total area within the designating body's jurisdiction.

However, in a city in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the designating body is only required to make one (1) of the additional findings described in this subsection as an alternative to one (1) of the additional findings described in subsection (b).

(d) A designating body is required to attach the following conditions to the grant of a residentially distressed area designation:

(1) The deduction will not be allowed unless the dwelling is rehabilitated to meet local code standards for habitability.

(2) If a designation application is filed, the designating body may require that the redevelopment or rehabilitation be completed within a reasonable period of time.

(e) To make a designation described in subsection (a) or (b), the designating body shall use procedures prescribed in section 2.5 of this chapter.

(f) The property tax deductions provided by section 3, 4.5, or 4.8 of this chapter are only available within an area which the designating body finds to be an economic revitalization area.

(g) The designating body may adopt a resolution establishing general standards to be used, along with the requirements set forth in the definition of economic revitalization area, by the designating body in finding an area to be an economic revitalization area. The standards must have a reasonable relationship to the development objectives of the area in which the designating body has jurisdiction. The following four (4) sets of standards may be established:

(1) One (1) relative to the deduction under section 3 of this chapter for economic revitalization areas that are not residentially distressed areas.

(2) One (1) relative to the deduction under section 3 of this chapter for residentially distressed areas.

(3) One (1) relative to the deduction allowed under section 4.5 of this chapter.

(4) One (1) relative to the deduction allowed under section 4.8 of this chapter.

(h) A designating body may impose a fee for filing a designation application for a person requesting the designation of a particular area as an economic revitalization area. The fee may be sufficient to defray actual processing and administrative costs. However, the fee charged for filing a designation application for a parcel that contains one (1) or more owner-occupied, single-family dwellings may not exceed the cost of publishing the required notice.

(i) In declaring an area an economic revitalization area, the designating body may:

(1) limit the time period to a certain number of calendar years during which the economic revitalization area shall be so designated;

(2) limit the type of deductions that will be allowed within the economic revitalization area to the deduction allowed under section 3 of this chapter, the deduction allowed under section 4.5 of this chapter, the deduction allowed under section 4.8 of this chapter, or any combination of these deductions;

(3) limit the dollar amount of the deduction that will be allowed with respect to new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and new information technology equipment;

(4) limit the dollar amount of the deduction that will be allowed with respect to redevelopment and rehabilitation occurring in areas that are designated as economic revitalization areas;

(5) limit the dollar amount of the deduction that will be allowed under section 4.8 of this chapter with respect to the occupation of an eligible vacant building;

(6) limit the dollar amount of the deduction that will be allowed with respect to new business personal property; or

~~(6)~~ **(7)** impose reasonable conditions related to the purpose of this chapter or to the general standards adopted under subsection (g) for allowing the deduction for the redevelopment or rehabilitation of the property or the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

To exercise one (1) or more of these powers, a designating body must include this fact in the resolution passed under section 2.5 of this chapter.

(j) Notwithstanding any other provision of this chapter, if a designating body limits the time period during which an area is an economic revitalization area, that limitation does not:

(1) prevent a taxpayer from obtaining a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** installed on or before the approval deadline determined under section 9 of this chapter, but after the expiration of the economic revitalization area if the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** was described in a statement of benefits submitted to and approved by the designating body in accordance with section 4.5 of this chapter before the expiration of the economic revitalization area designation; or

(2) limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under section 17 of this chapter.

(k) In addition to the other requirements of this chapter, if property located in an economic revitalization area is also located in an allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), a taxpayer's statement of benefits concerning that property may not be approved under this chapter unless a resolution approving the statement of benefits is adopted by the legislative body of the unit that approved the designation of the allocation area.

SECTION 8. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.288-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** that the person proposes to acquire.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property;**

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal**

property.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

The statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** is reasonable for equipment of that type.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property;**

whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

(6) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.

(c) Except as provided in subsection (f), and subject to subsection (g) and section 15 of this chapter, an owner of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment, whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for the number of years determined by the designating body under section 17 of this chapter. Except as provided in subsection (d) and in section 2(i)(3) of this chapter, and subject to subsection (g) and section 15 of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

(1) the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment in the year of deduction under the abatement schedule established under section 17 of this chapter; multiplied by

(2) the percentage prescribed by the designating body under section 17 of this chapter.

The amount of the deduction that an owner is entitled to for a particular year for new business personal property is equal to the product of the assessed value of the new business personal property multiplied by the deduction percentage specified under section 17(d) of this chapter.

(d) With respect to new manufacturing equipment and new research and development equipment installed before March 2, 2001, the deduction under this section is the amount that causes the net assessed value of the property after the application of the deduction under this section to equal the net assessed value after the application of the deduction under this section that results from computing:

(1) the deduction under this section as in effect on March 1, 2001; and

(2) the assessed value of the property under 50 IAC 4.2, as in effect on March 1, 2001, or, in the case of property subject to IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

(e) The designating body shall determine the number of years the deduction is allowed under section 17 of this chapter. However, **except as provided in section 17(d) of this chapter,** the deduction may not be allowed for more than ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall be sent to the county auditor.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(f) The owner of new manufacturing equipment that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of a criminal violation under IC 13, including IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

(2) is subject to an order or a consent decree with respect to property located in Indiana based on a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(g) **If tangible personal property has been granted a deduction under this chapter as new business personal property by a designating body, this subsection does not apply to that new business personal property for any assessment dates (if any) for which the designating body has waived the minimum valuation for that new business personal property.** For purposes of subsection (c), the assessed value of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

SECTION 9. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.288-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.4. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction schedule with the person's personal property return on a form prescribed by the department of local government finance with the township assessor of the township in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** is located, or with the county assessor if there is no township assessor for the township. Except as provided in subsection (e), the deduction is applied in the amount claimed in a certified schedule that a person files with:

(1) a timely personal property return under IC 6-1.1-3-7(a) or IC 6-1.1-3-7(b); or

(2) a timely amended personal property return under IC 6-1.1-3-7.5.

The township or county assessor shall forward to the county auditor a copy of each certified deduction schedule filed under this subsection. The township assessor shall forward to the county assessor a copy of each certified deduction schedule filed with the township assessor under this subsection.

(b) The deduction schedule required by this section must contain the following information:

(1) The name of the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

(2) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

(3) The amount of the deduction claimed for the first year of the deduction.

(c) If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall notify the designating body, and the designating body shall adopt a resolution under section 4.5(e)(2) of this chapter.

(d) A deduction schedule must be filed under this section in the year in which the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** is installed and in each of the immediately succeeding years the deduction is allowed.

(e) The township assessor, or the county assessor if there is no township assessor for the township, may:

(1) review the deduction schedule; and

(2) before the March 1 that next succeeds the assessment date for which the deduction is claimed, deny or alter the amount of the deduction.

If the township or county assessor does not deny the deduction, the county auditor shall apply the deduction in the amount claimed in the deduction schedule or in the amount as altered by the township or county assessor. A township or county assessor who denies a deduction under this subsection or alters the

amount of the deduction shall notify the person that claimed the deduction and the county auditor of the assessor's action. The county auditor shall notify the designating body and the county property tax assessment board of appeals of all deductions applied under this section.

(f) If the ownership of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

(1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and

(2) files the deduction schedules required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) A person may appeal a determination of the township or county assessor under subsection (e) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the township or county assessor not more than forty-five (45) days after the township or county assessor gives the person notice of the determination. Except as provided in subsection (i), an appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

(i) The county assessor is recused from any action the county property tax assessment board of appeals takes with respect to an appeal under subsection (h) of a determination by the county assessor.

SECTION 10. IC 6-1.1-12.1-5.6, AS AMENDED BY P.L.288-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.6. (a) In addition to the requirements of section 5.4(b) of this chapter, a property owner who files a deduction schedule under section 5.4 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter.

(b) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following information is a public record if filed under this section:

(1) The name and address of the taxpayer.

(2) The location and description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** for which the deduction was granted.

(3) Any information concerning the number of employees at the facility where the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** is located, including estimated totals that were provided as part of the statement of benefits.

(4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.

(5) Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products by the new manufacturing equipment.

(6) Any information concerning the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property,** including estimates that were provided as part of the statement of benefits.

(c) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

(2) Any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property.**

SECTION 11. IC 6-1.1-12.1-5.8, AS AMENDED BY P.L.146-2008, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has, during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** or developed or rehabilitated property at a cost of at least ten million dollars ($10,000,000) as determined by the assessor of the township in which the property is located, or by the county assessor if there is no township assessor for the township.

SECTION 12. IC 6-1.1-12.1-8, AS AMENDED BY P.L.154-2006, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Not later than December 31 of each year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the deduction applications that were filed under this chapter during that year that resulted in deductions being applied under this chapter for that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and applied during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** that were in effect under section 4.5 of this chapter during the year.

(4) The total amount of all deductions for eligible vacant buildings that were in effect under section 4.8 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2), (a)(3), and (a)(4) with the department of local government finance not later than December 31 of each year.

SECTION 13. IC 6-1.1-12.1-11.3, AS AMENDED BY P.L.288-2013, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11.3. (a) This section applies only to the following requirements:

(1) Failure to provide the completed statement of benefits form to the designating body before the hearing required by section 2.5(c) of this chapter.

(2) Failure to submit the completed statement of benefits form to the designating body before the:

(A) initiation of the redevelopment or rehabilitation;

(B) installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property;** or

(C) occupation of an eligible vacant building;

for which the person desires to claim a deduction under this chapter.

(3) Failure to designate an area as an economic revitalization area before the initiation of the:

(A) redevelopment;

(B) installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property;**

(C) rehabilitation; or

(D) occupation of an eligible vacant building;

for which the person desires to claim a deduction under this chapter.

(4) Failure to make the required findings of fact before designating an area as an economic revitalization area or authorizing a deduction for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, ~~or~~ new information technology equipment, **or new business personal property** under section 2, 3, 4.5, or 4.8 of this chapter.

(5) Failure to file a:

(A) timely; or

(B) complete;

deduction application under section 5, 5.3, or 5.4 of this chapter.

(b) This section does not grant a designating body the authority to exempt a person from filing a statement of benefits or exempt a designating body from making findings of fact.

(c) A designating body may by resolution waive noncompliance described under subsection (a) under the terms and conditions specified in the resolution. Before adopting a waiver under this subsection, the designating body shall conduct a public hearing on the waiver.

SECTION 14. IC 6-1.1-12.1-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 12.5. Except as provided in section 12(f) of this chapter, if a county or municipality receives a reimbursement, repayment, or penalty from a taxpayer on account of the taxpayer's failure to comply with the statement of benefits provided by the taxpayer or on account of the taxpayer's failure to comply with any other requirement to receive a deduction under this chapter, the county or municipal fiscal officer shall distribute the amount of the reimbursement, repayment, or penalty on a pro rata basis to each taxing unit that contains the property that was subject to the deduction. The amount to be distributed to each taxing unit that contains the property that was subject to the deduction shall be determined according to the following formula:**

STEP ONE: Determine the total aggregate property tax rate imposed in the preceding year by the taxing unit.

STEP TWO: Determine the sum of the STEP ONE amounts for all taxing units that contain the property that was subject to the deduction.

STEP THREE: Divide the STEP ONE amount by the sum determined under STEP TWO.

STEP FOUR: Multiply the amount of the reimbursement, repayment, or penalty by the STEP THREE quotient.

SECTION 15. IC 6-1.1-12.1-16.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 16.8. (a) If a designating body grants a deduction under this chapter for new business personal property, the designating body may by ordinance waive the application of minimum valuation rules to that new business personal property.**

(b) The designating body may waive the application of minimum valuation rules to that new business personal property for specified assessment dates or for all assessment dates after the installation of the new business personal property.

(c) If a waiver of the application of minimum valuation rules is granted under this section for new business personal property, IC 6-1.1-3-22(b)(1) through IC 6-1.1-3-22(b)(3) apply to that new business personal property.

SECTION 16. IC 6-1.1-12.1-17, AS AMENDED BY P.L.288-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

(1) The total amount of the taxpayer's investment in real and personal property.

(2) The number of new full-time equivalent jobs created.

(3) The average wage of the new employees compared to the state minimum wage.

(4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. **Except as provided in subsection (d),** an abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

(d) An abatement schedule for new business personal property may not exceed twenty (20) years. An abatement schedule for new business personal property must specify the percentage amount of the deduction for each year of the deduction. However, the percentage amount of the deduction must be the same for all years in which the deduction is allowed.

SECTION 17. IC 6-1.1-40-10, AS AMENDED BY P.L.146-2008, SECTION 300, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) Subject to subsection (d), an owner of new manufacturing equipment whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for a period of ten (10) years. Except as provided in subsections (b) and (c), and subject to subsection (d) and section 14 of this chapter, for the first five (5) years, the amount of the deduction for new manufacturing equipment that an owner is entitled to for a particular year equals the assessed value of the new manufacturing equipment. Subject to subsection (d) and section 14 of this chapter, for the sixth through the tenth year, the amount of the deduction equals the product of:

(1) the assessed value of the new manufacturing equipment; multiplied by

(2) the percentage prescribed in the following table:

YEAR OF DEDUCTION	PERCENTAGE
6th	100%
7th	95%
8th	80%
9th	65%
10th	50%
11th and thereafter	0%

(b) A deduction under this section is not allowed in the first year the deduction is claimed for new manufacturing equipment to the extent that it would cause the assessed value of all of the personal property of the owner in the taxing district in which the equipment is located to be less than the assessed value of all of the personal property of the owner in that taxing district in the immediately preceding year.

(c) If a deduction is not fully allowed under subsection (b) in the first year the deduction is claimed, then the percentages specified in subsection (a) apply in the subsequent years to the amount of deduction that was allowed in the first year.

(d) For purposes of subsection (a), **and except as provided in IC 6-1.1-3-22 for tangible personal property that has been granted a deduction under IC 6-1.1-12.1 as new business personal property and for which the designating body has waived a minimum valuation,** the assessed value of new manufacturing equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

SECTION 18. IC 6-2.5-5-49.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 49.5. (a) This section applies to a retail merchant engaged in selling bulk propane at retail in Indiana.**

(b) A retail merchant shall claim a credit against the state gross retail or use tax on the retail merchant's return filed in April 2014 under IC 6-2.5-6-1 for March 2014.

(c) The amount of the credit is equal to the result determined under the following STEPS:

STEP ONE: Determine (for each customer to whom the retail merchant sold bulk propane after December 31, 2013, and before April 1, 2014) the greater of zero (0) or the result of:

(A) the amount of state gross retail tax collected by the retail merchant after December 31, 2013, and before April 1, 2014, on the retail sale of bulk propane to the customer; minus

(B) the amount of state gross retail tax that would have been collected by the retail merchant after December 31, 2013, and before April 1, 2014, on the retail sale of bulk propane to the customer if the cost of that bulk propane had been two dollars and fifty cents ($2.50) per gallon.

STEP TWO: Determine the sum of the STEP ONE amounts for all customers of the retail merchant.

(d) A retail merchant that claims a credit under subsection (c) shall provide a credit to each customer of the retail merchant for whom an amount was determined under STEP ONE of subsection (c). The credit is equal to the amount determined under STEP ONE of subsection (c) for that customer. The credit under this subsection shall be applied to the next purchase of bulk propane by the customer from the retail merchant occurring after March 31, 2014.

(e) The department may audit credits claimed by a retail merchant under subsection (c) and the credits provided by a retail merchant under subsection (d).

(f) This section expires December 31, 2017.

SECTION 19. IC 6-3-2-1, AS AMENDED BY P.L.205-2013, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. (a) Each taxable year, a tax at the following rate of adjusted gross income is imposed upon the adjusted gross income of every resident person, and on that part of the adjusted gross income derived from sources within Indiana of every nonresident person:

(1) For taxable years beginning before January 1, 2015, three and four-tenths percent (3.4%).

(2) For taxable years beginning after December 31, 2014, and before January 1, 2017, three and three-tenths percent (3.3%).

(3) For taxable years beginning after December 31, 2016, three and twenty-three hundredths percent (3.23%).

(b) Except as provided in section 1.5 of this chapter, each taxable year, a tax at the following rate of adjusted gross income is imposed on that part of the adjusted gross income derived from sources within Indiana of every corporation:

(1) Before July 1, 2012, eight and five-tenths percent (8.5%).

(2) After June 30, 2012, and before July 1, 2013, eight percent (8.0%).

(3) After June 30, 2013, and before July 1, 2014, seven and five-tenths percent (7.5%).

(4) After June 30, 2014, and before July 1, 2015, seven percent (7.0%).

(5) After June 30, 2015, **and before July 1, 2016,** six and five-tenths percent (6.5%).

(6) After June 30, 2016, and before July 1, 2017, six and twenty-five hundredths percent (6.25%).

(7) After June 30, 2017, and before July 1, 2018, six percent (6.0%).

(8) After June 30, 2018, and before July 1, 2019, five and seventy-five hundredths percent (5.75%).

(9) After June 30, 2019, and before July 1, 2020, five and five-tenths percent (5.5%).

(10) After June 30, 2020, and before July 1, 2021, five and twenty-five hundredths percent (5.25%).

(11) After June 30, 2021, four and nine-tenths percent (4.9%).

(c) If for any taxable year a taxpayer is subject to different tax rates under subsection (b), the taxpayer's tax rate for that taxable year is the rate determined in the last STEP of the following STEPS:

STEP ONE: Multiply the number of months in the taxpayer's taxable year that precede the month the rate changed by the rate in effect before the rate change.

STEP TWO: Multiply the number of months in the taxpayer's taxable year that follow the month before the rate changed by the rate in effect after the rate change.

STEP THREE: Divide the sum of the amounts determined under STEPS ONE and TWO by twelve (12).

However, the rate determined under this subsection shall be rounded to the nearest one-hundredth of one percent (0.01%).

SECTION 20. IC 6-3.1-23 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (Voluntary Remediation Tax Credit).

SECTION 21. IC 6-3.1-27-9.5, AS AMENDED BY P.L.175-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9.5. Except as provided in IC 6-3.1-28-11(c), the total amount of credits allowed under:

(1) section 8 of this chapter;

(2) section 9 of this chapter; and

(3) IC 6-3.1-28 **(before its expiration January 1, 2024);**

may not exceed fifty million dollars ($50,000,000) for all taxpayers and all taxable years beginning after December 31, 2004. The corporation shall determine the maximum allowable amount for each type of credit, which must be at least four million dollars ($4,000,000) for each type of credit.

SECTION 22. IC 6-3.1-27-12, AS AMENDED BY P.L.191-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) If the amount of the credit determined under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry over the excess to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A credit may not be carried forward for more than six (6) taxable years following the taxable year in

which the taxpayer was first entitled to claim the credit.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit. A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.

(c) A taxpayer may not be awarded a credit under this chapter after December 31, 2014.

(d) This chapter expires January 1, 2021.

SECTION 23. IC 6-3.1-28-7, AS AMENDED BY P.L.191-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. Subject to IC 6-3.1-27-9.5 **(before its expiration January 1, 2021)** and section 11 of this chapter, a taxpayer that has been certified by the corporation as eligible for a credit under this section and produces ethanol at a facility is entitled to a credit against the taxpayer's state tax liability equal to the product of:

(1) twelve and one-half cents ($.125); multiplied by

(2) the number of gallons of ethanol produced at the Indiana facility.

SECTION 24. IC 6-3.1-28-9, AS AS AMENDED BY P.L.175-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) If the amount of the credit determined under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry over the excess to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit. A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.

(c) A taxpayer may not be awarded a credit under this chapter after December 31, 2014.

(d) This chapter expires January 1, 2024.

SECTION 25. IC 6-3.1-28-11, AS AMENDED BY P.L.175-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) As used in this section, "cellulosic ethanol" means ethanol derived solely from lignocellulosic or hemicellulosic matter.

(b) The corporation shall determine the maximum amount of credits that a taxpayer (or if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) is eligible to receive under this section. The total amount of credits allowed a taxpayer (or, if the person producing the ethanol is a pass through entity, the shareholders, partners, or members of the pass through entity) under this chapter may not exceed a total of the following amounts for all taxable years:

(1) Two million dollars ($2,000,000) in the case of a taxpayer who produces at least forty million (40,000,000) but less than sixty million (60,000,000) gallons of grain ethanol in a taxable year.

(2) Three million dollars ($3,000,000) in the case of a taxpayer who produces at least sixty million (60,000,000) gallons of grain ethanol in a taxable year.

(3) Twenty million dollars ($20,000,000) for all taxpayers for all taxable years, in the case of tax credits for a taxpayer who produces at least twenty million (20,000,000) gallons of cellulosic ethanol in a taxable year.

(c) The total amount of tax credits allowed under this chapter for a taxpayer who produces at least twenty million (20,000,000) gallons of cellulosic ethanol is not subject to the maximum amount of tax credits imposed by IC 6-3.1-27-9.5 **(before its expiration January 1, 2021).**

(d) A taxpayer who is eligible for a credit under this chapter as a result of producing at least twenty million (20,000,000) gallons of cellulosic ethanol in a taxable year may apply the credit only against the state tax liability attributable to business activity taking place at the Indiana facility at which the cellulosic ethanol was produced.

SECTION 26. IC 6-3.1-31.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Energy Savings Tax Credit).

SECTION 27. IC 6-3.1-33-9, AS AMENDED BY P.L.137-2012, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) Before January 1, ~~2017,~~ **2015,** a corporation or pass through entity that desires to qualify for the new employer credit provided by this chapter may submit an application to the IEDC in the form and manner specified by the IEDC.

(b) The IEDC shall promptly review all applications submitted to the IEDC under this chapter.

(c) If the IEDC determines that an applicant for the tax credit provided by this chapter has furnished reliable evidence, as determined by the IEDC, that the applicant is reasonably capable of:

(1) employing at least ten (10) qualified employees in each month of the period specified in section 10(b) of this chapter during the taxable year; and

(2) meeting the requirements for the tax credit provided by this chapter;

the IEDC may issue the applicant a certificate of approval. If a certificate of approval is issued, the IEDC shall provide a copy of the certificate to the department.

(d) In making a determination of whether an applicant is qualified for a credit under this chapter, the IEDC may consider the following:

(1) The applicant's employment levels in previous years to determine if the applicant is hiring new individuals or rehiring individuals.

(2) Whether the applicant is the successor to part or all of the assets or business operations of another corporation or pass through entity that conducted business operations in Indiana in the same line of business to determine if the applicant is a new Indiana business under this chapter.

(e) If the IEDC determines that the applicant will not employ at least ten (10) qualified employees in each month of the period specified in section 10(b) of this chapter during the taxable year, is not a new Indiana business, or does not meet, or is unlikely to meet, any other requirements for the tax credit provided by this

chapter, the IEDC shall notify the applicant of the IEDC's determination.

(f) The IEDC may not issue a certificate of approval under this chapter after December 31, ~~2016.~~ **2014.**

SECTION 28. IC 6-3.1-33-13, AS ADDED BY P.L.110-2010, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for not more than nine (9) taxable years following the first year the credit is claimed.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for wages paid in a taxable year beginning after December 31, 2014.

(d) This chapter expires January 1, 2024.

SECTION 29. IC 6-5.5-2-1, AS AMENDED BY P.L.93-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) There is imposed on each taxpayer a franchise tax measured by the taxpayer's apportioned income for the privilege of exercising its franchise or the corporate privilege of transacting the business of a financial institution in Indiana. The amount of the tax for a taxable year shall be determined by multiplying the applicable rate under subsection (b) times the remainder of:

(1) the taxpayer's apportioned income; minus

(2) the taxpayer's deductible Indiana net operating losses as determined under this section; minus

(3) the taxpayer's net capital losses minus the taxpayer's net capital gains computed under the Internal Revenue Code for each taxable year or part of a taxable year beginning after December 31, 1989, multiplied by the apportionment percentage applicable to the taxpayer under this chapter for the taxable year of the loss.

A net capital loss for a taxable year is a net capital loss carryover to each of the five (5) taxable years that follow the taxable year in which the loss occurred.

(b) The following are the applicable tax rates to be used under subsection (a):

(1) For taxable years beginning before January 1, 2014, eight and five-tenths percent (8.5%).

(2) For taxable years beginning after December 31, 2013, and before January 1, 2015, eight percent (8.0%).

(3) For taxable years beginning after December 31, 2014, and before January 1, 2016, seven and five-tenths percent (7.5%).

(4) For taxable years beginning after December 31, 2015, and before January 1, 2017, seven percent (7.0%).

(5) For taxable years beginning after December 31, 2016, **and before January 1, 2019,** six and five-tenths percent (6.5%).

(6) For taxable years beginning after December 31, 2018, and before January 1, 2020, six and twenty-five hundredths percent (6.25%).

(7) For taxable years beginning after December 31, 2019, and before January 1, 2021, six percent (6.0%).

(8) For taxable years beginning after December 31, 2020, and before January 1, 2022, five and five-tenths percent (5.5%).

(9) For taxable years beginning after December 31, 2021, and before January 1, 2023, five percent (5.0%).

(10) For taxable years beginning after December 31, 2022, four and nine-tenths percent (4.9%).

(c) The amount of net operating losses deductible under subsection (a) is an amount equal to the net operating losses computed under the Internal Revenue Code, adjusted for the items set forth in IC 6-5.5-1-2, that are:

(1) incurred in each taxable year, or part of a year, beginning after December 31, 1989; and

(2) attributable to Indiana.

(d) The following apply to determining the amount of net operating losses that may be deducted under subsection (a):

(1) The amount of net operating losses that is attributable to Indiana is the taxpayer's total net operating losses under the Internal Revenue Code for the taxable year of the loss, adjusted for the items set forth in IC 6-5.5-1-2, multiplied by the apportionment percentage applicable to the taxpayer under this chapter for the taxable year of the loss.

(2) A net operating loss for any taxable year is a net operating loss carryover to each of the fifteen (15) taxable years that follow the taxable year in which the loss occurred.

(e) The following provisions apply to a combined return computing the tax on the basis of the income of the unitary group when the return is filed for more than one (1) taxpayer member of the unitary group for any taxable year:

(1) Any net capital loss or net operating loss attributable to Indiana in the combined return shall be prorated between each taxpayer member of the unitary group by the quotient of:

(A) the receipts of that taxpayer member attributable to Indiana under section 4 of this chapter; divided by

(B) the receipts of all taxpayer members of the unitary group attributable to Indiana.

(2) The net capital loss or net operating loss for that year, if any, to be carried forward to any subsequent year shall be limited to the capital gains or apportioned income for the subsequent year of that taxpayer, determined by the same receipts formula set out in subdivision (1).

SECTION 30. IC 21-31-9-3, AS ADDED BY P.L.148-2009, SECTION 10, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2014]: Sec. 3. (a) As used in this section, "blended biodiesel" ~~has the meaning set forth in IC 6-3.1-27-2.~~ **refers to a blend of biodiesel with petroleum diesel so that the percentage of biodiesel in the blend is at least two percent (2%) (B2 or greater). The term does not include biodiesel (B100).**

(b) As used in this section, "diesel fueled vehicle" refers to a vehicle that is capable of using diesel to fuel its primary motor.

(c) As used in this section, "ethanol" means agriculturally derived ethyl alcohol.

(d) As used in this section, "E85" has the meaning set forth in IC 6-6-1.1-103.

(e) As used in this section, "gasoline fueled vehicle" refers to a vehicle that is capable of using gasoline to fuel its primary motor.

(f) As used in this section, "mid-level blend fuel" means a fuel blend consisting of:

(1) at least twenty percent (20%) but not more than seventy-three percent (73%) ethanol; and

(2) gasoline as the balance.

(g) As used in this section, "vehicle" includes the following:

(1) An automobile.

(2) A truck.

(3) A tractor.

(h) Except as provided by subsections (j) and (k), a state educational institution shall whenever possible purchase mid-level blend fuel or E85 to fuel the gasoline fueled vehicles owned or operated by the state educational institution.

(i) Except as provided by subsections (j) and (k), a state educational institution shall whenever possible purchase blended biodiesel fuel to fuel the diesel fueled vehicles owned or operated by the state educational institution.

(j) The following vehicles are exempt from the requirements of subsections (h) and (i):

(1) A vehicle that is leased by the state educational institution for thirty (30) days or less.

(2) A vehicle that:

(A) is primarily powered by an electric motor; or

(B) can use only propane, compressed or liquified natural gas, or methanol as its fuel source.

(k) The following vehicles are exempt from the requirements of subsection (h) or (i), whichever is appropriate:

(1) A gasoline fueled vehicle in which the use of mid-level blend fuel or E85 has not been approved by the manufacturer.

(2) A diesel fueled vehicle in which the use of blended biodiesel fuel has not been approved by the manufacturer.

(3) A gasoline fueled vehicle in which the use of mid-level blend fuel is prohibited by the federal Clean Air Act (42 U.S.C. 7401 et seq.).

SECTION 31. IC 36-7-14.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 14.2. Tax Rate Limitation

Sec. 1. As used in this chapter, "property taxes" means:

(1) property taxes, as described in:

(A) IC 6-1.1-39-5(g);

(B) IC 36-7-14-39(a);

(C) IC 36-7-14-39.2;

(D) IC 36-7-14-39.3(c);

(E) IC 36-7-14.5-12.5;

(F) IC 36-7-15.1-26(a);

(G) IC 36-7-15.1-26.2(c);

(H) IC 36-7-15.1-53(a);

(I) IC 36-7-15.1-55(c);

(J) IC 36-7-30-25(a)(3);

(K) IC 36-7-30-26(c);

(L) IC 36-7-30.5-30; or

(M) IC 36-7-30.5-31; and

(2) for allocation areas created under IC 8-22-3.5, the taxes assessed on taxable tangible property in the allocation area.

Sec. 2. Notwithstanding any other law, for assessment dates on or after March 1, 2016, a tax rate for property taxes described in section 1 of this chapter must be calculated by including in the base assessed value (for purposes of this section only) the amount of the assessed value that would otherwise have been included in the base assessed value if the exemption under IC 6-1.1-3-7.2 were not in effect for the assessment date.

SECTION 32. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "commission" refers to the commission on business personal property and business taxation established by subsection (b).**

(b) The commission on business personal property and business taxation is established.

(c) The commission consists of the following members:

(1) Two (2) members of the senate appointed by the president pro tempore of the senate.

(2) One (1) member of the senate appointed by the minority leader of the senate.

(3) Two (2) members of the house of representatives appointed by the speaker of the house of representatives.

(4) One (1) member of the house of representatives appointed by the minority leader of the house of representatives.

(5) The governor or the governor's designee. An individual designated by the governor under this subdivision must be a state employee.

(6) One (1) member who is nominated by the Association of Indiana Counties and is appointed jointly by the chairman and the vice chairman of the legislative council.

(7) One (1) member who is nominated by the Indiana Association of Cities and Towns and is appointed jointly by the chairman and the vice chairman of the legislative council.

(8) One (1) member who is nominated by the Indiana State Chamber of Commerce and is appointed jointly

by the chairman and the vice chairman of the legislative council.

(9) One (1) member who is nominated by the Indiana Manufacturers Association and is appointed jointly by the chairman and the vice chairman of the legislative council.

(10) One (1) member who is nominated by the Indiana Association of School Business Officials and is appointed jointly by the chairman and the vice chairman of the legislative council.

(11) One (1) member to represent agriculture who is appointed jointly by the chairman and the vice chairman of the legislative council.

(d) The president pro tempore of the senate shall appoint a legislative member of the commission to serve as chairperson of the commission. The speaker of the house of representatives shall appoint a legislative member of the commission to serve as vice chairperson of the commission.

(e) If a vacancy occurs on the commission, the appointing authority who appointed the member whose position is vacant shall appoint an individual to fill the vacancy.

(f) The commission shall do the following:

(1) Study issues concerning the taxation of business personal property in Indiana and business taxation in general in Indiana.

(2) Study issues related to the share of the overall tax burden borne by businesses in Indiana.

(3) Study the competitive advantages and disadvantages for businesses in Indiana that result from the structure of state and local taxation of business.

(4) Study any special elements of the taxation of business personal property.

(5) Study issues related to property taxes paid by taxpayers (including individual taxpayers) other than business taxpayers, and the relative share of the overall tax burden borne by these taxpayers.

(6) Study the impact on local government of reducing business personal property taxes.

(7) Study:

(A) the impact of circuit breaker credits under IC 6-1.1-20.6 on local governments;

(B) the ability of local governments to provide necessary services after the application of circuit breaker credits under IC 6-1.1-20.6; and

(C) the existing mechanisms and tools that may be used by local governments to address the effects of the circuit breaker credits under IC 6-1.1-20.6, and the extent to which these mechanisms and tools have been or have not been adopted and used.

(8) Study the impact of tax increment financing, including the impact of tax increment financing on local government.

(9) Study the issue of what number or percentage of votes by a county option income tax council should be required to eliminate property taxes on new business personal property in a county, if the county option income tax councils are given the authority to eliminate property taxes on such property.

(10) Study any other topics assigned by the legislative council or as directed by the chair of the commission.

(g) The commission shall submit a final report of the results of its study and any recommendations to the legislative council before November 1, 2014. The report must be in an electronic format under IC 5-14-6.

(h) The legislative services agency shall provide staff support to the commission.

(i) The affirmative votes of a majority of the members appointed to the commission are required for the commission to take action on any measure, including a final report.

(j) Except as otherwise specifically provided in this SECTION, the commission shall operate under the rules of the legislative council.

(k) This SECTION expires January 1, 2015.

SECTION 33. **An emergency is declared for this act.**

(Reference is to HB 1001 as printed January 27, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 4.

HERSHMAN, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill 1003, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 3, delete lines 6 through 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 5.

Page 6, line 9, delete "AS ADDED BY P.L.60-2013,".

Page 6, line 10, delete "SECTION 1," and insert "AS AMENDED BY SEA 24-2014, SECTION 101,".

Page 9, between lines 28 and 29, begin a new paragraph and insert:

"**(c) The data submitted to INK under subsections (a) and (b):**

(1) remains under the ownership and control of the agency submitting the data; and

(2) may be used only for the purposes of this chapter, unless the agency that submitted the data consents to the additional use.".

Page 9, line 29, delete "(c)" and insert "**(d)**".

Page 9, line 32, after "sector" insert "**business or commercial**".

Page 9, delete line 35.

Page 14, line 19, delete "AS ADDED BY P.L.273-2013,".

Page 14, line 20, delete "SECTION 30," and insert "AS AMENDED BY SEA 24-2014, SECTION 102,".

Page 15, delete lines 3 through 8.

Renumber all SECTIONS consecutively.

(Reference is to HB 1003 as reprinted January 28, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 7, Nays 4.

HERSHMAN, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred Engrossed House Bill 1037, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

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

"SECTION 2. IC 10-14-3-0.7 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 0.7. As used in this chapter, "Emergency Management Assistance Compact" refers to IC 10-14-5.~~

SECTION 3. IC 10-14-3-0.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 0.8. As used in this chapter, "communications service provider" has the meaning set forth in IC 8-1-32.5-4.**

SECTION 4. IC 10-14-3-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 2.5. As used in this chapter, "Emergency Management Assistance Compact" refers to IC 10-14-5.**".

Page 2, line 10, delete ";" and insert "**related to;**".

Page 2, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 6. IC 10-14-3-22.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 22.6. (a) Communications service providers in Indiana, in cooperation with the agency, the Indiana Cable Telecommunications Association, and the Indiana Telecommunications Association or a successor association, shall develop comprehensive and coordinated plans for:**

(1) preparation for; and

(2) responding appropriately to;

an emergency or disaster.

(b) Any statewide organization or a member of a statewide organization that represents communications service providers may establish a program for training and certifying communications service engineers and technical personnel as first response communications service providers. A program established under this subsection must:

(1) be consistent with federal law and guidelines;

(2) provide training and education concerning:

(A) restoration of;

(B) repairing;

(C) resupplying; or

(D) any combination of the activities under clauses (A) through (C) related to;

any facilities or equipment of a communications service provider in an area affected by an emergency or disaster; and

(3) provide training and education concerning the personal safety of a first response communications service provider in an area affected by an emergency or disaster.

(c) To the extent practicable and consistent with not endangering public safety or inhibiting recovery efforts, the state and political subdivisions shall allow a first response communications service provider access to an area affected by an emergency or disaster for the purpose of restoration of, repairing, or resupplying (or any combination of these activities) a facility or equipment critical to the ability of a communications service provider to acquire, produce, or transmit essential emergency or disaster related public information programming, including repairing and maintaining transmitters and transporting fuel for generators.".

Page 3, after line 16, begin a new paragraph and insert:

"**(f) If a local emergency is declared under this section, the political subdivision may not prohibit individuals trained and certified as first response communications service providers, as set forth in section 22.6 of this chapter, from traveling on the highways within the political subdivision during the local disaster emergency.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1037 as printed January 13, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 8, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transporation and Veterans Affairs, to which was referred Engrossed House Bill 1041, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.
Committee Vote: Yeas 9, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill 1046, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 16, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-12-26.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 26.2. (a) The following definitions apply throughout this section:**

(1) "Barn" means a building (other than a dwelling) that was designed to be used for:

(A) housing animals;

(B) storing or processing crops;

(C) storing and maintaining agricultural equipment; or

(D) serving an essential or useful purpose related to agricultural activities conducted on the adjacent land.

(2) "Eligible heritage barn" means a barn that:

(A) was constructed before 1950; and

(B) is in a state of disrepair and not being used as a barn on the assessment date but retains sufficient integrity of design, materials, and construction to clearly identify the building as a barn.

(3) "Eligible applicant" means:

(A) an owner of an eligible heritage barn; or

(B) a person that is purchasing property, including an eligible heritage barn, under a contract that:

(i) gives the person a right to obtain title to the property upon fulfilling the terms of the contract;

(ii) does not permit the owner to terminate the contract as long as the person buying the property complies with the terms of the contract;

(iii) specifies that during the term of the contract the person must pay the property taxes on the property; and

(iv) has been recorded with the county recorder.

(b) An eligible applicant is entitled to a deduction against the assessed value of the structure and foundation of an eligible heritage barn beginning with assessments after 2014. The deduction is equal to one hundred percent (100%) of the assessed value of the structure and foundation of the eligible heritage barn.

(c) An eligible applicant that desires to obtain the deduction provided by this section must file a certified deduction application with the auditor of the county in which the eligible heritage barn is located. The application may be filed in person or by mail. The application must contain the information and be in the form prescribed by the department of local government finance. If mailed, the mailing must be postmarked on or before the last day for filing.

(d) Subject to subsection (e) and section 45 of this chapter, the application must be filed during the year preceding the year in which the deduction will first be applied. Upon verification of the application by the county assessor of the county in which the property is subject to assessment or by the township assessor of the township in which the property is subject to assessment (if there is a township assessor for the township), the auditor of the county shall allow the deduction.

(e) The auditor of a county shall, in a particular year, apply the deduction provided under this section to the eligible heritage barn of the owner that received the deduction in the preceding year unless the auditor of the county determines that the property is no longer eligible for the deduction. A person that receives a deduction under this section in a particular year and that remains eligible for the deduction in the following year is not required to file an application for the deduction in the following year. A person that receives a deduction under this section in a particular year and that becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the property is located of the ineligibility in the year in which the person becomes ineligible. A deduction under this section terminates following a change in ownership of the eligible historic barn. However, a deduction under this section does not terminate following the removal of less than all the joint owners of property or purchasers of property under a contract described in subsection (a).".

Delete pages 2 through 4.

(Reference is to HB 1046 as reprinted January 31, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

HERSHMAN, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred Engrossed House Bill 1080, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 9, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred Engrossed House Bill 1097, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

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

"SECTION 1. IC 25-1-5-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 4.5. (a) Before the issuance or renewal of a license for a physician, physician's assistant, dentist, nurse, or nurse practitioner, the agency shall inquire whether the person is going to provide voluntary health care**

services.

(b) If a person informs the agency that the person will provide voluntary health care services under subsection (a), the agency shall list the person on a registry established and maintained by the agency.

(c) The board may adopt rules under IC 4-22-2 to implement this section.".

Page 1, line 3, after "(a)" insert "**As used in this section, "health care services" includes dental services.**

(b)".

Page 1, line 3, delete "(b)," and insert "**(c),**".

Page 1, line 7, delete "licensed to provide health care services" and insert "**a licensed physician, physician's assistant, dentist, nurse, or nurse practitioner**".

Page 2, line 1, delete "not" and insert "**immune from civil liability for the provision of voluntary health care services under this section.**".

Page 2, delete lines 2 through 5.

Page 2, line 6, delete "The person applies the established standard of care in the" and insert "**The person is listed as a health care provider who intends to provide voluntary health care services on the registry described in IC 25-1-5-4.5(b).**".

Page 2, delete lines 7 through 8.

Page 2, line 9, delete "(b)" and insert "**(c)**".

Page 2, line 11, after "of" insert "**substandard care,**".

Page 2, line 11, delete "negligence" and insert "**negligence,**".

Page 2, delete lines 12 through 15, begin a new paragraph, and insert:

"**(d) The immunity provided by this section applies:**

(1) to dental services provided in a dental office; and

(2) to health care services that are provided in a setting other than:

(A) a physician's office;

(B) a health care facility; or

(C) any other permanent facility whose primary purpose is the provision of health care services.

Except as provided by subdivision (1), the immunity provided by this section does not apply to health care services that are provided in a physician's office, a health care facility, or any other permanent facility whose primary purpose is the provision of health care services.".

Page 2, after line 15, begin a new paragraph and insert:

"**(e) An owner, operator, lessor, or lessee of real property, other than real property described in subsection (d)(2), who permits a person described in subsection (b) to provide health care services on the property is immune from civil liability resulting from an act or omission relating to the provision of health care services.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1097 as reprinted January 31, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 7, Nays 0.

ZAKAS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill 1104, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, line 15, delete "must be at least" and insert "**must be an adequate length of time to ensure that a quality and comprehensive analysis of all topics will be thoroughly reviewed, but is not to exceed**".

(Reference is to HB 1104 as printed January 17, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 9, Nays 0.

HERSHMAN, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce, Economic Development and Technology, to which was referred Engrossed House Bill 1139, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 16, after "aid" insert "**(as defined in IC 25-20-1-1)**".

Page 2, line 1, delete "and adjusted".

(Reference is to HB 1139 as printed January 27, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 6, Nays 0.

BUCK, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred Engrossed House Bill 1141, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 3, line 5, delete "(f) and (g)," and insert "**(g) and (h),**".

Page 3, line 13, after "(e)" delete "The" and insert "**Except as provided in subsection (h),** the".

Page 3, line 14, after "site" insert "**not later than**".

Page 3, line 18, reset in roman "(f)".

Page 3, line 18, delete "if" and insert "If".

Page 3, line 18, reset in roman "property has been certified as".

Page 3, reset in roman line 19.

Page 3, line 20, reset in roman "it is placed on the list required under subsection (c), the".

Page 3, line 21, after "not" insert "**department is not required to**".

Page 3, line 21, reset in roman "place the property on the

list.".

Page 3, line 24, delete "(f)" and insert "**(g)**".

Page 3, line 24, strike "This subsection only applies to a rental unit (as defined in".

Page 3, line 25, strike "IC 32-31-3-8).".

Page 3, line 25, strike "institute" and insert "**department**".

Page 3, line 25, strike "rental unit" and insert "**property**".

Page 3, line 26, after "until" strike "the" and insert "**one hundred eighty (180) days after the date on which the department receives information from a law enforcement agency that the property has been the site of a methamphetamine laboratory.**".

Page 3, strike lines 27 through 42.

Page 4, strike lines 1 through 10.

Page 4, line 11, delete "(g)" and insert "**(h)**".

Page 4, line 11, strike "This subsection only applies to a rental unit (as defined in".

Page 4, line 12, strike "IC 32-31-3-8).".

Page 4, line 12, strike "institute" and insert "**department**".

Page 4, line 12, strike "rental unit" and insert "**property**".

Page 4, line 14, strike "rental".

Page 4, line 20, strike "institute" and insert "**department**".

Page 4, line 20, strike "rental unit" and insert "**property**".

Page 4, line 21, strike "fifty (150)" and insert "**eighty (180)**".

Page 4, line 22, strike "rental".

Page 4, line 23, strike "institute" and insert "**department**".

Page 4, line 39, delete ", not later than ninety (90) days after receipt of" and insert "**, in accordance with the time periods described in IC 5-2-6-19,**".

Page 4, line 40, delete "a report described in subsection (a),".

(Reference is to HB 1141 as reprinted January 31, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 6, Nays 0.

ZAKAS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Environmental Affairs, to which was referred Engrossed House Bill 1170, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.
Committee Vote: Yeas 7, Nays 0.

CHARBONNEAU, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill 1180, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Pages 3, line 38, reset in bold "consumes compressed".

Page 3, reset in bold lines 39 through 40.

Page 3, line 41, reset in bold "of compressed natural gas in the previous calendar quarter.".

Page 4, line 13, after "2014" delete "." and insert "**; or**".

Page 5, delete lines 16 through 42.

Page 6, delete lines 1 through 2.

Page 6, line 3, delete "6." and insert "**5.**".

Page 6, line 16, delete "7." and insert "**6.**".

Page 6, line 34, delete "8." and insert "**7.**".

Page 7, line 4, delete "9." and insert "**8.**".

Page 7, line 26, delete "10." and insert "**9.**".

(Reference is to EHB 1180 as printed February 19, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 12, Nays 0.

HERSHMAN, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Environmental Affairs, to which was referred Engrossed House Bill 1183, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 3, line 12, delete "waste by 2019." and insert "**waste.**".

(Reference is to HB 1183 as reprinted January 28, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 7, Nays 1.

CHARBONNEAU, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Environmental Affairs, to which was referred Engrossed House Bill 1187, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 16, begin a new paragraph and insert:

"SECTION 1. IC 8-1-2-61.7, AS ADDED BY P.L.251-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 61.7. (a) As used in this section, "utility" refers to a wastewater utility that:

(1) is owned or operated by a political subdivision (as defined in IC 36-1-2-13); and

(2) is not under the jurisdiction of the commission for the approval of rates and charges.

(b) As used in this section, "wholesale sewage service" means the collection, treatment, purification, and disposal in a sanitary manner of liquid and solid waste, sewage, night soil, and industrial waste provided by a utility to another utility.

(c) A utility that:

(1) either provides or receives wholesale sewage service; and

(2) negotiates to renew or enter into a new contract for wholesale sewage service on expiration of a contract for the same wholesale sewage service;

may file a petition for review of rates and charges for wholesale sewage service with the commission or the circuit or superior court with jurisdiction in the county where the utility has its principal office.

(d) If a utility files a petition under subsection (c), the following apply:

(1) The utility that provides the wholesale sewage service has the burden of proving that the rates and charges are just and reasonable.

(2) A petition concerning the same rates and charges may not be filed with both the commission and a court.

(3) If multiple petitions concerning the same rates and charges are filed, all petitions filed after the first petition filed must be:

(A) consolidated with the first petition filed; and

(B) heard in the forum in which the first petition was filed.

(4) The petition is not subject to IC 36-9-23 or IC 36-9-25. **However, the petition may be subject to IC 8-1.5-6.**

(5) If the petition is heard by a court, the court shall hear the petition de novo.

(e) After notice and hearing, the commission may issue an order determining whether the rates and charges that are the subject of a petition filed with the commission under subsection (c) are just and reasonable. The order of the commission is a final order for purposes of IC 8-1-3.

(f) This section does not:

(1) authorize the commission to revise rates and charges of a utility for any other purpose other than as stated in this section; or

(2) otherwise return or subject a utility to the jurisdiction of the commission.

(g) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 2. IC 8-1-2-86.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 86.5. (a) As used in this section, "four (4) mile area" means the area within four (4) miles of a municipality's corporate boundaries.~~

~~(b) Except as provided in subsection (c), the commission, after notice and hearing, may, by order, determine territorial disputes between all water utilities.~~

~~(c) This subsection applies only to a municipality:~~

~~(1) having a population of less than seven thousand five hundred (7,500); and~~

~~(2) that, as of January 1, 2007, has adopted an ordinance exercising the power to regulate the furnishing of water to the public granted by IC 36-9-2-14 within a four (4) mile area.~~

~~The commission may not determine a territorial dispute within a four (4) mile area unless the territorial dispute concerns a geographic area located in more than one (1) four (4) mile area.~~

SECTION 3. IC 8-1-13-18.5, AS AMENDED BY P.L.42-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18.5. (a) Except as provided in subsection (i), a corporation organized under this chapter or a corporation organized under IC 23-17 whose membership includes one (1) or more corporations organized under this chapter may withdraw from the jurisdiction of the commission. A corporation organized under this chapter that withdraws from the jurisdiction of the commission must comply with all provisions of this chapter that do not directly concern the commission and must continue to pay the public utility fee required under IC 8-1-6. A member of a corporation that has withdrawn from the commission's jurisdiction shall have reasonable access to the meetings and the minutes of the meetings of the corporation's board of directors, except for executive sessions that concern personnel matters and confidential or proprietary matters that may:

(1) invade the privacy of a member or an employee of the corporation; or

(2) impair the corporation's bargaining, legal, or competitive position;

if the matter is disclosed to the member.

(b) A corporation that proposes to withdraw under this chapter from the jurisdiction of the commission must first obtain the approval of the members.

(c) The board of a corporation that proposes to withdraw under this chapter from the jurisdiction of the commission must conduct a referendum of the members of the corporation to determine whether the members approve of the removal of the corporation from the jurisdiction of the commission.

(d) A board must send written notice of the board's intent to conduct a referendum to the commission before the board may conduct the referendum.

(e) A referendum may be conducted at an annual or special meeting of the members held under section 8 of this chapter if a quorum is present.

(f) Written notice of a meeting at which a referendum is to be conducted must be sent to every member not less than thirty (30) days before the date of the meeting. The notice must contain the following information:

(1) The place, date, and hour of the meeting.

(2) The fact that a referendum will be conducted at the meeting to determine whether the members approve of the removal of the corporation from the jurisdiction of the commission.

(3) The fact that no proxies will be permitted to determine whether the members approve of the removal of the corporation from the jurisdiction of the commission.

(g) A board shall distribute secret ballots to the members present at the meeting. The ballots must be in a form substantially equivalent to the following:

___ YES. I want the corporation to withdraw from the

jurisdiction of the commission.

___ NO. I want the corporation to remain under the jurisdiction of the commission.

Only those members present in person at the meeting may vote. Each member is entitled to one (1) vote on the question of the corporation's withdrawal from jurisdiction of the commission. If a majority of the members present vote in favor of withdrawing from the jurisdiction of the commission, the withdrawal is effective thirty (30) days after the date of the vote. If less than a majority of the members vote in favor of withdrawing the corporation from jurisdiction of the commission, the corporation is prohibited from conducting another referendum concerning withdrawal for eighteen (18) months following the date of the meeting at which the vote was taken. Parties aggrieved by the conduct of the referendum must file an action in the circuit or superior court with jurisdiction in the county where the corporation has the corporation's principal office to allege noncompliance with this section not more than thirty (30) days after the date of the vote.

(h) If a corporation withdraws from jurisdiction of the commission, the corporation's secretary shall not more than five (5) days after the date of the vote send a verified certification of the vote to the commission affirming that all the requirements of this section were met and include all of the following:

(1) The total membership of the corporation.

(2) The total number of members voting in the referendum.

(3) The actual vote, for and against withdrawal.

(i) If a corporation withdraws from the jurisdiction of the commission, the commission shall continue to exercise jurisdiction over the corporation only as to the following:

(1) Electric service area assignments under IC 8-1-2.3.

(2) Certificates of public convenience and necessity, certificates of territorial authority, and indeterminate permits under IC 8-1-2, IC 8-1-8.5, or IC 8-1-8.7.

~~(3) Water utility disputes under IC 8-1-2-86.5.~~

(j) Whenever two (2) or more corporations organized under this chapter consolidate or merge under section 16 of this chapter, and one (1) but not all of the corporations has withdrawn from the jurisdiction of the commission under this section, the consolidated or merged corporation is under the jurisdiction of the commission until the consolidated or merged corporation withdraws from jurisdiction of the commission under this section, unless the agreement for consolidation or merger approved under section 16 of this chapter includes the withdrawal from the jurisdiction of the commission under this section.

(k) A board of a corporation that has withdrawn from the jurisdiction of the commission under this section must conduct a referendum of the corporation's members to determine whether the corporation should return to the jurisdiction of the commission upon receipt of:

(1) a petition for a referendum signed by not less than fifteen percent (15%) of the corporation's members; or

(2) a resolution ordering a referendum adopted by a majority vote of the board of directors of the corporation.

Upon receipt of the petition or adoption of the resolution by the board, the board shall inform the commission of the petition or resolution and shall thereafter conduct a referendum at the next annual meeting of the corporation held under section 8 of this chapter, or if the next annual meeting is more than ninety (90) days after the date the petition was received or resolution for referendum was adopted by the board, then at a special meeting called by the board and held not more than ninety (90) days after receipt of the petition or adoption of the resolution. The process provided in subsections (d), (e), (f), (g), and (h) shall be followed when conducting a referendum under this subsection, except the form of the ballots must be as follows:

___ YES. I want the corporation to return to the jurisdiction of the commission.

___ NO. I want the corporation to remain outside the jurisdiction of the commission.

If a corporation returns to the jurisdiction of the commission, the commission shall resume all the jurisdiction it would have if the corporation had not withdrawn, effective thirty (30) days following the date the referendum was conducted. If less than a majority of the members voting at the referendum vote in favor of returning to the jurisdiction of the commission, a referendum on the question presented at the referendum may not be conducted for eighteen (18) months following the date of the vote.

SECTION 4. IC 8-1-17.5-25, AS AMENDED BY P.L.256-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. Notwithstanding any other law, the commission may exercise jurisdiction over a surviving corporation or successor corporation formed under this chapter only to do the following:

(1) Ensure compliance with IC 8-1-2.8 concerning the provision of dual party relay services to deaf, hard of hearing, and speech impaired persons in Indiana.

(2) Perform the commission's duties under IC 8-1-19.5 concerning the administration of the 211 dialing code for communications service used to provide access to human services information and referrals.

(3) Enforce rules adopted under IC 8-1-29 to ensure that a customer of a telecommunications provider is not:

(A) switched to another telecommunications provider unless the customer authorizes the switch; or

(B) billed for services by a telecommunications provider that without the customer's authorization added the services to the customer's service order.

(4) Conduct proceedings under:

(A) the federal Telecommunications Act of 1996 (47 U.S.C. 151 et seq.); and

(B) IC 20-20-16;

concerning universal service and access to telecommunications service and equipment, including the designation of eligible telecommunications carriers under 47 U.S.C. 214.

(5) Perform the commission's duties under IC 8-1-2.6-1.5 or IC 8-1-2-5.

(6) Issue or maintain certificates of territorial authority for communications service providers under IC 8-1-32.5.

(7) Perform the commission's duties under IC 8-1-34 to issue and maintain certificates of franchise authority to multichannel video programming distributors offering video service to Indiana customers.

(8) Perform the commission's duties under IC 8-1-2.6-13(c)(9) concerning the reporting of information by communications service providers.

(9) Fulfill the commission's duties under any state or federal law concerning the administration of any universally applicable dialing code for any communications service.

(10) Perform the commission's duties under IC 8-1-2.3 with respect to assigned service areas for electricity suppliers.

(11) Issue:

(A) certificates of public convenience and necessity, certificates of territorial authority, and indeterminate permits under IC 8-1-2;

(B) certificates of public convenience and necessity under IC 8-1-8.5; or

(C) certificates of public convenience and necessity under IC 8-1-8.7.

(12) Determine territorial disputes between water utilities under ~~IC 8-1-2-86.5.~~ **IC 8-1.5-6.**

SECTION 5. IC 8-1-32-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. This chapter does not reduce or supersede the commission's jurisdiction under IC 8-1-2-86 and ~~IC 8-1-2-86.5.~~ **IC 8-1.5-6.**

SECTION 3. IC 8-1.5-6 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 6. Utility Service in Regulated Territories

Sec. 1. As used in this chapter, "municipal utility" refers to a municipally owned:

(1) water utility;

(2) wastewater utility; or

(3) combined water and wastewater utility;

regardless of whether the municipal utility is under the jurisdiction of the commission for the approval of rates and charges.

Sec. 2. As used in this chapter, "regulated territory" means the area outside the corporate boundaries of a municipality described in:

(1) IC 36-9-2-18;

(2) IC 36-9-2-19; or

(3) IC 36-9-23-36.

Sec. 3. As used in this chapter, "regulatory ordinance" means an ordinance adopted by a municipality that:

(1) asserts the exclusive authority of a municipal utility to provide service within a regulated territory; or

(2) prohibits another utility from providing utility service in the regulated territory.

Sec. 4. As used in this chapter, "utility" means a utility that provides:

(1) water service;

(2) wastewater service; or

(3) combined water and wastewater service;

regardless of whether the utility is under the jurisdiction of the commission for the approval of rates and charges. The term includes a municipal utility.

Sec. 5. As used in this chapter, "wholesale sewage petition" refers to a petition filed with the commission under IC 8-1-2-61.7 for review of rates and charges for wholesale sewage service.

Sec. 6. Notwithstanding any other provision in this title or IC 36, the offering or provision of service by a utility in a regulated territory is under the jurisdiction of the commission.

Sec. 7. (a) This section applies if:

(1) a municipality adopts a regulatory ordinance after December 31, 2012; and

(2) a utility owned by the municipality files a wholesale sewage petition.

(b) A municipality may not enforce a regulatory ordinance until all of the following conditions are satisfied:

(1) There is a final judgment on the wholesale sewage petition that concludes all administrative and judicial proceedings. For purposes of this subdivision, a final judgment includes an order of the commission under subsection (f).

(2) The commission has issued an order under subsection (f) that resolves all issues included in a petition filed under subsection (d) in a manner that the commission determines is in the public interest.

(3) The municipality has modified the regulatory ordinance to comply with the order of the commission described in subdivision (2), if necessary.

(c) A utility may file with the commission a petition alleging that the final judgment of a court on the wholesale sewage petition does not resolve all issues included in the wholesale sewage petition that are related to:

(1) the service territory of the municipality; or

(2) rates and charges for wholesale sewage service.

The commission shall assume immediate and exclusive jurisdiction over the municipal utility upon the filing of the petition for purposes of resolving the remaining issues. After notice and hearing, the commission shall issue an order within three hundred (300) days after the petition is filed resolving all issues presented in the petition in the manner that the commission determines is in the public interest. In making a determination of the public interest, the commission shall consider the factors set forth in the subsection (g). The commission may combine a hearing under this subsection with a hearing under subsection (f) and issue a single order on the combined hearing.

(d) Not later than October 1, 2014, a municipal utility shall petition the commission for approval of the regulatory

ordinance. The petition must include the following:

(1) A description of the service territory established in the regulatory ordinance.

(2) Proposed rates and charges for the services to be provided in the service territory.

(3) A list of any administrative or judicial proceedings involving the regulatory ordinance or the wholesale sewage petition.

(4) A list of any utilities actually or potentially affected by the regulatory ordinance.

(e) Upon the filing of a petition described in subsection (d), the commission shall do the following:

(1) Encourage all utilities listed under subsection (d)(4) to reach a mutual agreement that apportions the provision of service in the regulated territory among the utilities. A mutual agreement described in this subdivision is the preferred method of establishing service territories in a regulated territory. To take effect, a mutual agreement must be approved by the commission in an order issued under subsection (f), and the commission may approve a mutual agreement only if the commission determines that the mutual agreement is in the public interest.

(2) If the utilities are unable to reach a mutual agreement under subdivision (1), the commission shall assume immediate and exclusive jurisdiction over the municipal utility, including the wholesale sewage petition if there is no final judgment from a court on the wholesale sewage petition.

(f) Upon assuming jurisdiction under subsection (e)(2) and after notice and hearing, the commission shall issue an order resolving:

(1) all issues presented in the petition described in subsection (d), including the enforceability of the regulatory ordinance; and

(2) any applicable issues presented in the wholesale sewage petition;

in the manner that the commission determines is in the public interest. The commission shall issue the order within three hundred (300) days after the petition described in subsection (d) is filed.

(g) In making a determination under subsection (f), the commission shall consider the following:

(1) The ability of another utility to provide service in the regulated territory.

(2) The effect of a commission order on customer rates and charges for service provided in the regulated territory.

(3) The effect of the commission's order on present and future economic development in the regulated territory.

(4) The history of utility service in the regulated territory, including any contracts for utility service entered into by the municipality that adopted the regulatory ordinance and any other municipalities, municipal utilities, or utilities.

(5) Any other factors the commission considers necessary.

Sec. 8. (a) This section applies if:

(1) a municipality adopts a regulatory ordinance after December 31, 2012; and

(2) a utility owned by the municipality does not, or is not eligible to, file a wholesale sewage petition.

(b) A municipality may not enforce a regulatory ordinance until the commission issues an order under subsection (c). The municipality shall petition the commission for approval of the regulatory ordinance. The petition must include the following:

(1) A description of the service territory established in the regulatory ordinance.

(2) Proposed rates and charges for the services to be provided in the service territory.

(3) A list of any administrative or judicial proceedings involving the regulatory ordinance.

(4) A list of any utilities actually or potentially affected by the regulatory ordinance.

(c) After notice and hearing, the commission shall issue an order resolving all issues presented in the petition described in subsection (b), including the enforceability of the regulatory ordinance in the manner that the commission determines is in the public interest. In making a determination of the public interest, the commission shall consider the factors set forth in section 7(g) of this chapter. The commission shall issue the order within three hundred (300) days after the petition described in subsection (b) is filed.

(d) If the commission does not approve the petition, the municipality may modify and resubmit the petition in the manner prescribed by the commission. After notice and hearing, the commission shall review the petition as set forth in subsection (c). If the commission does not approve the resubmitted petition, the regulatory ordinance is void.

(e) The municipality may petition the commission to rescind or modify an order issued under subsection (c) not earlier than five (5) years after the date on which the order was issued.

Sec. 9. (a) This section applies to a dispute, other than a dispute described in section 7 or 8 of this chapter, arising or existing between two (2) or more utilities as to which utility will provide utility service in a regulated territory. A dispute shall be resolved by the commission under this section.

(b) A proceeding under this section may be initiated:

(1) by a utility that is a party to a dispute described in subsection (a); or

(2) by the commission on its own initiative.

(c) Throughout a proceeding under this section, the commission shall, where feasible, promote the resolution of the dispute described in subsection (a) through a mutual agreement between the utilities that apportions the provision of utility service in the regulated territory. A mutual agreement described in this subsection is the preferred way

of resolving a dispute described in subsection (a). However, to resolve the dispute, a mutual agreement must be approved by the commission in an order issued under subsection (e), and the commission may approve a mutual agreement only if the commission determines that the mutual agreement is in the public interest.

(d) If the utilities are unable to reach a mutual agreement under subsection (c), the commission shall determine the manner in which utilities shall provide service in the regulated territory. In making the determination, the commission shall consider the criteria set forth in section 7(g) of this chapter.

(e) After notice and hearing, the commission shall issue an order:

(1) approving a mutual agreement under subsection (c); or

(2) making a final determination under subsection (d).

Sec. 10. This section applies to a municipality that:

(1) after December 31, 2012, adopts a regulatory ordinance that establishes a service territory that is smaller than the regulated territory; and

(2) either:

(A) amends the ordinance described in subdivision (1); or

(B) adopts a new ordinance;

to establish a service territory that is larger than the service territory described in subdivision (1).

Before an ordinance described in subdivision (2) may take effect, the municipality shall submit the ordinance to the commission for approval under section 9 of this chapter.

Sec. 11. An order issued by the commission under this chapter is a final order for purposes of IC 8-1-3 and is enforceable in court.

Sec. 12. A petition filed under this chapter is not subject to the following:

(1) IC 8-1.5-3.

(2) IC 36-9-23.

(3) IC 36-9-25.".

Delete pages 2 through 3.

Page 4, delete lines 1 through 30.

Page 4, delete line 32.

Renumber all SECTIONS consecutively.

(Reference is to HB 1187 as reprinted January 30, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 0.

CHARBONNEAU, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Insurance, to which was referred Engrossed House Bill 1206, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

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

"SECTION 1. IC 6-3-2-2.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: Sec. 2.8. Notwithstanding any provision of IC 6-3-1 through IC 6-3-7, there shall be no tax on the adjusted gross income of the following:

(1) Any organization described in Section 501(a) of the Internal Revenue Code, except that any income of such organization which is subject to income tax under the Internal Revenue Code shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

(2) Any corporation which is exempt from income tax under Section 1363 of the Internal Revenue Code and which complies with the requirements of IC 6-3-4-13. However, income of a corporation described under this subdivision that is subject to income tax under the Internal Revenue Code is subject to the tax under IC 6-3-1 through IC 6-3-7. A corporation will not lose its exemption under this section because it fails to comply with IC 6-3-4-13 but it will be subject to the penalties provided by IC 6-8.1-10.

(3) Banks and trust companies, national banking associations, savings banks, building and loan associations, and savings and loan associations.

(4) Insurance companies subject to tax under **any of the following:**

(A) IC 27-1-18-2, including a domestic insurance company that elects to be taxed under IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(5) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System (12 CFR 204)).

SECTION 2. IC 6-5.5-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: Sec. 7. Notwithstanding any other provision of this article, there is no tax imposed on the adjusted gross income or apportioned income of the following:

(1) Insurance companies subject to the tax under **any of the following:**

(A) IC 27-1-18-2. ~~or~~

(B) IC 27-1-2-2.3.

(C) IC 6-3.

(2) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System).

(3) Any corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code.

(4) Any corporation exempt from federal income taxation under the Internal Revenue Code, except for the corporation's unrelated business income. However, this exemption does not apply to a corporation exempt from federal income taxation under Section 501(c)(14) of the Internal Revenue Code.

SECTION 3. IC 27-1-2-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: **Sec. 2.3. (a) As used in this section, "captive insurer" means a foreign company or an alien company:**

(1) that is supervised in the foreign or alien jurisdiction;

(2) that is owned by a person that conducts business in Indiana;

(3) whose exclusive purpose is to insure property and casualty risks of:

(A) the parent entity described in subdivision (2);

(B) affiliates of the parent entity; or

(C) a controlled unaffiliated business;

which may include reinsuring (through risk-sharing arrangements) property and casualty risks insured by other foreign companies or alien companies described in subdivision (1); and

(4) that has not more than two million dollars ($2,000,000) of annual direct written premium.

(b) As used in this section, "controlled unaffiliated business" means a business:

(1) that:

(A) is not an affiliate of; and

(B) has a contractual relationship with;

a parent entity described in subsection (a)(2) or an affiliate of the parent entity; and

(2) the risks of which are managed by a captive insurer.

(c) Except as provided in this section, this article does not apply to a captive insurer.

(d) A captive insurer that is doing business in Indiana:

(1) is not required to obtain a certificate of authority in Indiana;

(2) shall register with the commissioner; and

(3) shall, for each calendar year after 2012 in which the captive insurer is doing business in Indiana, pay into the treasury of this state a tax of two thousand five hundred dollars ($2,500).

(e) A captive insurer that is required to pay the tax imposed for a calendar year under subsection (d)(3) shall pay the tax as follows:

(1) For a tax imposed under subsection (d)(3) for calendar year 2013, the captive insurer shall pay the tax before July 1, 2014.

(2) For a tax imposed under subsection (d)(3) for a calendar year after 2013, the captive insurer shall pay the tax before April 15 of the following calendar year.

(f) The state and a political subdivision of the state shall not impose a license fee or privilege or other tax on a captive insurer, except the following:

(1) The tax described in subsection (d)(3).

(2) An applicable tax on real and tangible personal property of the captive insurer.".

Page 3, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 5. IC 27-1-13-16, AS AMENDED BY P.L.6-2012, SECTION 186, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) This section applies to a policy of insurance that:

(1) covers first party loss to property located in Indiana; and

(2) insures against loss or damage to:

(A) real property consisting of not more than four (4) residential units, one (1) of which is the principal place of residence of the named insured; or

(B) personal property in which the named insured has an insurable interest and that is used within a residential dwelling for personal, family, or household purposes.

(b) An insurer that reduces, restricts, or removes, through a rider or an endorsement, coverage provided by a policy of insurance must provide to the named insured written notice, through the United States mail or by electronic means, of the changes to the policy. The written notice required by this subsection must:

(1) be part of a document that is separate from the rider or endorsement;

(2) be printed in at least 12 point type, 1 point leaded;

(3) consist of text that achieves a minimum score of forty (40) on the Flesch reading ease test or an equivalent score on a comparable test approved by the commissioner as provided by IC 27-1-26-6;

(4) identify the forms, provisions, or endorsements that are changed;

(5) indicate that the named insured may contact the servicing insurance producer for the policy, if any, or the insurer for assistance with any questions concerning the policy changes;

(6) indicate whether a premium adjustment will result from the policy changes; and

(7) set forth any options available to the named insured to repurchase the coverage that has been reduced, restricted, or removed.

~~(c) If the notice required under subsection (b) is sent through the United States mail, the outside of the envelope used to mail the notice must contain the following statement in at least 14 point type: "Coverage has been reduced, restricted, or removed from your policy.".~~

~~(d)~~ **(c)** The insurer bears the burden to prove that notice was sent to the named insured in accordance with this section. If the notice is sent through the United States mail, proof of mailing as described in IC 27-7-6-7 is sufficient proof of the notice.

~~(e)~~ **(d)** The commissioner may adopt rules under IC 4-22-2 to implement this section.".

Page 17, line 10, delete "IC 27-1-43" and insert "IC 27-1-43.2".

Page 17, line 13, delete "43." and insert "**43.2.**".

Page 19, line 8, delete "in addition to" and insert "**that is separate from**".

Page 19, line 9, delete "of:" and insert "**of a motor vehicle; and**".

Page 19, delete lines 10 through 11.

Page 19, line 14, delete "of:" and insert "**of a motor vehicle**".

Page 19, delete lines 15 through 16.

Page 19, run in lines 14 through 17.

Page 19, line 18, delete "or other tangible personal property".

Page 19, between lines 21 and 22, begin a new line blocked left and insert:

"**A service contract may also provide for the incidental payment of indemnity under limited circumstances, including indemnity for towing, temporary replacement motor vehicle rental, and emergency road service.**".

Page 19, delete lines 39 through 42.

Page 20, delete lines 1 through 4, begin a new paragraph and insert:

"**(c) A service contract may not include coverage:**

(1) for the:

(A) repair of damage to;

(B) replacement of; or

(C) repair of damage to and replacement of;

the interior surfaces of a vehicle; or

(2) for the:

(A) repair of damage to;

(B) replacement of; or

(C) repair of damage to and replacement of;

the exterior paint or finish of a vehicle.

However, coverage described in subdivision (1) or (2) may be offered in connection with the sale of an ancillary protection product as defined in section 1 of this chapter.".

Page 21, line 2, delete "unless:" and insert "**unless the provider complies with one (1) of the following subdivisions:**".

Page 21, delete lines 3 through 14, begin a new line block indented and insert:

"**(1) All of the following conditions are met:**

(A) The provider is insured under a service contract reimbursement policy issued by an insurer authorized to do business in Indiana.

(B) True and correct copies of the service contract reimbursement policy have been filed with the commissioner.

(C) The service contract conspicuously:

(i) states that the obligations of the provider to the holder are covered under the service contract reimbursement policy; and

(ii) sets forth the name and address of the insurer that issued the service contract reimbursement policy.

(2) The provider maintains a funded reserve account for its obligations under each service contract issued by the provider in Indiana and outstanding, subject to the following:

(A) The reserves are calculated at not less than forty percent (40%) of the gross consideration received, then minus the amount of claims paid under the service contracts.

(B) The service contract conspicuously states that the obligations of the provider under the service contract are backed by the full faith and credit of the provider.

A reserve account maintained under subdivision (2) is subject to examination and review by the commissioner under section 15 of this chapter.".

Page 21, line 15, delete "(a)(2)" and insert "**(a)(1)(B)**".

Page 22, line 14, delete "state the following:" and insert "**set forth the following statement or a substantially similar statement:**".

Page 22, line 17, delete "Conspicuously" and insert "**If the service provider is insured under a service contract reimbursement policy under section 11(a)(1)(A) of this chapter, conspicuously**".

Page 22, line 39, after "11" insert "**, 12(4),**".

Page 22, line 40, after "warranty," insert "**service**".

Page 23, line 39, delete "only scheduled maintenance, not including repair or" and insert "**regular maintenance.**".

Page 23, delete line 40.

Page 24, after line 1, begin a new paragraph and insert:

"SECTION 11. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1206 as printed January 17, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 1.

PAUL, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Natural Resources, to which was referred Engrossed House Bill 1219, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

YODER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Engrossed House Bill 1266, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, reset in roman lines 39 through 42.

Page 2, line 42, after "chapter." insert "**This subsection expires January 1, 2016.**".

Page 3, reset in roman lines 1 through 6.

Page 3, line 6, after "hearing." insert "**This subsection expires January 1, 2016.**".

Page 3, line 9, reset in roman "(a)".

Page 3, reset in roman lines 17 through 30.

Page 3, line 30, after "subdivision." insert "**This subsection expires January 1, 2016.**".

Page 3, delete lines 31 through 42.

Page 4, delete lines 1 through 36.

Page 21, line 18, after "shall" insert ", **(before January 1, 2016) at least ten (10) days before the public hearing,**".

Page 21, line 27, after "shall" insert "**(before January 1, 2016)**".

Page 21, line 27, reset in roman "publish the notice twice in".

Page 21, reset in roman lines 28 through 31.

Page 21, line 32, reset in roman "the publishing of the notice.".

Page 21, line 32, after "notice." insert "**The political subdivision shall**".

Page 21, line 35, after "taxpayers" insert "**, at least ten (10) days before the public hearing,**".

Page 21, line 37, after "request" insert "**mailed**".

Page 21, line 40, after "address." insert "**The department shall review only the submission to the department's computer gateway for compliance with this section.**".

Page 22, line 27, after "not" insert "**(before January 1, 2016) published and is not**".

Page 22, line 31, after "timely" insert "**publishes (before January 1, 2016) and**".

Page 22, line 36, after "gateway" insert "**and (before January 1, 2016) to publish the amended information**".

Page 22, after line 42, begin a new paragraph and insert:

"SECTION 22. IC 6-1.1-17-5.6, AS AMENDED BY P.L.119-2012, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.6. (a) For budget years beginning before July 1, 2011, this section applies only to a school corporation that is located in a city having a population of more than one hundred thousand (100,000) but less than one hundred ten thousand (110,000). For budget years beginning after June 30, 2011, this section applies to all school corporations. Beginning in 2011, each school corporation may elect to adopt a budget under this section that applies from July 1 of the year through June 30 of the following year. In the initial budget adopted by a school corporation under this section, the first six (6) months of that initial budget must be consistent with the last six (6) months of the budget adopted by the school corporation for the calendar year in which the school corporation elects by resolution to begin adopting budgets that correspond to the state fiscal year. A corporation shall submit a copy of the resolution to the department of local government finance and the department of education not more than thirty (30) days after the date the governing body adopts the resolution.

(b) Before ~~February~~ **April** 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before November 1.

(c) Each year, at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

(1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;

(2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and

(3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting under IC 6-1.1-29-4.

(d) The governing body of the school corporation may adopt a resolution to cease using a school year budget year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget fixed by the department of local government finance before the adoption of a resolution under this subsection.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last six (6) months of the last calendar year budget fixed by the department of local government finance before the adoption of a rescinding resolution under this subsection.".

Page 25, line 2, after "shall" insert "**, unless the department finds extenuating circumstances,**".

Page 25, line 8, after "site" insert "**and (before January 1, 2016) is published by the political subdivision according to a notice provided by the department**".

Page 25, line 17, delete "a" and insert "**an adopted**".

Page 25, line 18, after "shall" insert "**, unless the department finds extenuating circumstances,**".

Page 25, line 18, after "the" insert "**adopted**".

Page 25, delete lines 30 through 42.

Delete pages 26 through 29.

Page 30, delete lines 1 through 20.

Page 32, delete lines 40 through 42.

Delete pages 33 through 36.

Page 37, delete lines 1 through 40.

Page 38, delete lines 38 through 42.

Delete pages 39 through 71.

Page 72, delete line 1.

Renumber all SECTIONS consecutively.

(Reference is to HB 1266 as reprinted January 31, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 11, Nays 0.

HERSHMAN, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Commerce, Economic Development and Technology, to which was referred Engrossed House Bill 1301, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, line 42, delete "office of the".

Page 4, delete lines 22 through 25, begin a new paragraph and insert:

"**(c) For purposes of subsection (a)(1), "townhouse" means a single-family dwelling unit constructed in a group of three (3) or more attached units in which each unit:**

(1) extends from foundation to roof;

(2) is not more than three (3) stories in height;

(3) is separated from each adjoining unit by:

(A) two (2) one (1) hour fire-resistance rated walls with exposure from both sides; or

(B) a common two (2) hour fire-resistance rated wall; and

(4) has open space on at least two (2) sides.".

Page 8, line 2, delete "the office of".

Page 8, delete lines 32 through 42, begin a new paragraph and insert:

"SECTION 12. IC 22-15-3-1, AS AMENDED BY P.L.22-2005, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) The **state** building ~~law compliance officer employed under IC 10-19-7-4~~ **commissioner** shall issue a design release for:

(1) the construction of a Class 1 structure to an applicant who qualifies under section 2 or 3 of this chapter; and

(2) the fabrication of an industrial building system or mobile structure under section 4 of this chapter.

(b) ~~The building law compliance officer may issue a design release based on~~ A plan review **for which the division has the authority under this chapter or IC 22-15-3.2 to perform and issue a design release may not be** performed by a city, town, or county, **except if the city, town, or county performs a review as part of:**

(1) an inspection program for the purpose of ensuring compliance with the fire and life safety laws and rules; or

(2) a voluntary plan review program of the city, town, or county.

~~if~~

~~(1) the building law compliance officer has certified that the city, town, or county is competent; and~~

~~(2) the city, town, or county has adopted the rules of the commission under IC 22-13-2-3.~~

~~(c) For the purposes of subsection (c)(1), competency must be established by a test approved by the commission and administered by the division of education and information.~~

~~(d)~~ **(c)** A design release issued under this chapter expires on the date specified in the rules adopted by the commission.".

Page 9, delete lines 1 through 10.

Page 9, between lines 32 and 33, begin a new paragraph and insert:

"**Sec. 3. As used in this chapter, "design professional" means:**

(1) an architect registered under IC 25-4-1; or

(2) a professional engineer registered under IC 25-31.".

Page 9, line 33, delete "3." and insert "**4.**".

Page 9, delete lines 35 through 37.

Page 10, line 11, delete "professional of record" and insert "**design professional**".

Page 10, delete lines 13 through 18.

Page 11, line 3, after "approved" insert "**for a design release**".

Page 11, line 29, after "approved" insert "**for a design release**".

Page 12, line 11, after "approved" insert "**for a design release**".

Page 12, line 15, delete "approved" and insert "**accepted**".

Page 12, line 18, delete "an engineer licensed under IC 25-31 or architect" and insert "**a design professional**".

Page 12, line 19, delete "registered under IC 25-4".

Page 12, line 29, delete "professional of record's" and insert "**design professional's**".

Page 12, line 33, delete "professional of record" and insert "**design professional**".

Page 12, line 38, delete "professional of" and insert "**design professional.**".

Page 12, line 39, delete "record.".

Page 13, line 3, delete "professional of record" and insert "**design professional**".

Page 13, delete lines 7 through 10, begin a new line block indented and insert:

"**(6) If the application was selected for a review:**

(A) whether the division requested corrections to the plans and specifications;

(B) the dates that corrections were requested by the division; and

(C) the dates that the applicant responded to the requests under clause (B).

(7) Whether a design release was issued by the division. The date a design release was issued (if any) or other final action was taken.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1301 as printed January 21, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 7, Nays 1.

BUCK, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Natural Resources, to which was referred Engrossed House Bill 1307, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 3, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 5. IC 6-7-3-3.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 3.3. As used in this chapter, "distribute" has the meaning set forth in IC 35-48-1-14.**

SECTION 6. IC 6-7-3-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 5.5. (a) As used in this section, "license" means a controlled substance distribution license.**

(b) As used in this section, "licensee" means a person or entity who is licensed under this section to distribute a controlled substance.

(c) A person or entity is prohibited from distributing a controlled substance that is prohibited under IC 35-48-4 or 21 U.S.C. 841 through 21 U.S.C. 852 as of July 1, 2014. Notwithstanding whether the prohibitions listed in this subsection are subsequently repealed, a person or entity must hold a current valid license under this section.

(d) The department shall issue a license for distribution of each controlled substance. Each license shall be specific to the controlled substance and may not be combined to include multiple types of controlled substances.

(e) The initial fee for the license shall be twenty-five thousand dollars ($25,000) with a yearly renewal fee amount to be set by the department, but not to exceed two thousand five hundred dollars ($2,500).

(f) A licensee is entitled to renew a license if the renewal fee is submitted to the department before the anniversary date of the issuance of the license. If the renewal fee is not paid before the anniversary date of the issuance of the license, the fee for issuance of a new license will be twenty-five thousand dollars ($25,000).

(g) A license may be obtained for distribution of a controlled substance whether or not the licensee is currently engaged in the actual distribution of a controlled substance.

(h) The department shall adopt rules for determination of eligibility to receive a license under this section not later than January 1, 2015. Licenses may be issued under this section after the adoption of rules by the department.

SECTION 7. IC 6-7-3-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 11.5. (a) A person who distributes a controlled substance without a controlled substance distribution license issued under section 5.5 of this chapter is subject to a one hundred thousand dollar ($100,000) penalty for each act of distribution without a license issued under section 5.5 of this chapter.**

(b) In the interest of justice, the department may reduce the penalty imposed under subsection (a), subject to judicial approval.

(c) The penalty described in subsection (a) does not apply to a controlled substance that is distributed, manufactured, or dispensed by a person registered under IC 35-48-3.

SECTION 8. IC 6-7-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) The department may award up to ten percent (10%) of the total amount collected from an assessment under this chapter to any person who provides information leading to the collection of a tax liability imposed under this chapter. An award made under this subsection must be made before any other distributions under this section.

(b) Whenever a law enforcement agency provides information leading to the collection of a tax liability imposed under this chapter, the department shall award ~~thirty percent (30%)~~ **thirty-five percent (35%)** of the total amount collected from an assessment to the law enforcement agency that provided the information that resulted in the assessment. The law enforcement agency shall use the money the agency receives under this chapter to conduct criminal investigations. A law enforcement agency may not receive an award under more than one (1) subsection.

(c) The department shall award ten percent (10%) of the amount deposited in the fund during each month to the law enforcement training board to train law enforcement personnel.

(d) The department shall adopt rules that establish a local grant program from which local communities and law enforcement can seek reimbursement for expenses incurred in remediation of property that has been impacted by the manufacture of a controlled substance.

~~(d)~~ **(e)** The department may use twenty percent (20%) of the amount deposited in the fund during a state fiscal year to pay the costs of administration and enforcement of this chapter.

~~(e)~~ **(f)** Awards may not be made under this chapter to the following:

(1) A law enforcement officer.

(2) An employee of the department.

(3) An employee of the Internal Revenue Service.

(4) An employee of the federal Drug Enforcement Agency.

~~(f)~~ **(g)** All the money deposited in the fund that is not needed for awards or to cover the costs of administration under this chapter shall be transferred to the state drug free communities fund established under IC 5-2-10.

~~(g)~~ **(h)** An award made under subsection (a) or (b) shall be made on the basis of collections from each individual assessment that resulted from information supplied to the department by a

person or law enforcement agency.

~~(h)~~ **(i)** Money shall be considered collected under this section only after all protest periods have expired or all appeals have been adjudicated.".

Page 9, line 16, strike "bring".

Page 9, line 16, delete "an administrative".

Page 9, line 17, strike "action".

Page 9, line 17, delete "under IC 4-21.5".

Page 9, line 17, strike "to recover the".

Page 9, line 19, delete "damages." and insert "**initiate a proceeding under IC 4-21.5 and IC 14-10-2 to recover damages.**".

Page 9, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 19. IC 14-22-24.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 24.5. Dog Training Ground Permit

Sec. 1. The department may issue a dog training ground permit without charge to a person to train dogs at any time of year inside or outside of an enclosure under rules adopted under IC 4-22-2 for the protection of wild animals.

Sec. 2. An enclosure used under this chapter does not constitute possession of the wild animal if the enclosure does not meet the requirements for an enclosure for that species under:

(1) a game breeder's license issued under IC 14-22-20; or

(2) a wild animal permit issued under IC 14-22-26.".

Page 14, line 6, delete "AS AMENDED BY P.L.57-2013," and insert "AS AMENDED BY SEA 24-2014, SECTION 106,".

Page 14, line 7, delete "SECTION 38,".

Page 18, after line 10, begin a new paragraph and insert:

"SECTION 26. IC 36-7-13.5-11, AS AMENDED BY P.L.197-2011, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) The commission ~~shall~~ **may** do the following:

(1) Identify qualifying properties.

(2) Prepare a comprehensive environmental master plan for development and redevelopment within the corridor that:

(A) plans for remediation of environmental contamination;

(B) accounts for economic development and transportation issues relating to environmental contamination; and

(C) establishes priorities for development or redevelopment of qualifying properties.

(3) Establish guidelines for the evaluation of applications for environmental grants from the environmental fund.

(4) After reviewing a report from the department of environmental management under section 22 of this chapter, make decisions on applications for environmental grants from the environmental fund under section 21 of this chapter.

(5) Prepare and provide information to political subdivisions on the availability of financial assistance from the environmental fund.

(6) Coordinate the implementation of the comprehensive environmental master plan.

(7) Monitor the progress of implementation of the comprehensive environmental master plan.

(8) Report ~~at least once every two (2) years~~ to the governor, the lieutenant governor, the Indiana economic development corporation, the legislative council, the budget committee, and all political subdivisions that have territory within the corridor on:

(A) the activities of the commission; and

(B) the progress of implementation of the comprehensive environmental master plan.

~~An annual~~ **A** report **provided** under this subdivision to the legislative council must be in an electronic format under IC 5-14-6.

(9) Study various plans and recommendations that are proposed concerning marina development along the corridor. Based on these studies, the commission shall do the following:

(A) Prepare a comprehensive marina plan.

(B) Recommend state and local legislation for the development of marinas along the corridor.

(C) Coordinate the implementation of the marina plan and legislation.

(10) Make marina grants of money to units of local government for the construction or improvement of a marina in the corridor if the grants are consistent with the marina plans, standards, and criteria established by the commission.

(b) It is the goal of marina projects under this chapter to create employment in the private sector.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1307 as reprinted January 31, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

YODER, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Elections, to which was referred Engrossed House Bill 1318, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 2. IC 3-5-2-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. "Executive" means **the:**

(1) board of county commissioners, for a county ~~not having~~ **that:**

(A) does not have a consolidated city; **and**

(B) is not subject to IC 36-2-2.5;

(2) single county executive elected under IC 3-10-2-13, for a county that:

(A) does not have a consolidated city; and

(B) is subject to IC 36-2-2.5;

~~(2)~~ **(3)** mayor of the consolidated city, for a county having a consolidated city;

~~(3)~~ **(4)** mayor, for a city;

~~(4)~~ **(5)** president of the town council, for a town; or

~~(5)~~ **(6)** trustee, for a township.

SECTION 3. IC 3-5-2-31.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 31.7. "Modification", for a certified voting system, refers to a change:**

(1) in the software or firmware of the voting system; or

(2) to the hardware of the voting system that:

(A) materially alters the system's reliability, functionality, capacity, or operation; or

(B) has a reasonable and identifiable potential to affect the voting system's operation and compliance with the applicable voting system standards.".

Page 5, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 11. IC 3-8-1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. **(a)** A candidate for the office of county commissioner must:

(1) have resided in the county for at least one (1) year before the election, as provided in Article 6, Section 4 of the Constitution of the State of Indiana; and

(2) have resided in the district in which seeking election, if applicable, for at least six (6) months before the election.

(b) This subsection applies only to elections in a county in which a single county executive under IC 36-2-2.5 is elected under IC 3-10-2-13. A candidate for the office of single county executive must have resided in the county for at least one (1) year before the election, as provided in Article 6, Section 4 of the Constitution of the State of Indiana.

SECTION 12. IC 3-8-1-23, AS AMENDED BY P.L.146-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 23. (a) A candidate for the office of county assessor must:

(1) have resided in the county for at least one (1) year before the election, as provided in Article 6, Section 4 of the Constitution of the State of Indiana;

(2) own real property located in the county upon taking office; and

(3) fulfill the requirements of subsections (b) through (d), as applicable.

(b) A candidate for the office of county assessor who runs in an election after June 30, 2008, must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5 **before taking office.**

(c) A candidate for the office of county assessor who:

(1) did not hold the office of county assessor on January 1, 2012; and

(2) runs in an election after January 1, 2012;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 **before taking office.**

(d) A candidate for the office of county assessor who:

(1) held the office of county assessor on January 1, 2012; and

(2) runs in an election after January 1, 2016;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 **before taking office.**".

Page 6, line 4, delete "P.L.194-2013," and insert "SEA 24-2014, SECTION 3,".

Page 6, line 5, delete "SECTION 15,".

Page 10, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 22. IC 3-10-1-18, AS AMENDED BY P.L.221-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. (a) Except as provided by subsection (b), the names of all candidates for each office who have qualified under IC 3-8 shall be arranged in alphabetical order by surnames under the designation of the office.

(b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). The names of all candidates for each office who have qualified under IC 3-8, except for a school board office, precinct committeeman, or state convention delegate, shall be arranged in random order by surnames under the designation of the office. The random order shall be determined using a lottery. The lottery held in accordance with this subsection shall be conducted in public by the county election board. The lottery shall be held not later than fifteen (15) days following the last day for a declaration of candidacy under IC 3-8-2-4. All candidates whose names are to be arranged by way of the lottery shall be notified at least five (5) days prior to the lottery of the time and place at which the lottery is to be held. Each candidate may have one (1) designated watcher, and each county political party may have one (1) designated watcher who shall be allowed to observe the lottery procedure.

(c) For paper ballots, the left margin of the ballot for each political party must show the name of the uppermost candidate printed to the right of the number 1, the next candidate number 2, the next candidate number 3, and so on, consecutively to the end of the ballot as prescribed in section 19 of this chapter. ~~The same order shall be followed for the printing of ballot labels and their placement on~~ **If ordered by a county election board or a board of elections and registration under IC 3-11-15-13.1(b), a ballot number or other candidate designation uniquely associated with the candidate must be displayed on** the electronic voting system and ~~for the printing of~~ **printed on the** ballot cards.

(d) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). If there is insufficient room on a

row to list each candidate of a political party, a second or subsequent row may be utilized. However, a second or subsequent row may not be utilized unless the first row, and all preceding rows, have been filled.

SECTION 23. IC 3-10-1-19, AS AMENDED BY P.L.6-2012, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) The ballot for a primary election shall be printed in substantially the following form for all the offices for which candidates have qualified under IC 3-8:

OFFICIAL PRIMARY BALLOT

_____ Party

For paper ballots, print: To vote for a person, make a voting mark (X or ✓) on or in the box before the person's name in the proper column. For optical scan ballots, print: To vote for a person, darken or shade in the circle, oval, or square (or draw a line to connect the arrow) that precedes the person's name in the proper column. For optical scan ballots that do not contain a candidate's name, print: To vote for a person, darken or shade in the oval that precedes the number assigned to the person's name in the proper column. For electronic voting systems, print: To vote for a person, touch the screen (or press the button) in the location indicated.

Vote for one (1) only

Representative in Congress

[] (1) AB _____

[] (2) CD _____

[] (3) EF _____

[] (4) GH _____

(b) Local public questions shall be placed on the primary election ballot after the voting instructions described in subsection (a) and before the offices described in subsection (e).

(c) The local public questions described in subsection (b) shall be placed:

(1) in a separate column on the ballot if voting is by paper ballot;

(2) after the voting instructions described in subsection (a) and before the offices described in subsection (e), in the form specified in IC 3-11-13-11 if voting is by ballot card; or

(3) as provided by either of the following if voting is by an electronic voting system:

(A) On a separate screen for a public question.

(B) After the voting instructions described in subsection (a) and before the offices described in subsection (e), in the form specified in IC 3-11-14-3.5.

(d) A public question shall be placed on the primary election ballot in the following form:

(The explanatory text for the public question, if required by law.)

"Shall (insert public question)?"

[] YES

[] NO

(e) The offices with candidates for nomination shall be placed on the primary election ballot in the following order:

(1) Federal and state offices:

(A) President of the United States.

(B) United States Senator.

(C) Governor.

(D) United States Representative.

(2) Legislative offices:

(A) State senator.

(B) State representative.

(3) Circuit offices and county judicial offices:

(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.

(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.

(C) Judge of the probate court.

(D) Prosecuting attorney.

(E) Circuit court clerk.

(4) County offices:

(A) County auditor.

(B) County recorder.

(C) County treasurer.

(D) County sheriff.

(E) County coroner.

(F) County surveyor.

(G) County assessor.

(H) County commissioner. **This clause applies only to a county that is not subject to IC 36-2-2.5.**

(I) Single county executive. This clause applies only to a county that is subject to IC 36-2-2.5.

~~(I)~~ **(J)** County council member.

(5) Township offices:

(A) Township assessor (only in a township referred to in IC 36-6-5-1(d)).

(B) Township trustee.

(C) Township board member.

(D) Judge of the small claims court.

(E) Constable of the small claims court.

(6) City offices:

(A) Mayor.

(B) Clerk or clerk-treasurer.

(C) Judge of the city court.

(D) City-county council member or common council member.

(7) Town offices:

(A) Clerk-treasurer.

(B) Judge of the town court.

(C) Town council member.

(f) The political party offices with candidates for election shall be placed on the primary election ballot in the following order after the offices described in subsection (e):

(1) Precinct committeeman.

(2) State convention delegate.

(g) The local offices to be elected at the primary election shall be placed on the primary election ballot after the offices described in subsection (f).

(h) The offices described in subsection (g) shall be placed:

(1) in a separate column on the ballot if voting is by paper ballot;

(2) after the offices described in subsection (f) in the form specified in IC 3-11-13-11 if voting is by ballot card; or

(3) either:

(A) on a separate screen for each office or public question; or

(B) after the offices described in subsection (f) in the form specified in IC 3-11-14-3.5;

if voting is by an electronic voting system.

SECTION 24. IC 3-10-2-13, AS AMENDED BY P.L.146-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The following public officials shall be elected at the general election before their terms of office expire and every four (4) years thereafter:

(1) Clerk of the circuit court.

(2) County auditor.

(3) County recorder.

(4) County treasurer.

(5) County sheriff.

(6) County coroner.

(7) County surveyor.

(8) County assessor.

(9) County commissioner. **This subdivision applies only to a county that is not subject to IC 36-2-2.5.**

(10) Single county executive. This subdivision applies only to a county that is subject to IC 36-2-2.5.

~~(10)~~ **(11)** County council member.

~~(11)~~ **(12)** Township trustee.

~~(12)~~ **(13)** Township board member.

~~(13)~~ **(14)** Township assessor (only in a township referred to in IC 36-6-5-1(d)).

~~(14)~~ **(15)** Judge of a small claims court.

~~(15)~~ **(16)** Constable of a small claims court.

SECTION 25. IC 3-11-2-12, AS AMENDED BY P.L.6-2012, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The following offices shall be placed on the general election ballot in the following order after the public questions described in section 10(a) of this chapter:

(1) Federal and state offices:

(A) President and Vice President of the United States.

(B) United States Senator.

(C) Governor and lieutenant governor.

(D) Secretary of state.

(E) Auditor of state.

(F) Treasurer of state.

(G) Attorney general.

(H) Superintendent of public instruction.

(I) United States Representative.

(2) Legislative offices:

(A) State senator.

(B) State representative.

(3) Circuit offices and county judicial offices:

(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.

(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.

(C) Judge of the probate court.

(D) Prosecuting attorney.

(E) Clerk of the circuit court.

(4) County offices:

(A) County auditor.

(B) County recorder.

(C) County treasurer.

(D) County sheriff.

(E) County coroner.

(F) County surveyor.

(G) County assessor.

(H) County commissioner. **This clause applies only to a county that is not subject to IC 36-2-2.5.**

(I) Single county executive. This clause applies only to a county that is subject to IC 36-2-2.5.

~~(I)~~ **(J)** County council member.

(5) Township offices:

(A) Township assessor (only in a township referred to in IC 36-6-5-1(d)).

(B) Township trustee.

(C) Township board member.

(D) Judge of the small claims court.

(E) Constable of the small claims court.

(6) City offices:

(A) Mayor.

(B) Clerk or clerk-treasurer.

(C) Judge of the city court.

(D) City-county council member or common council member.

(7) Town offices:

(A) Clerk-treasurer.

(B) Judge of the town court.

(C) Town council member.

SECTION 26. IC 3-11-3-29.4, AS ADDED BY P.L.194-2013, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29.4. (a) This section applies to a candidate who has filed with a circuit court clerk or board of elections and registration as a candidate for:

(1) nomination in a primary election or municipal primary election; **or**

(2) election to a political party office in a primary election.

(b) If the county election board determines by unanimous vote of the entire membership that there is good cause to believe that a candidate has died, the board shall not print the name of the candidate on the primary ballot.

(c) However, if the county election board has already printed ballots containing the name of the deceased candidate, the county may provide those ballots to voters and shall not reprint the ballot to remove the name of the deceased candidate.

(d) A voter who has cast a ballot containing the name of a deceased candidate is entitled to request a replacement absentee ballot under IC 3-11-10-1.5.

(e) Any vote cast for a deceased candidate in the primary election is void.".

Page 10, line 40, delete "JULY 1, 2014]:" and insert "UPON PASSAGE]:".

Page 11, line 37, delete "JULY 1, 2014]:" and insert "UPON PASSAGE]:".

Page 19, line 2, strike "the deadline for".

Page 19, line 3, strike "counting provisional ballots under IC 3-11.7-5-1." and insert "**noon ten (10) days following the election.**".

Page 20, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 42. IC 13-11-2-74 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 74. "Executive" means the:

(1) board of commissioners of a county ~~not having~~ **that:**

(A) does not have a consolidated city; **and**

(B) is not subject to IC 36-2-2.5;

(2) single county executive elected under IC 3-10-2-13, for a county that:

(A) does not have a consolidated city; and

(B) is subject to IC 36-2-2.5;

~~(2)~~ **(3)** mayor of the consolidated city, for a county having a consolidated city;

~~(3)~~ **(4)** mayor of a city; or

~~(4)~~ **(5)** president of the town council of a town.

SECTION 43. IC 20-24-2.3-2, AS ADDED BY P.L.280-2013, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "executive" has the meaning set forth in ~~IC 36-1-2-5(2).~~ **IC 36-1-2-5(3).**".

Page 20, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 45. IC 33-42-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The following may subscribe and administer oaths and take acknowledgments of all documents pertaining to all matters where an oath is required:

(1) Notaries public.

(2) An official court reporter acting under IC 33-41-1-6.

~~(2)~~ **(3)** Justices and judges of courts, in their respective jurisdictions.

~~(3)~~ **(4)** The secretary of state.

~~(4)~~ **(5)** The clerk of the supreme court.

~~(5)~~ **(6)** Mayors, clerks, clerk-treasurers of towns and cities, and township trustees, in their respective towns, cities, and townships.

~~(6)~~ **(7)** Clerks of circuit courts and master commissioners, in their respective counties.

~~(7)~~ **(8)** Judges of United States district courts of Indiana, in their respective jurisdictions.

~~(8)~~ **(9)** United States commissioners appointed for any United States district court of Indiana, in their respective jurisdictions.

~~(9)~~ **(10)** A precinct election officer (as defined in IC 3-5-2-40.1) and an absentee voter board member appointed under IC 3-11-10, for any purpose authorized under IC 3.

~~(10)~~ **(11)** A member of the Indiana election commission, a co-director of the election division, or an employee of the election division under IC 3-6-4.2.

~~(11)~~ **(12)** County auditors, in their respective counties.

~~(12)~~ **(13)** Any member of the general assembly anywhere in Indiana.

SECTION 46. IC 35-51-36-1, AS AMENDED BY P.L.132-2012, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The following statutes define crimes in IC 36:

IC 36-2-2-13 (Concerning county government).

IC 36-2-2.5-15 (Concerning single county executives).

IC 36-2-6-8 (Concerning county government).

IC 36-2-6-12 (Concerning county government).

IC 36-2-7-18 (Concerning county government).

IC 36-2-8-6 (Concerning county government).

IC 36-2-9-13 (Concerning county government).

IC 36-2-9-14 (Concerning county government).

IC 36-2-9.5-7 (Concerning county government).

IC 36-2-9.5-9 (Concerning county government).

IC 36-2-13-5 (Concerning county government).

IC 36-2-14-10 (Concerning county government).

IC 36-2-14-17 (Concerning county government).

IC 36-2-14-21 (Concerning county government).

IC 36-4-8-13 (Concerning government of cities and towns).

IC 36-7-12-27.5 (Concerning planning and development).

IC 36-7-14-40 (Concerning planning and development).

IC 36-7-15.1-27 (Concerning planning and development).

IC 36-7-30-28 (Concerning planning and development).

IC 36-7-30.5-36 (Concerning planning and development).

IC 36-8-3.5-23 (Concerning public safety).

IC 36-8-10-9 (Concerning public safety).

IC 36-8-16.7-41 (Concerning public safety).

IC 36-8-16.7-45 (Concerning public safety).

IC 36-8-16.7-46 (Concerning public safety).

IC 36-9-14-7 (Concerning transportation and public works).

IC 36-10-3-39 (Concerning recreation, culture, and community facilities).

IC 36-10-4-5 (Concerning recreation, culture, and community facilities).

IC 36-10-4-40 (Concerning recreation, culture, and community facilities).

SECTION 47. IC 36-1-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. "Executive" means **the:**

(1) board of commissioners, for a county ~~not having~~ **that:**

(A) does not have a consolidated city; **and**

(B) is not subject to IC 36-2-2.5;

(2) single county executive elected under IC 3-10-2-13, for a county that:

(A) does not have a consolidated city; and

(B) is subject to IC 36-2-2.5;

~~(2)~~ **(3)** mayor of the consolidated city, for a county having a consolidated city;

~~(3)~~ **(4)** mayor, for a city;

~~(4)~~ **(5)** president of the town council, for a town;

~~(5)~~ **(6)** trustee, for a township;

~~(6)~~ **(7)** superintendent, for a school corporation; or

~~(7)~~ **(8)** chief executive officer, for any other political subdivision.

SECTION 48. IC 36-1-2-9, AS AMENDED BY P.L.186-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. "Legislative body" means the:

(1) board of county commissioners, for a county not subject to **IC 36-2-2.5,** IC 36-2-3.5, or IC 36-3-1;

(2) county council, for a county subject to **IC 36-2-2.5 or** IC 36-2-3.5;

(3) city-county council, for a consolidated city or county having a consolidated city;

(4) common council, for a city other than a consolidated city;

(5) town council, for a town;

(6) township board, for a township;

(7) governing body of any other political subdivision that has a governing body; or

(8) chief executive officer of any other political subdivision that does not have a governing body.

SECTION 49. IC 36-1-2-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24. "Works board" means **the:**

(1) board of commissioners, for a county:

(A) not having a consolidated city; **and**

(B) not subject to IC 36-2-2.5;

(2) single county executive for a county:

(A) not having a consolidated city; and

(B) subject to IC 36-2-2.5;

~~(2)~~ **(3)** board of public works or board of public works and safety, for a city; or

~~(3)~~ **(4)** town council, for a town.

SECTION 50. IC 36-1-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) If there is a constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must do so in that manner.

(b) If there is no constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power must either:

(1) if the unit is a county or municipality, adopt an ordinance prescribing a specific manner for exercising the power;

(2) if the unit is a township, adopt a resolution prescribing a specific manner for exercising the power; or

(3) comply with a statutory provision permitting a specific manner for exercising the power.

(c) An ordinance under subsection (b)(1) must be adopted as follows:

(1) In a municipality, by the legislative body of the municipality.

(2) In a county subject to **IC 36-2-2.5,** IC 36-2-3.5, or IC 36-3-1, by the legislative body of the county.

(3) In any other county, by the executive of the county.

(d) A resolution under subsection (b)(2) must be adopted by the legislative body of the township.

SECTION 51. IC 36-2-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **Except as specifically provided,** this chapter ~~applies to all counties not~~ **does not apply to the following:**

(1) A county having a consolidated city.

(2) A county in which a single county executive has been elected and is serving under IC 36-2-2.5.

SECTION 52. IC 36-2-2.4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 2.4. Determination of County Government Structure

Sec. 1. This chapter applies only to a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

Sec. 2. A public question shall be held in the county on whether the executive and legislative structure and functions of the county should be reorganized under IC 36-2-2.5.

Sec. 3. The county election board shall place the following public question on the ballot at the general election held in November 2014:

"Shall the county government of (insert the name of the county) County be reorganized to place all executive powers in a single county executive and to place all legislative and fiscal powers in the county council?".

Sec. 4. IC 3, except where inconsistent with this chapter, applies to a public question placed on the ballot under this chapter. A public question under this chapter must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

Sec. 5. If a majority of the voters of a county who vote on a public question placed on the ballot under this chapter vote in favor of the public question, the executive and legislative

structure and functions of the county shall be reorganized under IC 36-2-2.5.

SECTION 53. IC 36-2-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 2.5. Single County Executive

Sec. 1. Except as specifically provided by law, this chapter applies only to a county:

(1) that has a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000); and

(2) in which a public question under IC 36-2-2.4 making the county executive a single county executive has been approved by the voters of the county.

Sec. 2. As used in this chapter, "single county executive" means the single county executive elected under IC 3-10-2-13.

Sec. 3. In a county to which this chapter applies:

(1) the voters of the county:

(A) shall elect one (1) single county executive in the 2018 general election and every four (4) years thereafter; and

(B) beginning with the 2018 general election, shall not elect a board of county commissioners;

(2) the board of county commissioners for the county is abolished January 1, 2019;

(3) notwithstanding IC 36-2-2-3, the term of each county commissioner serving on December 31, 2018, expires January 1, 2019;

(4) the county council shall divide the county into nine (9) contiguous, single-member county council districts as required by IC 36-2-3-4.1; and

(5) beginning January 1, 2019, the county council must consist of nine (9) members elected from single-member county council districts.

Sec. 4. (a) The term of office of a single county executive is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified.

(b) To be eligible for election as the single county executive, an individual must meet the qualifications under IC 3-8-1-21. If an individual does not remain a resident of the county after taking office as the single county executive, the individual forfeits the office. The county legislative body shall declare the office vacant whenever the single county executive forfeits the office under this subsection.

(c) If the office of single county executive becomes vacant, the county council shall appoint an individual to serve as the single county executive until the office is filled under IC 3-13.

Sec. 5. (a) On January 1, 2019, all property, assets, funds, equipment, records, rights, contracts, obligations, and liabilities of the board of county commissioners of a county are transferred to or assumed by the single county executive.

(b) The abolishment of the board of county commissioners of a county on January 1, 2019, does not invalidate any:

(1) ordinances, resolutions, fees, schedules, or other actions adopted or taken by the board of county commissioners before the board is abolished; or

(2) appointments made by the board of county commissioners before the board is abolished.

Sec. 6. (a) Notwithstanding any other provision, a single county executive has the power to make any appointments that the board of county commissioners made before the board was abolished.

(b) All powers and duties of the county that are executive or administrative in nature (including any power of appointment related to executive or administrative functions) shall be exercised or performed by the single county executive, except to the extent that these powers and duties are expressly assigned by law to another elected or appointed officer. The single county executive shall transact the business of the county in the name of the county.

(c) For purposes of a county subject to this chapter, after December 31, 2018, any reference in:

(1) the Indiana Code;

(2) the Indiana Administrative Code;

(3) an ordinance or resolution; or

(4) any deed, lease, contract, or other official document or instrument;

to the board of county commissioners pertaining to the executive powers of a county shall be considered a reference to the single county executive of the county.

(d) For purposes of a county subject to this chapter, after December 31, 2018, any reference in:

(1) the Indiana Code;

(2) the Indiana Administrative Code;

(3) an ordinance or resolution; or

(4) any deed, lease, contract, or other official document or instrument;

related to the executive powers and duties of the board of county commissioners shall be considered a reference to the powers and duties of the single county executive of the county.

(e) For purposes of a county subject to this chapter, after December 31, 2018, the county council has the legislative and fiscal powers and duties of the county under IC 36-2-3.7.

Sec. 7. The single county executive shall do the following:

(1) Report on the condition of the county before March 1 of each year to the county legislative body and to the county residents.

(2) Recommend before March 1 of each year to the county legislative body any action or program the single county executive considers necessary for the improvement of the county and the welfare of county residents.

(3) Submit to the county legislative body an annual budget in accordance with IC 36-2-5.

(4) Establish procedures to be followed by all county departments, offices, and agencies under the single county executive's jurisdiction to the extent these procedures are not expressly assigned by law to another elected or appointed officer.

(5) Administer all statutes, ordinances, and regulations applicable to the county, to the extent the administration of these matters is not expressly assigned by law to another elected or appointed officer.

(6) Supervise the care and custody of all county property.

(7) Supervise the collection of revenues, control all disbursements and expenditures, and prepare a complete account of all expenditures, to the extent these matters are not expressly assigned by law to another elected or appointed officer.

(8) Review, analyze, and forecast trends for county services and finances and programs of all county governmental entities, and report on and make recommendations concerning the services, finances, and programs to the county legislative body by March 15 of each year.

(9) Negotiate contracts for the county.

(10) Make recommendations concerning the nature and location of county improvements, and provide for the execution of those improvements.

(11) Supervise county administrative offices, except for the offices of elected officers.

(12) Do the following in January of each year:

(A) Make a settlement with the county treasurer for the preceding calendar year, and include a copy of the settlement sheet in the order book of the single county executive.

(B) Make an accurate statement of the county's receipts and expenditures during the preceding calendar year. The statement must include the name of and total compensation paid to each county officer, deputy, and employee. The single county executive shall post this statement at the courthouse door and two (2) other places in the county and shall publish it in the manner prescribed by IC 5-3-1.

(13) Perform other duties and functions that are assigned to the single county executive by statute or ordinance.

Sec. 8. The single county executive may do any of the following:

(1) Order any department, office, or agency under the single county executive's jurisdiction to undertake any task for another department, office, or agency under the single county executive's jurisdiction on a temporary basis, if necessary for the proper and efficient administration of county government.

(2) Establish and administer centralized budgeting, centralized personnel selection, and centralized purchasing.

(3) Audit the accounts of officers who deal with money belonging to or appropriated for the benefit of the county.

(4) Approve accounts chargeable against the county and direct the raising of money necessary for county expenses.

(5) Make orders concerning county property, including orders for:

(A) the sale of the county's public buildings and the acquisition of land in the county seat on which to build new public buildings; and

(B) the acquisition of land for a public square and the maintenance of that square.

However, a conveyance or purchase by a county of land having a value of one thousand dollars ($1,000) or more must be authorized by an ordinance of the county legislative body fixing the terms and conditions of the transaction.

Sec. 9. (a) The single county executive shall establish and maintain a county courthouse, county jail, and public offices for the county clerk, the county auditor, the county recorder, the county treasurer, the county sheriff, and the county surveyor.

(b) Offices for the county surveyor must be in the courthouse or at the county seat.

(c) Offices for the county sheriff may be located:

(1) in the courthouse;

(2) inside the corporate limits of the county seat; or

(3) outside the corporate limits of the county seat but within the limits of the county.

Sec. 10. (a) The single county executive may grant licenses, permits, or franchises for the use of county property if the licenses, permits, or franchises:

(1) are not exclusive;

(2) are of a definite duration; and

(3) are assignable only with the consent of the single county executive.

(b) If a public utility or municipally owned or operated utility that carries on business outside the corporate boundaries of municipalities in the county is engaged in an activity substantially similar to that for which a license, permit, or franchise for the use of county property is sought, the single county executive may grant the license, permit, or franchise only with the consent of the Indiana utility regulatory commission. The commission may give its consent only if the commission determines, after a public hearing of all interested parties, that public necessity and convenience require the substantially similar activity.

(c) The provisions of this section that concern securing the consent of the Indiana utility regulatory commission do not apply to municipally owned or operated utilities.

Sec. 11. Notwithstanding any other law, if a statute requires a county executive to take an executive action by ordinance or resolution, a single county executive shall instead take the action by issuing an executive order.

Sec. 12. (a) If the single county executive is disqualified from acting in a quasi-judicial proceeding, the single county executive shall cease to act in that proceeding. Not later than ten (10) days after the finding that the single county executive is disqualified to act in a proceeding, the county

auditor shall send a certified copy of the record of the proceeding to the judge of the circuit court for the county. If the judge affirms the disqualification of the single county executive, the judge shall appoint a disinterested and competent person to serve as a special executive in the proceeding.

(b) A person who consents to serve as a special executive must have the same qualifications as an elected single county executive. The person's appointment and oath shall be filed with the county auditor and entered on the records of the single county executive. A person appointed as a special executive may conduct the proceeding until a final determination is reached.

Sec. 13. The single county executive shall keep the single county executive's office open on each business day.

Sec. 14. Appointments made by the single county executive under section 6(a) of this chapter shall be attested to by the county auditor, under the seal of the single county executive.

Sec. 15. (a) The single county executive may employ a person:

(1) to perform a duty required of a county officer by statute; or

(2) on a commission or percentage basis;

only if the employment is expressly authorized by statute or is found by the single county executive to be necessary to the public interest.

(b) If a person's employment under subsection (a) is not expressly authorized by statute, the contract for the person's employment must be filed with the circuit court for the county, and the person must file the person's claims for compensation with that court. Any taxpayer may contest a claim under this section.

(c) A single county executive who knowingly, intentionally, or recklessly violates this section commits a Class C misdemeanor and forfeits the single county executive's office.

Sec. 16. (a) If a party to a proceeding before the single county executive is aggrieved by a decision of the single county executive, the party may appeal that decision to the circuit court for the county.

(b) A person who is not a party to a proceeding before the single county executive may appeal a decision of the single county executive only if the person files with the county auditor an affidavit:

(1) specifically setting forth the person's interest in the matter decided; and

(2) alleging that the person is aggrieved by the decision of the single county executive.

(c) An appeal under this section must be taken not later than thirty (30) days after the single county executive makes the decision by which the appellant is aggrieved.

(d) An appellant under this section must file with the county auditor a bond conditioned on due prosecution of the appeal. The bond is subject to approval by the county auditor and must be in an amount sufficient to provide security for court costs.

(e) Not later than twenty (20) days after the county auditor receives the appeal bond, the county auditor shall prepare a complete transcript of the proceedings of the single county executive related to the decision appealed from and shall deliver the transcript, all documents filed during the proceedings, and the appeal bond to the clerk of the circuit court.

Sec. 17. (a) An appeal under section 16 of this chapter shall be docketed among the other causes pending in the circuit court and shall be tried as an original cause.

(b) A court may decide an appeal under section 16 of this chapter by:

(1) affirming the decision of the single county executive; or

(2) remanding the cause to the single county executive with directions as to how to proceed;

and may require the single county executive to comply with this decision.

Sec. 18. (a) The county auditor or the single county executive may administer any oaths required by this chapter.

(b) The sheriff or a county police officer shall attend any meeting with the single county executive at the request of the single county executive.

Sec. 19. (a) Appointments made by the single county executive shall be certified by the county auditor, under the seal of the single county executive.

(b) If a copy of the single county executive's proceedings has been signed and sealed by the county auditor and introduced into evidence in court, that copy is presumed to be an accurate record of the single county executive's proceedings.

Sec. 20. (a) The single county executive may employ and fix the compensation of an attorney to represent and advise the executive.

(b) For purposes of Article 2, Section 9 of the Constitution of the State of Indiana, employment by a single county executive as an attorney does not constitute a lucrative office.

SECTION 54. IC 36-2-2.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 2.7. Reversion to Previous County Government Structure

Sec. 1. This chapter applies only to a county that has a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).

Sec. 2. As used in this chapter, "single county executive" means the single county executive elected under IC 3-10-2-13.

Sec. 3. A county that elects a single county executive under IC 36-2-2.5 may, as provided in this chapter, revert to a county government structure that has a board of county commissioners rather than a single county executive.

Sec. 4. (a) Subject to subsection (b), the county council may adopt an ordinance providing that the voters of the county shall elect:

(1) a three (3) member board of county commissioners that has the executive and legislative powers and duties of the county; and

(2) a county council that has the fiscal powers and duties of the county.

(b) An ordinance described in subsection (a) may be adopted under this chapter only:

(1) during an odd-numbered year; or

(2) before July 1 of an even-numbered year.

(c) If an ordinance is adopted under this section:

(1) the county auditor shall certify the adoption of the ordinance to the county election board; and

(2) a vote on a public question shall be held in the county under section 5 of this chapter on whether the executive and legislative structure and functions of the county should be reorganized under section 6 of this chapter.

Sec. 5. (a) If an ordinance is certified under section 4 of this chapter, the county election board shall place the following public question on the ballot at the next general election held in the county after the ordinance is certified:

"Shall the county government of (insert the name of the county) County be reorganized to elect a board of county commissioners rather than a single county executive?".

(b) IC 3, except where inconsistent with this chapter, applies to a public question placed on the ballot under this chapter. A public question under this chapter must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(c) If a majority of the voters of a county who vote on a public question placed on the ballot under this section vote in favor of the public question, the executive and legislative structure and functions of the county shall be reorganized under section 6 of this chapter.

Sec. 6. The following apply if a majority of the voters of a county who vote on a public question placed on the ballot under section 5 of this chapter vote in favor of the public question:

(1) The executive, the executive and legislative structure, and the functions of the county are reorganized as provided in this section.

(2) The voters of the county shall elect:

(A) a three (3) member board of county commissioners that has the executive and legislative powers and duties of the county; and

(B) a county council that has the fiscal powers and duties of the county.

(3) The office of the board of county commissioners shall be placed on the primary election ballot for the county in the year of the second general election after the public question is approved. The office of single county executive shall not be placed on the primary election ballot for the county in the year of the second general election after the public question is approved.

(4) The office of the board of county commissioners shall be placed on the general election ballot for the county at the second general election after the public question is approved and, except as provided in subdivision (6) to provide for staggered terms, every four (4) years thereafter. Beginning with the second general election after the public question is approved, the county shall not elect a single county executive.

(5) On January 1 in the year following the year that the board of county commissioners is elected under this chapter, the following occur:

(A) The office of single county executive is abolished, and the term of the single county executive expires.

(B) The county is not subject to IC 36-2-2.5 and IC 36-2-3.7.

(C) The county executive is the board of county commissioners elected under IC 36-2-2. The board of county commissioners has all powers that are executive or administrative in nature.

(D) The county legislative body is the board of county commissioners, and all powers that are legislative in nature are transferred from the county fiscal body to the board of county commissioners.

(E) The county council is the county fiscal body.

(F) All property, assets, funds, equipment, records, rights, contracts, obligations, and liabilities of the single county executive are transferred to or assumed by the board of county commissioners.

(6) Notwithstanding IC 36-2-2-3, to provide for staggered terms of the members of the board of county commissioners elected after the structure and functions of the county are reorganized under this chapter, the county council may, before the primary election described in subdivision (3), adopt an ordinance specifying which of the three (3) board of county commissioner members to be elected at the second general election after the public question is approved shall serve an initial term of two (2) years rather than four (4) years.

(7) The abolishment of the office of the single county executive on January 1 following the year in which the board of county commissioners is elected does not invalidate:

(A) any resolutions, fees, schedules, or other actions adopted or taken by the single county executive before the office is abolished; or

(B) any appointments made by the single county executive before the office is abolished.

(8) Effective with the second general election after the public question is approved under section 5 of this chapter, the county council shall be elected with four (4) single-member county council districts and three (3) at-large members under IC 36-2-3-4. The county council shall divide the county into the four (4) contiguous, single-member county council districts in

the manner specified in IC 36-2-3-4. The terms of all county council members serving at the time of the second general election after the public question is approved under section 5 of this chapter expire January 1 following the election. Notwithstanding any other law, to provide for staggered terms of the members of the county council, the county council may, before the primary election preceding the general election at which county council members will be elected as provided in this subdivision, adopt an ordinance specifying which of the members of the county council to be elected at the second general election after the public question is approved shall serve an initial term of two (2) years rather than four (4) years.

SECTION 55. IC 36-2-3-4, AS AMENDED BY P.L.271-2013, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This subsection does not apply to a county having a population of:

(1) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(2) more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000).

Except as provided in section 4.1 of this chapter, the county executive shall, by ordinance, divide the county into four (4) contiguous, single-member districts that comply with subsection (d). If necessary, the county auditor shall call a special meeting of the executive to establish or revise districts. One (1) member of the fiscal body shall be elected by the voters of each of the four (4) districts. Three (3) at-large members of the fiscal body shall be elected by the voters of the whole county.

(b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). The county redistricting commission established under IC 36-2-2-4 shall divide the county into seven (7) single-member districts that comply with subsection (d). One (1) member of the fiscal body shall be elected by the voters of each of these seven (7) single-member districts.

(c) This subsection applies to a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000). The fiscal body shall divide the county into nine (9) single-member districts that comply with subsection (d). Three (3) of these districts must be contained within each of the three (3) districts established under IC 36-2-2-4(c). One (1) member of the fiscal body shall be elected by the voters of each of these nine (9) single-member districts.

(d) Single-member districts established under subsection (a), (b), or (c) must:

(1) be compact, subject only to natural boundary lines (such as railroads, major highways, rivers, creeks, parks, and major industrial complexes);

(2) not cross precinct boundary lines;

(3) contain, as nearly as possible, equal population; and

(4) include whole townships, except when a division is clearly necessary to accomplish redistricting under this section.

(e) Except as provided by subsection (g), a division under subsection (a), (b), or (c) shall be made:

(1) during the first year after a year in which a federal decennial census is conducted; and

(2) when the county executive adopts an order declaring a county boundary to be changed under IC 36-2-1-2.

(f) A division under subsection (a), (b), or (c) may be made in any odd-numbered year not described in subsection (e). **In a county in which a public question is approved under IC 36-2-2.7-5, a division under subsection (a) shall be made by the county council during the year before county council members will be elected under IC 36-2-2.7-6(8).**

(g) This subsection applies during the first year after a year in which a federal decennial census is conducted. If the county executive, county redistricting commission, or county fiscal body determines that a division under subsection (e) is not required, the county executive, county redistricting commission, or county fiscal body shall adopt an ordinance recertifying that the districts as drawn comply with this section.

(h) Each time there is a division under subsection (e) or (f) or a recertification under subsection (g), the county executive, county redistricting commission, or county fiscal body shall file with the circuit court clerk of the county, not later than thirty (30) days after the division or recertification occurs, a map of the district boundaries:

(1) adopted under subsection (e) or (f); or

(2) recertified under subsection (g).

(i) The limitations set forth in this section are part of the ordinance, but do not have to be specifically set forth in the ordinance. The ordinance must be construed, if possible, to comply with this chapter. If a provision of the ordinance or an application of the ordinance violates this chapter, the invalidity does not affect the other provisions or applications of the ordinance that can be given effect without the invalid provision or application. The provisions of the ordinance are severable.

(j) If a conflict exists between:

(1) a map showing the boundaries of a district; and

(2) a description of the boundaries of that district set forth in the ordinance;

the district boundaries are the description of the boundaries set forth in the ordinance, not the boundaries shown on the map, to the extent there is a conflict between the description and the map.

SECTION 56. IC 36-2-3-4.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.1. (a) This section applies only to a county:**

(1) that has a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000); and

(2) in which a public question under IC 36-2-2.4 making the county executive a single county executive has been approved by the voters of the county.

(b) Effective for the 2018 general election, the county fiscal body shall by ordinance divide the county into nine (9) contiguous, single-member districts that comply with subsection (c). One (1) member of the fiscal body shall be elected by the voters of each of the nine (9) districts.

(c) Single-member districts established under subsection (b) must:

(1) be compact, subject only to natural boundary lines (such as railroads, major highways, rivers, creeks, parks, and major industrial complexes);

(2) not cross precinct boundary lines;

(3) contain, as nearly as possible, equal population;

(4) include whole townships, except when a division is clearly necessary to accomplish redistricting under this section;

(5) consider how communities of interest within the county can best be represented; and

(6) be drawn so as to provide at least one (1) representative to each distinct community of interest to the extent practicable and not inconsistent with other applicable law.

(d) A division under subsection (b) shall be made:

(1) effective for the 2018 general election; and

(2) whenever the county executive adopts an order declaring a county boundary to be changed under IC 36-2-1-2.

(e) After a division is initially made under subsection (b), another division may be made in any odd-numbered year not described in subsection (d).

SECTION 57. IC 36-2-3.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 3.7. County Council as the County Legislative Body

Sec. 1. Except as specifically provided by law, this chapter applies only to a county:

(1) having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000); and

(2) in which a public question under IC 36-2-2.4 making the county executive a single county executive has been approved by the voters of the county.

Sec. 2. As used in this chapter, "single county executive" means the single county executive elected under IC 3-10-2-13.

Sec. 3. (a) In a county to which this chapter applies:

(1) the voters of the county shall continue to elect members of the county council;

(2) beginning on January 1, 2019:

(A) the executive and legislative powers of the county are divided between separate branches of county government, and a power belonging to one (1) branch of county government may not be exercised by the other branch of county government;

(B) the county council is the county legislative body as well as the county fiscal body; and

(C) the single county executive is the county executive of the county and has the executive and administrative powers and duties of the county as provided in IC 36-2-2.5; and

(3) the county council must consist of nine (9) members elected by the voters of each of the nine (9) districts.

(b) The following apply in a county to which this chapter applies:

(1) Nine (9) county council members shall be elected at the 2018 general election.

(2) The terms of all county council members serving on December 31, 2018, expire January 1, 2019.

(3) Notwithstanding any other law, to provide for staggered terms of the members of the county council, the county council may, before the 2018 primary election, adopt an ordinance specifying which of the nine (9) members of the county council to be elected at the 2018 general election shall serve an initial term of two (2) years rather than four (4) years.

Sec. 4. (a) All powers and duties of the county that are legislative in nature, including any power of appointment related to legislative functions, shall be exercised or performed by the county council functioning as the county legislative body.

(b) The county council has the same legislative powers and duties that the board of county commissioners in the county had before the board of county commissioners was abolished.

(c) For purposes of a county subject to this chapter, after December 31, 2018, any reference in:

(1) the Indiana Code;

(2) the Indiana Administrative Code;

(3) an ordinance or resolution; or

(4) any deed, lease, contract, or other official document or instrument;

to the board of county commissioners pertaining to the legislative powers of a county shall be considered a reference to the county council of the county.

(d) For purposes of a county subject to this chapter, after December 31, 2018, any reference in:

(1) the Indiana Code;

(2) the Indiana Administrative Code;

(3) an ordinance or resolution; or

(4) any deed, lease, contract, or other official document or instrument;

related to the legislative powers and duties of the board of county commissioners shall be considered a reference to the powers and duties of the county council of the county.

Sec. 5. The county council may do any of the following:

(1) Establish committees that are necessary to carry out the county council's functions.

(2) Employ legal and administrative personnel necessary to carry out the county council's functions.

(3) Pass all ordinances, orders, resolutions, and motions for the government of the county, in the manner prescribed by IC 36-2-4.

(4) Receive gifts, bequests, and grants from public or private sources.

(5) Conduct investigations into the conduct of county business for the purpose of correcting deficiencies and ensuring adherence to law and county ordinances and policies.

(6) Establish, by ordinance, new county departments, divisions, or agencies whenever necessary to promote efficient county government.

SECTION 58. IC 36-2-4-8, AS AMENDED BY P.L.159-2011, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) An ordinance, order, or resolution is considered adopted when it is signed by the presiding officer. If required, an adopted ordinance, order, or resolution must be promulgated or published according to statute before it takes effect.

(b) An ordinance prescribing a penalty or forfeiture for a violation must, before it takes effect, be published once each week for two (2) consecutive weeks, according to IC 5-3-1. However, if such an ordinance is adopted by the legislative body of a county subject to **IC 36-2-2.5 or** IC 36-2-3.5 and there is an urgent necessity requiring its immediate effectiveness, it need not be published if:

(1) the county executive proclaims the urgent necessity; and

(2) copies of the ordinance are posted in three (3) public places in each of the districts of the county before it takes effect.

(c) The following apply in addition to the other requirements of this section:

(1) An ordinance or resolution passed by the legislative body of a county subject to **IC 36-2-2.5 or** IC 36-2-3.5 is considered adopted only if it is:

(A) approved by signature of a majority of the county executive **(in the case of a county subject to IC 36-2-3.5) or by signature of the single county executive (in the case of a county subject to IC 36-2-2.5);**

(B) neither approved nor vetoed by a majority of the executive **(in the case of a county subject to IC 36-2-3.5) or by the single county executive (in the case of a county subject to IC 36-2-2.5),** within ten (10) days after passage by the legislative body; or

(C) passed over the veto of the executive by a two-thirds (2/3) vote of the legislative body, within sixty (60) days after presentation of the ordinance or resolution to the executive.

(2) Subject to subsection (g), the legislative body of a county shall:

(A) subject to subdivision (3), give written notice to the department of environmental management not later than sixty (60) days before amendment or repeal of an environmental restrictive ordinance; and

(B) give written notice to the department of environmental management not later than thirty (30) days after passage, amendment, or repeal of an environmental restrictive ordinance.

(3) Upon written request by the legislative body, the department of environmental management may waive the notice requirement of subdivision (2)(A).

(4) An environmental restrictive ordinance passed or amended after 2009 by the legislative body must state the notice requirements of subdivision (2).

(5) The failure of an environmental restrictive ordinance to comply with subdivision (4) does not void the ordinance.

(d) After an ordinance or resolution passed by the legislative body of a county subject to **IC 36-2-2.5 or** IC 36-2-3.5 has been signed by the presiding officer, the county auditor shall present it to the county executive, and record the time of the presentation. Within ten (10) days after an ordinance or resolution is presented to it, the executive shall:

(1) approve the ordinance or resolution, by signature of a majority of the executive **(in the case of a county subject to IC 36-2-3.5) or by signature of the single county executive (in the case of a county subject to IC 36-2-2.5),** and send the legislative body a message announcing its approval; or

(2) veto the ordinance or resolution, by returning it to the legislative body with a message announcing its veto and stating its reasons for the veto.

(e) This section (other than subsection (c)(2)) does not apply to a zoning ordinance or amendment to a zoning ordinance, or a resolution approving a comprehensive plan, that is adopted under IC 36-7.

(f) An ordinance increasing a building permit fee on new development must:

(1) be published:

(A) one (1) time in accordance with IC 5-3-1; and

(B) not later than thirty (30) days after the ordinance is adopted by the legislative body in accordance with IC 5-3-1; and

(2) delay the implementation of the fee increase for ninety (90) days after the date the ordinance is published under subdivision (1).

(g) The notice requirements of subsection (c)(2) apply only if the municipal corporation received under IC 13-25-5-8.5(f) written notice that the department is relying on the environmental restrictive ordinance referred to in subsection (c)(2) as part of a risk based remediation proposal:

(1) approved by the department; and

(2) conducted under IC 13-22, IC 13-23, IC 13-24, IC 13-25-4, or IC 13-25-5.".

Page 22, line 4, delete "P.L.202-2013," and insert "SEA 24-2014, SECTION 119,".

Page 22, line 5, delete "SECTION 29,".

Page 26, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 62. IC 36-5-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) This

section does not apply to a town described by IC 36-5-1-11.5.

(b) A town subject to this chapter may be dissolved if the county election board of the county in which the greatest percentage of population of the town is located conducts a public hearing and finds that the town has not elected town officers or had a functioning town government during the preceding ten (10) years.

(c) The county election board shall certify the board's findings to the county executive, who may adopt an ordinance or (in a county subject to **IC 36-2-2.5 or** IC 36-2-3.5) issue an order to dissolve the town.

SECTION 63. IC 36-9-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. For purposes of this chapter, the following are considered the governing bodies of their respective eligible entities:

(1) Board of commissioners, for a county not subject to **IC 36-2-2.5,** IC 36-2-3.5, or IC 36-3-1.

(2) County council, for a county subject to **IC 36-2-2.5 or** IC 36-2-3.5.

(3) City-county council, for a consolidated city or county having a consolidated city.

(4) Common council, for a city other than a consolidated city.

(5) Town council, for a town.

(6) Trustee and township board, for a civil or school township.

(7) Board of school trustees, board of school commissioners, or school board, for a school corporation.

(8) Board of trustees, for a health and hospital corporation.

SECTION 64. IC 36-9-27-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except in a county having a consolidated city **or as provided in subsection (d),** the drainage board consists of either:

(1) the county executive; or

(2) three (3) or five (5) persons, at least one (1) of whom must be a member of the executive, appointed by the executive;

at the option of the executive. Appointees under subdivision (2) must be resident freeholders of the county who are knowledgeable in drainage matters. Freeholders appointed to the board serve for terms of three (3) years, with their initial appointments made so as to provide for staggering of terms on an annual basis. In addition, the county surveyor serves on the board as an ex officio, nonvoting member.

(b) In a county having a consolidated city, the board of public works of the consolidated city comprises the drainage board, subject to IC 36-3-4-23.

(c) In a county having a consolidated city, the department of public works of the consolidated city has all the powers, duties, and responsibilities of the county surveyor under this chapter, subject to IC 36-3-4-23.

(d) The following apply in a county that is subject to IC 36-2-2.5:

(1) The drainage board consists of:

(A) the single county executive; and

(B) two (2) or four (4) persons (as determined by the single county executive) who are appointed by the single county executive.

(2) Appointees under subdivision (1)(B) must be resident freeholders of the county who are knowledgeable in drainage matters.

(3) The freeholders appointed to the drainage board serve for terms of three (3) years, with the freeholders' initial appointments made so as to provide for staggering of terms on an annual basis.

(4) The county surveyor serves on the drainage board as an ex officio, nonvoting member.

(5) The terms of members serving on the drainage board at the time the first single county executive is elected under IC 36-2-2.5 expire on January 1, 2019, and the single county executive shall make the appointments to the board as provided in this subsection.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1318 Printer's Error as printed January 28, 2014.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

ZAKAS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was referred Engrossed House Bill 1336, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 1, line 5, after "EMS" insert "**medical**".

Page 2, line 11, after "EMS" insert "**medical**".

Page 2, line 14, after "EMS" insert "**medical**".

Page 2, line 28, after "EMS" insert "**medical**".

Page 2, line 28, delete "trauma".

Page 2, line 29, delete "care medical".

Page 2, line 37, delete ", including neonatal transport." and insert "**.**".

Page 3, line 6, after "EMS" insert "**medical**".

(Reference is to HB 1336 as reprinted January 28, 2014.)

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

Committee Vote: Yeas 8, Nays 0.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Homeland Security, Transportation and Veterans Affairs, to which was

referred Engrossed House Bill 1343, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill do pass.
Committee Vote: Yeas 8, Nays 1.

WYSS, Chair

Report adopted.

COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred Engrossed House Bill 1385, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Page 2, delete lines 10 through 16.

Page 2, line 31, delete "due," and insert "due".

Page 2, line 31, delete "including any late fees permitted under section".

Page 2, line 32, delete "11.5 of this chapter,".

Renumber all SECTIONS consecutively.

(Reference is to HB 1385 as printed January 24, 2014.)
and when so amended that said bill do pass.
Committee Vote: Yeas 8, Nays 0.

ZAKAS, Chair

Report adopted.

SENATE MOTION

Madam President: I move that the following resolutions be adopted:

SCR 32 Senator Leising

Honoring New Horizons Rehabilitation, Inc. For its 45 years of service to the community.

SR 53 Senator Long

Congratulating Zoe Elise Parker, the reigning Miss Teen Indiana.

LONG

Motion prevailed.

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 32

Senate Concurrent Resolution 32, introduced by Senator Leising:

A CONCURRENT RESOLUTION honoring New Horizons Rehabilitation, Inc. for its 45 years of service to the community.

Whereas, Before 1968, individuals with disabilities throughout the state were commonly shunned from society, either institutionalized or hidden at home, until a group of families who wanted educational experiences for their children with disabilities came together to plan a system of services in Southeast Indiana;

Whereas, The group organized into a non-profit organization in September 1968, and by August 1970, the first work training programs for individuals with disabilities were established by New Horizons in Batesville, Lawrenceburg, and on the grounds of Madison State Hospital;

Whereas, By 1987, New Horizons began providing supported employment services to give individuals with disabilities the opportunity to become contributing, valued employees in business in their communities, and services were soon expanded through the years to support infant, toddlers, and pre-school children with disabilities also;

Whereas, New Horizons now provides a variety of services to enhance individuals' personal and social lives and independent living skills by offering "sheltered" and "competitive" work opportunities in safe and structured environments, thereby benefitting both the business communities and the individuals by allowing them to achieve their goals, as well as through supported living situations that allow New Horizons to oversee the safety, care, and development of individuals with disabilities; and

Whereas, Since its founding 45 years ago, New Horizons has consistently created services and opportunities for persons with disabilities to live meaningful lives and now looks forward to providing even greater opportunities in the future: 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 honors and thanks New Horizons Rehabilitation, Inc. for its 45 years of dedicated service to the thousands of people whose lives have been touched by its caring and dedicated personnel.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to New Horizons Rehabilitation, Inc.

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 sponsor: Representative Ziemke.

Senate Resolution 53

Senate Resolution 53, introduced by Senator Long:

A SENATE RESOLUTION congratulating Zoe Elise Parker, the reigning Miss Teen Indiana.

Whereas, Zoe Elise Parker of Fort Wayne was crowned Miss Indiana Teen USA 2014 on Sunday, November 3, 2013;

Whereas, In addition to earning the title of Miss Indiana Teen USA 2014, Zoe was also named Miss Photogenic;

Whereas, As Miss Indiana Teen USA 2014, Zoe will represent Indiana in the Miss Teen USA pageant to be held during the summer of 2014;

Whereas, As a sophomore at Canterbury High School, Zoe is extensively involved in extracurricular activities, participating in varsity cheerleading, the speech team, Key Club, student council, and Green Team. Zoe also enjoys performing in and choreographing school musicals, babysitting, competitive dance, participating in Young Life, and volunteering with Habitat for Humanity;

Whereas, Zoe also excels academically, earning recognition as a Canterbury Scholar and Dean's List honoree. Zoe hopes to double major in marine biology and animal psychology, with aspirations of conducting field research on marine life; and

Whereas, Zoe's beauty, poise, intelligence, dedication, and sincerity have all contributed to earning her the title of Miss Indiana Teen USA 2014: Therefore,

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

SECTION 1. That the Indiana Senate congratulates Zoe Elise Parker on earning the title of Miss Indiana Teen USA 2014, and wishes her success in the 2014 Miss Teen USA pageant.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this Resolution to Zoe Elise Parker.

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

RESOLUTIONS ON SECOND READING

Senate Concurrent Resolution 10

Senator Holdman called up Senate Concurrent Resolution 10 for second reading. The resolution was read a second time and adopted by voice vote. The Chair instructed the Secretary to inform the House of the passage of the resolution. House sponsors: Representatives Koch, Harman, McMillin, and Smaltz.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1009, which is eligible for third reading, be returned to second reading for purposes of amendment.

STEELE

Motion prevailed.

ENGROSSED HOUSE BILLS ON SECOND READING

Engrossed House Bill 1002

Senator Kenley called up Engrossed House Bill 1002 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1002–1)

Madam President: I move that Engrossed House Bill 1002 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

Page 1, delete lines 1 through 16.

Delete page 2.

Page 3, delete lines 1 through 25.

Page 3, line 29, delete "2014," and insert "**2015,**".

Page 3, line 29, delete "not" and insert "**any balance in the**".

Page 3, delete line 30.

Page 3, line 31, delete "major moves construction" and insert "**state highway**".

Page 3, line 32, delete "IC 8-14-14-5." and insert "**IC 8-23-9-54.**".

Page 3, line 33, delete "major moves construction" and insert "**state highway**".

Page 3, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 2. IC 8-23-9-54, AS AMENDED BY P.L.47-2006, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 54. (a) To provide funds for carrying out the provisions of this chapter, there is created a state highway fund from the following sources:

(1) All money in the general fund to the credit of the state highway account.

(2) All money that is received from the Department of Transportation or other federal agency and known as federal aid.

(3) All money paid into the state treasury to reimburse the state for money paid out of the state highway fund.

(4) All money provided by Indiana law for the construction, maintenance, reconstruction, repair, and control of public highways, as provided under this chapter.

(5) All money that on May 22, 1933, was to be paid into the state highway fund under contemplation of any statute in force as of May 22, 1933.

(6) All money that may at any time be appropriated from the state treasury.

(7) Any part of the state highway fund unexpended at the expiration of any fiscal year, which shall remain in the fund and be available for the succeeding years.

(8) Any money credited to the state highway fund from the motor vehicle highway account under IC 8-14-1-3(4).

(9) Any money credited to the state highway fund from the highway, road and street fund under IC 8-14-2-3.

(10) Any money credited to the state highway fund under IC 6-6-1.1-801.5, IC 6-6-4.1-5, or IC 8-16-1-17.1.

(11) Any money distributed to the state highway fund under IC 8-14-14, IC 8-15.5, or IC 8-15.7.

(12) Any money transferred to the fund under IC 8-14-14.1-4.

(b) All expenses incurred in carrying out this chapter shall be paid out of the state highway fund.

(c) Not more than thirty (30) days after the fund receives money described in subsection (a)(12), the department shall transfer twenty-five million dollars ($25,000,000) to the local infrastructure grant fund established by IC 8-23-29.4-4. A transfer under this subsection is a one (1) time transfer.

SECTION 3. IC 8-23-9-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 55. Money in the state highway fund shall be used for the following:

(1) Operation of the department.

(2) Construction, reconstruction, operation, maintenance, and control of the state highways that are the responsibility of the department and of tollways that are the responsibility of the department under IC 8-15-3.

(3) Funding the local infrastructure grant fund established by IC 8-23-29.4-4.

SECTION 4. IC 8-23-29.4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 29.4. Local Infrastructure Grant Fund

Sec. 1. As used in this chapter, "eligible project" means a project:

(1) that is undertaken by a local unit;

(2) that repairs or increases the capacity of local roads and bridges;

(3) that is part of the local unit's transportation asset management plan;

(4) for which the local unit provides funds for at least ten percent (10%) of the total project cost; and

(5) that is approved by the department.

Sec. 2. As used in this chapter, "fund" refers to the local infrastructure grant fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "local unit" means a county or municipality.

Sec. 4. (a) The local infrastructure grant fund is established to provide grants to local units for eligible projects.

(b) The department shall administer the fund.

(c) The fund consists of the following:

(1) Money transferred to the fund under IC 8-23-9-54(c).

(2) Interest deposited in the fund under subsection (d).

(3) Money deposited in or transferred to the fund from any other source.

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

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

(f) Money in the fund is continuously appropriated for the purpose of the fund.

Sec. 5. A local unit may apply to the department for a grant from the fund for an eligible project. The application must be in the form and manner prescribed by the department.

Sec. 6. The department may decide on a case by case basis the manner in which a local unit must provide funds described in section 1(4) of this chapter.

Sec. 7. The department may adopt guidelines to implement this chapter.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1002 as printed February 21, 2014.)

LANANE

Upon request of Senator Skinner the President ordered the roll of the Senate to be called. Roll Call 232: yeas 11, nays 35. Motion failed. The bill was ordered engrossed.

Engrossed House Bill 1020

Senator Hershman called up Engrossed House Bill 1020 for second reading. The bill was reread a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed House Bill 1062

Senator Pete Miller called up Engrossed House Bill 1062 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1062–3)

Madam President: I move that Engrossed House Bill 1062 be amended to read as follows:

Page 3, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 3. IC 20-27-3-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 5.5. (a) This section applies only to the following school corporations:**

(1) Beech Grove City Schools.

(2) Franklin Township Community School Corporation.

(3) Zionsville Community Schools.

(b) The committee shall adopt and enforce rules under IC 4-22-2 that allow a pilot project for the display of paid advertisements on a school bus operated by or on behalf of the school corporations listed in subsection (a).

(c) The rules adopted under subsection (b) must provide that any advertisement displayed on a school bus may not be placed in a manner that:

(1) obstructs the school bus driver's vision through the windshield or any other window;

(2) impedes the school bus driver's operation of any equipment;

(3) distracts the attention of other motorists from the school bus's warning lamps or stop signal arm when the school bus is loading or unloading students; or

(4) obscures the number or name of the school corporation.

(d) The rules adopted under subsection (b) must provide that any advertisement displayed on a school bus must be:

(1) advertising of a commercial venture;

(2) painted or affixed by decal;

(3) be consistent with community standards; and

(4) age and developmentally appropriate for students.

(e) The rules adopted under subsection (b) must provide that any advertisement displayed on a school bus may not:

(1) promote any substance or activity that is illegal for minors, such as alcohol, tobacco, drugs, or gambling;

(2) promote any political party, candidate, or issue; or

(3) contain sexual material.

(f) A commercial advertiser that contracts with a school corporation for the use of space for an advertisement shall pay:

(1) the cost of placing the advertisement on a school bus; and

(2) for the removal of the advertisement after the term of the contract has expired.

(g) The school corporation shall deposit the revenue from the sale of advertising space on a school bus in the school corporation's transportation fund.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1062 as printed February 21, 2014.)

PATRICIA MILLER

Motion prevailed.

SENATE MOTION
(Amendment 1062–4)

Madam President: I move that Engrossed House Bill 1062 be amended to read as follows:

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

"SECTION 1. IC 5-1-5-2.5, AS AMENDED BY P.L.257-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "eligible school corporation" means a school corporation (as defined in IC 36-1-2-17) that satisfies all the conditions required by this section.

(b) As used in this section, "increment" means the annual difference between:

(1) the annual debt service payment for the bonds proposed to be retired or refunded; and

(2) the annual debt service payment for the proposed refunding bonds;

for each year that the bonds that are being retired or refunded would have been outstanding.

(c) In order for a school corporation to be an eligible school corporation under this section, the school corporation must determine that the percentage computed under this subsection for the school corporation is at least twenty percent (20%), regarding the year for which the latest certified levies have been determined. A school corporation shall compute its percentage as follows:

(1) Compute the amount of credits granted under IC 6-1.1-20.6 against the school corporation's combined levy for the school corporation's:

(A) debt service fund, as described in IC 20-46-7-15;

(B) capital projects fund;

(C) transportation fund;

(D) school bus replacement fund; and

(E) racial balance fund.

(2) Compute the school corporation's combined levy for the school corporation's:

(A) capital projects fund;

(B) transportation fund;

(C) school bus replacement fund; and

(D) racial balance fund.

(3) Divide the amount computed under subdivision (1) by the amount computed under subdivision (2) and express it as a percentage.

A school corporation that desires to be an eligible school corporation under this section must submit a written request for a certification by the department of local government finance that the computation of the school corporation's percentage computed under this subsection is correct. The department of local government finance shall, not later than ten (10) working days after the date the department receives the school corporation's request, certify the percentage computed under this subsection for the school corporation.

(d) A school corporation that desires to be an eligible school corporation under this section ~~must satisfy the following conditions: (1) The school corporation~~ shall conduct a public hearing and provide notice of the **purpose of the hearing and the** time, date, and place of the hearing, published as required by IC 5-3-1, before the school corporation may adopt a resolution under this section. At the public hearing, the governing body must provide the following information:

~~(A)~~ **(1)** The annual debt service payments, applicable debt service tax rate, and total debt service payments for the bonds proposed to be retired or refunded.

~~(B)~~ **(2)** The annual debt service payments, applicable debt service fund tax rate, and total debt service payments for the proposed refunding bonds.

~~(C)~~ **(3)** The annual increment for each year that the bonds that are being retired or refunded would have been outstanding and any other benefits to be derived from issuing the refunding bonds.

~~(2) The requirements of this subdivision do not apply to a school corporation that adopts a resolution under subsection (g) before January 1, 2014, and that has a~~

~~percentage computed under subsection (c) that is at least twenty percent (20%), as certified by the department of local government finance. If the amount determined under subsection (c)(3) is:~~

~~(A) more than forty-five percent (45%), notwithstanding IC 6-1.1-20-3.1(a) and IC 6-1.1-20-3.2(a), the school corporation shall use the petition and remonstrance process prescribed by IC 6-1.1-20-3.1(b) and IC 6-1.1-20-3.2(b) and more individuals must sign the petition for the bond refunding under this section than the number of individuals signing a remonstrance against the bond refunding; or~~

~~(B) at least thirty percent (30%) but not more than forty-five percent (45%), the school corporation shall conduct a referendum on a public question regarding the bond refunding using the process for a referendum tax levy under IC 20-46-1 and the bond refunding must be approved by the eligible voters of the school corporation. The question to be submitted to the voters in the referendum must read as follows:~~

~~"Shall _____ (insert the name of the school corporation) issue refunding bonds to refund not more than fifty percent (50%) of its outstanding bonds to provide an annual savings to the school's debt service fund that can be transferred from the school's debt service fund to the school's capital projects fund, transportation fund, or school bus replacement fund?".~~

~~(3) The requirements of this subdivision apply to a school corporation that adopts a resolution under subsection (g) before January 1, 2014, and that has a percentage computed under subsection (c) that is at least twenty percent (20%), as certified by the department of local government finance. The school corporation must either:~~

~~(A) have the distressed unit appeal board approve the school corporation's financial plan for paying any refunding bonds issued under this section, as provided in subsection (c); or~~

~~(B) meet all of the following conditions:~~

~~(i) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the ten (10) highest among all school corporations.~~

~~(ii) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's total assessed valuation for calendar year 2011 ranks in the ten (10) highest among all school corporations.~~

~~(iii) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.~~

~~(c) A school corporation meets the requirement of subsection (d)(3)(A) if:~~

~~(1) the school corporation submits to the distressed unit appeal board the school corporation's financial plan for paying any refunding bonds issued under this section; and~~

~~(2) the distressed unit appeal board approves the plan after making a determination that the financial plan is feasible.~~

~~The distressed unit appeal board must either approve or disapprove the financial plan not more than sixty (60) days after the later of the date the school corporation submits the financial plan under this subsection or the date on which the department of local government finance certifies the percentage computed for the school corporation under subsection (c). The distressed unit appeal board may not unreasonably deny approval of a school corporation's financial plan under this subsection.~~

(e) If at least one (1) taxpayer appearing at the public hearing under subsection (d) objects to the proposed resolution and files a written objection with the governing body of the school corporation and the county auditor not more than ten (10) days after the public hearing, a petition requesting the application of a petition and remonstrance process may be filed not more than thirty (30) days after the public hearing by one hundred (100) persons who are either owners of property within the school corporation or registered voters residing within the school corporation. Except as provided in this subsection, the provision of IC 6-1.1-20-3.1(b) governing the initiation of a petition and remonstrance process for a controlled project (including the provisions governing verification of petitions) apply to a petition under this subsection requesting the application of a petition and remonstrance process. The following apply if a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in this subsection:

(1) The petition and remonstrance process prescribed by IC 6-1.1-20-3.2(b) for controlled projects shall be used to determine whether the governing body of the school corporation may adopt a resolution under subsection (g) and issue refunding bonds as provided in subsection (g).

(2) The governing body of the school corporation may not adopt a resolution under subsection (g) and may not issue refunding bonds as provided in subsection (g) unless more individuals sign the petition for the bond refunding under this subsection than the number of individuals signing a remonstrance against the bond refunding under this subsection.

Except as provided in this subsection, the provision of IC 6-1.1-20-3.2(b) governing the petition and remonstrance process for a controlled project apply to a petition and remonstrance process under this subsection.

(f) Except as provided in subsection ~~(d)(2)(A),~~ **(e),** IC 6-1.1-20 does not apply to bonds issued under this section.

(g) A school corporation that desires to be an eligible school corporation under this section must, before January 1, ~~2014,~~ **2019,** and notwithstanding any other law, adopt a resolution that

sets forth the following:

(1) The determinations made under subsection (c), including the department of local government finance's certification of the percentage computed under subsection (c).

~~(2) The requirements of this subdivision do not apply to a resolution adopted under this subsection before January 1, 2014, if the school corporation has a percentage computed under subsection (c) that is at least twenty percent (20%), as certified by the department of local government finance. The result of the petition remonstrance process under subsection (d)(2)(A) or the result of the vote on the public question under subsection (d)(2)(B), whichever applies.~~

~~(3)~~ **(2)** A determination providing for the:

(A) issuance of bonds to refund not more than fifty percent (50%) of outstanding bonds or leases issued by or on behalf of the school corporation **before January 1, 2009;** and

(B) payment of redemption premiums and the costs of the refunding.

~~(4)~~ **(3)** With respect to the refunding bonds, the following:

(A) The maximum principal amount.

(B) The maximum interest rate.

(C) The annual lease or debt service payment.

(D) The final maturity date.

(E) The estimated amount of the increment that will occur for each year that the bonds that are being retired or refunded by the issuance of refunding bonds would have been outstanding.

(F) A finding that the annual debt service or lease payment on the refunding bonds will not increase the annual debt service or lease payment above the annual debt service or lease payment approved by the school corporation for the original project.

If the governing body adopts a resolution under this section, the governing body must publish notice of the adoption of the resolution as required by IC 5-3-1.

(h) An eligible school corporation may issue refunding bonds as permitted by this section. In addition, an eligible school corporation may extend the repayment period beyond the repayment period for the bonds that are being retired or refunded by the issuance of refunding bonds. However, the repayment period may be extended only once for a particular bond, and the extension may not exceed ten (10) years after the latest maturity date for any of the bonds being retired or refunded by the eligible school corporation under this section.

(i) Property taxes imposed by an eligible school corporation to pay debt service for bonds permitted by this section shall be considered for purposes of calculating the limits to property tax liability under Article 10, Section 1 of the Constitution of the State of Indiana and for calculating a person's credit under IC 6-1.1-20.6-7.5. However, property taxes imposed by an eligible school corporation through December 31, 2019, to pay debt service for bonds permitted by this section may not be considered in an eligible county, as used in Article 10, Section 1(h) of the Constitution of the State of Indiana, for purposes of calculating the limits to property tax liability under Article 10, Section 1 of the Constitution of the State of Indiana or for calculating a person's credit under IC 6-1.1-20.6-7.5.

~~(j) If a school corporation described in subsection (d)(3)(B) issues refunding bonds as permitted by this section, the school corporation must, not more than sixty (60) days after the department of local government finance certifies the school corporation's percentage under subsection (c), report information concerning the refunding to the distressed unit appeal board. The distressed unit appeal board shall make a non-binding review with recommendations regarding the school's financial condition and operating practices.~~".

(Reference is to EHB 1062 as printed February 21, 2014.)

KENLEY

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1064

Senator Yoder called up Engrossed House Bill 1064 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

The President of the Senate yielded the gavel to Senator Long.

Engrossed House Bill 1075

Senator Walker called up Engrossed House Bill 1075 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1075–5)

Madam President: I move that Engrossed House Bill 1075 be amended to read as follows:

Page 2, delete lines 11 through 42.

Delete pages 3 through 4.

Page 5, line 5, after "not" insert "**, before July 1, 2019,**".

Page 5, line 5, delete "third-party" and insert "**third party**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1075 as printed February 21, 2014.)

KENLEY

Upon request of Senator Lanane the President ordered the roll of the Senate to be called. Roll Call 233: yeas 37, nays 10.

Motion prevailed.

SENATE MOTION
(Amendment 1075–4)

Madam President: I move that Engrossed House Bill 1075 be amended to read as follows:

Page 5, line 20, delete "The" and insert "**Subject to subsection (c), the**".

Page 5, line 21, delete "current interest rate on ten (10) year United States Treasury".

Page 5, line 22, delete "notes" and insert "**following,**".

Page 5, line 22, after "(1.5%)" delete "." and insert "**:**

(1) For the interest rate established on October 1, the interest rate on ten (10) year United States Treasury notes on the immediately preceding September 1.

(2) For the interest rate established on April 1, the interest rate on ten (10) year United States Treasury notes on the immediately preceding March 1.

(c) The interest rate established under subsection (a) may not be:

(1) less than two percent (2%); or

(2) more than ten percent (10%).".

(Reference is to EHB 1075 as printed February 21, 2014.)

BOOTS

Motion prevailed.

SENATE MOTION
(Amendment 1075–1)

Madam President: I move that Engrossed House Bill 1075 be amended to read as follows:

Page 5, line 12, delete "on April 1 and October 1".

Page 5, line 21, delete "current interest rate on ten (10) year United States Treasury" and insert "**ten (10) year average rate of return earned by the retirement allowance accounts of the public employees' retirement fund and the teachers' retirement fund, discounted by one percent (1%).**".

Page 5, delete line 22.

(Reference is to EHB 1075 as printed February 21, 2014.)

TALLIAN

Motion failed.

SENATE MOTION
(Amendment 1075–3)

Madam President: I move that Engrossed House Bill 1075 be amended to read as follows:

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

"SECTION 1. IC 4-3-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The surviving spouse of each individual who:

(1) serves as governor; and

(2) is entitled to a retirement benefit under section 1.1 of this chapter;

is entitled to an annual pension.

(b) The pension to which a governor's surviving spouse is entitled under this section shall be paid in equal monthly installments by the treasurer of state on warrant of the auditor of state after a claim has been made for the pension to the auditor by:

(1) the surviving spouse; or

(2) a person acting on behalf of the surviving spouse.

(c) The annual pension to which a governor's surviving spouse is entitled under this section is equal to the following:

(1) For the surviving spouse of a governor who died before July 1, 1998, the greater of:

(A) the annual retirement benefit received by the surviving spouse during the year beginning July 1, 1998; or

(B) ten thousand dollars ($10,000).

(2) For the surviving spouse of a governor who dies after June 30, 1998, the greater of:

(A) fifty percent (50%) of the annual retirement benefit that the governor to whom the surviving spouse was married was receiving or was entitled to receive on the date of the governor's death; or

(B) ten thousand dollars ($10,000).

(d) The surviving spouse of a governor must make the election required under subsection (c)(1) or (c)(2). Once a surviving spouse has received any pension payment under this section, the election is irrevocable.

(e) A governor's surviving spouse is entitled to receive the pension provided under this section for life. ~~unless the surviving spouse remarries.~~

(f) Notwithstanding any other law to the contrary, the pension provided under this section is in addition to any other retirement benefits a governor's surviving spouse is entitled to receive.

SECTION 2. IC 5-10-1.1-3.5, AS AMENDED BY P.L.242-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. (a) This section applies to an individual who becomes an employee of the state after June 30, 2007.

(b) Unless an employee notifies the state that the employee does not want to enroll in the deferred compensation plan, on day thirty-one (31) of the employee's employment:

(1) the employee is automatically enrolled in the deferred compensation plan; and

(2) the state is authorized to begin deductions as otherwise allowed under this chapter.

(c) The auditor of state shall provide written notice to an employee of the provisions of this chapter. The notice provided under this subsection must:

(1) be provided:

(A) with the employee's first paycheck; and

(B) on paper that is a color that is separate and distinct from the color of the employee's paycheck;

(2) contain a statement concerning:

(A) the purposes of;

(B) procedures for notifying the state that the employee does not want to enroll in;

(C) the tax consequences of; and

(D) the details of the state match for employee contribution to;

the deferred compensation plan; and

(3) list the telephone number, electronic mail address, and other contact information for the auditor of state, who serves as plan administrator.

(d) This subsection applies to contributions made before July 1, 2011. Notwithstanding IC 22-2-6, except as provided by

subsection (h), the state shall deduct from an employee's compensation as a contribution to the deferred compensation plan established by the state under this chapter an amount equal to the maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(e) This subsection applies to contributions made after June 30, 2011, and before July 1, 2013. Notwithstanding IC 22-2-6 and except as provided by subsection (h), during the first year an employee is enrolled under subsection (b) in the deferred compensation plan, the state shall deduct each pay period from the employee's compensation as a contribution to the deferred compensation plan an amount equal to the greater of the following:

(1) The maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(2) One-half percent (0.5%) of the employee's base salary.

(f) This subsection applies to contributions made after June 30, 2013. Notwithstanding IC 22-2-6 and except as provided by subsection (h), during the first year an employee is enrolled under subsection (b) in the deferred compensation plan, the state shall deduct each pay period from the employee's compensation as a contribution to the deferred compensation plan an amount equal to the greater of the following:

(1) The maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(2) Two percent (2%) of the employee's base salary.

(g) This subsection applies to a year:

(1) after the first year in which an employee is enrolled in the deferred compensation plan; and

(2) in which the employee does not affirmatively choose a contribution amount under subsection (h).

The percentage of the employee's base salary used for the year in subsection (e)(2) or (f)(2) to determine the employee's contribution increases by one-half percent (0.5%) from the percentage determined in the immediately preceding year. The maximum percentage of an employee's base salary that may be deducted under this subsection is ~~three~~ **five** percent ~~(3%).~~ **(5%).** The contribution increase occurs on the anniversary date of the employee's enrollment in the deferred compensation plan.

(h) An employee may contribute to the deferred compensation plan established by the state under this chapter an amount other than the amount described in subsections (d) through (g) by affirmatively choosing to contribute:

(1) a higher amount;

(2) a lower amount; or

(3) zero (0).".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1075 as printed February 21, 2014.)

WALKER

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1099

Senator Charbonneau called up Engrossed House Bill 1099 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1099–1)

Madam President: I move that Engrossed House Bill 1099 be amended to read as follows:

Page 4, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 2. IC 36-4-3-15.5, AS AMENDED BY P.L.113-2010, SECTION 118, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15.5. (a) Except as provided in subsection (b):

(1) an owner of land within one-half (1/2) mile of territory proposed to be annexed under this chapter; **or**

(2) a municipality located in the same county as the territory proposed to be annexed;

may, not later than sixty (60) days after the publication of the annexation ordinance, appeal that annexation to a circuit court or superior court of a county in which the annexed territory is located. The complaint must state that the reason the annexation should not take place is that the territory sought to be annexed is not contiguous to the annexing municipality.

(b) This subsection applies to an annexation initiated by property owners under section 5.1 of this chapter in which all property owners within the area to be annexed petition the municipality to be annexed. **Either of the following may appeal that annexation to a circuit court or superior court of a county in which the annexed territory is located:**

(1) An owner of land within one-half (1/2) mile of the territory proposed to be annexed under this chapter. ~~may,~~

(2) A municipality located in the same county as the territory proposed to be annexed.

An appeal under this subsection must be filed not later than thirty (30) days after the publication of the annexation ordinance. ~~appeal that annexation to a circuit court or superior court of a county in which the annexed territory is located.~~ The complaint must state that the reason the annexation should not take place is that the territory sought to be annexed is not contiguous to the annexing municipality.

(c) Upon the determination of the court that the complaint is sufficient, the judge shall fix a time for a hearing to be held not later than sixty (60) days after the determination. Notice of the proceedings shall be served by summons upon the proper officers of the annexing municipality. The municipality shall become a defendant in the cause and be required to appear and answer. The judge of the circuit or superior court shall, upon the date fixed, proceed to hear and determine the appeal without a jury, and shall, without delay, give judgment upon the question of the annexation according to the evidence introduced by the parties. If the evidence establishes that the territory sought to be annexed is contiguous to the annexing municipality, the court shall deny the appeal and dismiss the proceeding. If the evidence does not

establish the foregoing factor, the court shall issue an order to prevent the proposed annexation from taking effect. The laws providing for change of venue from the county do not apply, but changes of venue from the judge may be had. Costs follow judgment. Pending the appeal, and during the time within which the appeal may be taken, the territory sought to be annexed is not a part of the annexing municipality.

(d) If the court enters a judgment in favor of the municipality, the annexation may not take effect during the year preceding a year in which a federal decennial census is conducted. An annexation that would otherwise take effect during the year preceding a year in which a federal decennial census is conducted takes effect January 1 of the year in which a federal decennial census is conducted.

SECTION 3. IC 36-4-3-15.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15.7. A municipality located in the same county as the territory to be annexed may appeal an annexation under section 15.5(a)(2) or 15.5(b)(2) of this chapter if:**

(1) the annexation was pending on January 1, 2014; and

(2) the municipality files the appeal not later than sixty (60) days after publication of the annexation ordinance.".

Page 7, after line 21, begin a new paragraph and insert:

"SECTION 5. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1099 as printed February 21, 2014.)

CHARBONNEAU

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1107

Senator Banks called up Engrossed House Bill 1107 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed House Bill 1126

Senator Yoder called up Engrossed House Bill 1126 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1126–4)

Madam President: I move that Engrossed House Bill 1126 be amended to read as follows:

Page 1, delete lines 1 through 16, begin a new paragraph and insert:

"SECTION 1. IC 22-2-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a) Except as provided in subsection (b),** every such person, firm, corporation, limited liability company, or association who shall fail to make payment of wages to any such employee as provided in section 1 of this chapter shall, as liquidated damages for such failure, pay to such employee for each day that the amount due to ~~him~~ **the employee** remains unpaid ten percent (10%) of the amount due to ~~him~~ **the employee** in addition thereto, not exceeding double the amount of wages due, and said damages may be recovered in any court having jurisdiction of a suit to recover the amount due to such employee, and in any suit so brought to recover said wages or the liquidated damages for nonpayment thereof, or both, the court shall tax and assess as costs in said case a reasonable fee for the plaintiff's attorney or attorneys.

(b) When making an award of liquidated damages and attorney's fees under subsection (a), a court may consider that it is a defense that:

(1) the failure to make timely wage payments was an inadvertent mistake or error by the employer or a third party designated by the employer to make wage payments; and

(2) the employer or a third party designated by the employer to make wage payments paid the amount due and took any other reasonable steps necessary to correct the failure not later than five (5) business days after the earlier of:

(A) the date the employer or third party discovered the failure; or

(B) the date the employer or third party received notice of the failure.".

Page 2, delete lines 1 through 8.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1126 Digest Correction as printed February 21, 2014.)

TALLIAN

Upon request of Senator Tallian the President ordered the roll of the Senate to be called. Roll Call 234: yeas 14, nays 33.

Motion failed. The bill was ordered engrossed.

Engrossed House Bill 1198

Senator Holdman called up Engrossed House Bill 1198 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed House Bill 1216

Senator Head called up Engrossed House Bill 1216 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1216–2)

Madam President: I move that Engrossed House Bill 1216 be amended to read as follows:

Page 2, line 28, delete "(10)," and insert "**(9),**".

Page 3, line 3, delete "(10)" and insert "**(9)**".

Page 3, line 7, strike "(8) If a commitment is modified under subdivision (6)".

Page 3, line 7, delete "or (10):".

Page 3, strike lines 8 through 13.

Page 3, line 14, strike "(9)" and insert "**(8)**".

Page 3, line 19, delete "(10)" and insert "**(9)**".

Page 3, line 21, delete "Subject to subdivision (8), a" and insert "**A**".

Page 4, line 8, delete "(b)(10);" and insert "**(b)(9);**".

Page 6, line 1, delete "1015(b)(10)" and insert "**1015(b)(9)**".

Page 6, line 33, delete "1015(b)(10)" and insert "**1015(b)(9)**".

(Reference is to EHB 1216 as printed February 21, 2014.)

HEAD

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1222

Senator Yoder called up Engrossed House Bill 1222 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1222–2)

Madam President: I move that Engrossed House Bill 1222 be amended to read as follows:

Page 1, line 11, after "Code" insert "**for each eligible child**".

Page 1, line 13, after "($1,000)" delete "." and insert "**for each eligible child.**".

Page 2, between lines 4 and 5, begin a new paragraph and insert:

"**(d) If all or part of the credit allowed under Section 23 of the Internal Revenue Code for a taxable year beginning after December 31, 2014, is required to be claimed in, or carried forward to, a taxable year after the taxable year in which the credit is first allowed, the part carried forward and allowed to be claimed as a credit shall be treated as allowable under subsection (b). A credit first allowed under Section 23 of the Internal Revenue Code for a taxable year beginning before January 1, 2015, and required to be claimed in, or carried forward to, a taxable year after the taxable year in which the credit is first allowed shall not be treated as allowable under subsection (b).**".

(Reference is to EHB 1222 as printed February 19, 2014.)

PETE MILLER

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1306

Senator Holdman called up Engrossed House Bill 1306 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1306–2)

Madam President: I move that Engrossed House Bill 1306 be amended to read as follows:

Page 7, line 31, delete "To" and insert "**For a person** to".

Page 7, delete lines 32 through 33, begin a new line block indented and insert:

"**(2) For a person to search for a public record.**

(3) For the public agency to search for a public record, if the search does not exceed two (2) hours.".

Page 7, line 34, delete "(3) To" and insert "**(4) For the public agency** to".

Page 7, delete lines 36 through 42, begin a new line block indented and insert:

"**(5) For the public agency to transmit an electronic copy of a public record by electronic mail. However, a public agency may charge a fee for a public record transmitted by electronic mail if the fee for the public record is authorized under:**

(A) subsection (f) or (j); or

(B) section 6(c) of this chapter.

(6) For a person (not including a commercial entity) to use a cellular telephone to copy a public record for a noncommercial purpose, if the public record contains the person's name.".

Page 8, delete lines 1 through 5.

Page 10, line 6, after "(l)" insert "**This subsection applies to a public agency that charges a fee for the public agency to search for a public record.**".

(Reference is to EHB 1306 as printed February 21, 2014.)

HOLDMAN

Motion prevailed.

SENATE MOTION
(Amendment 1306–1)

Madam President: I move that Engrossed House Bill 1306 be amended to read as follows:

Page 10, line 24, after "subsection." insert "**A search fee collected by a department, an agency, or an office of a county, city, town, or township shall be deposited in the general fund of the county, city, town, or township.**".

(Reference is to EHB 1306 as printed February 21, 2014.)

SMITH

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1319

Senator Kruse called up Engrossed House Bill 1319 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1319–1)

Madam President: I move that Engrossed House Bill 1319 be amended to read as follows:

Page 6, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 14. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 20 apply throughout this SECTION.**

(b) Notwithstanding IC 20-30-2-3 and IC 20-30-2-4, a school corporation is not required to:

(1) make up; or

(2) request a waiver under IC 20-30-2-5 for;

canceled instructional days or instructional time due to inclement weather for the period of January 1, 2014, through February 15, 2014, if the school corporation notifies the department before May 1, 2014, on a form prescribed by the department, that the school corporation is claiming an exemption under this SECTION.

(c) A school corporation that claims an exemption under subsection (b) may not be penalized under IC 20-30-2-4 for canceled instructional days or instructional time described in subsection (b). If a school corporation claims an exemption under subsection (b), the canceled instructional days or instructional time are considered instructional time for purposes of determining whether a school corporation has provided one hundred eighty (180) student instructional days under IC 20-30-2-3.

(d) Nothing in this SECTION may be construed to prohibit a school corporation from making up all or part of the canceled instructional days or instructional time for the period described in subsection (b) if the school corporation decides:

(1) not to submit an exemption request; or

(2) to submit an exemption request for less than the totalamount of canceled instructional days or instructional time;

to the department under subsection (b).".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1319 as printed February 21, 2014.)

WALTZ

Upon request of Senator Waltz the President ordered the roll of the Senate to be called. Roll Call 235: yeas 18, nays 29.

Motion failed.

SENATE MOTION
(Amendment 1319–2)

Madam President: I move that Engrossed House Bill 1319 be amended to read as follows:

Page 3, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 7. IC 12-32-1-6, AS ADDED BY P.L.171-2011, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. An agency or a political subdivision required to verify the eligibility of an individual under section 5 of this chapter shall **do the following:**

(1) Require the individual to execute a verification stating under penalty of perjury ~~that the individual is a:~~ **one (1) of the following:**

(A) **The individual is a** United States citizen. ~~or~~

(B) **The individual is a** qualified alien (as defined under 8 U.S.C. 1641). ~~and~~

(C) The individual:

(i) is not applying for any state or local public benefit or federal public benefit, other than the resident tuition rate, that is provided by the agency or political subdivision; and

(ii) meets the requirements under IC 21-14-11.5-1.

(2) Maintain a verification executed in accordance with subdivision (1) for at least five (5) years.".

Page 5, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 13. IC 21-14-11-1, AS AMENDED BY P.L.180-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) This section does not apply to an individual who was enrolled in a state educational institution on or before July 1, 2011.

(b) **Except as provided in IC 21-14-11.5-1,** an individual who is not lawfully present in the United States is not eligible to pay the resident tuition rate that is determined by the state educational institution.

SECTION 14. IC 21-14-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 11.5. Resident Tuition Rate

Sec. 1. (a) This section does not apply to an individual who is a nonimmigrant alien as described in 8 U.S.C. 1101(a)(15).

(b) Except as otherwise provided under federal law, an individual is eligible to pay the resident tuition rate that is determined by a state educational institution if:

(1) the individual attended a high school in Indiana for at least three (3) years;

(2) the individual:

(A) registers as an entering student at; or

(B) is currently enrolled in;

a state educational institution not earlier than the fall semester (or its equivalent, as determined by the state educational institution) of the 2014-2015 academic year; and

(3) the individual:

(A) graduated from a high school located in Indiana; or

(B) received the equivalent of a high school diploma in Indiana.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1319 as printed February 21, 2014.)

BRODEN

Motion failed. The bill was ordered engrossed.

Engrossed House Bill 1342

Senator Charbonneau called up Engrossed House Bill 1342 for second reading. The bill was read a second time by title.

SENATE MOTION
(Amendment 1342–2)

Madam President: I move that Engrossed House Bill 1342 be amended to read as follows:

Page 14, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 29. IC 13-23-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. **(a) Except as provided in subsection (b),** the commissioner, under rules adopted under IC 13-23-1-2, may use money in the petroleum trust fund to pay the following costs and expenses associated with underground petroleum storage tanks:

(1) Costs incurred for corrective action conducted under cooperative agreements entered into between the state and the Administrator of the United States Environmental Protection Agency under Section 9003(h)(7) of the federal Solid Waste Disposal Act (42 U.S.C. 6991b(h)(7)), in accordance with the provisions of the cooperative agreements.

(2) Expenses incurred by the state for the following:

(A) Corrective actions that are ordered or undertaken under this chapter.

(B) Enforcement of this article.

(3) Expenses incurred by the state under section 8 of this chapter in recovering the costs of corrective actions undertaken under section 2 of this chapter.

(4) Administrative expenses and personnel expenses incurred by the state in carrying out this article.

(b) Notwithstanding subsection (a), fifty percent (50%) of the fees deposited in the petroleum trust fund under IC 13-23-12-4(1) shall be used by the commissioner to pay for corrective actions:

(1) taken under this chapter that involve releases of regulated substances from underground storage tanks; and

(2) that are not eligible to receive funds from the underground petroleum storage tank excess liability trust fund under IC 13-23-7.

Not more than eleven percent (11%) of the funds expended under this subsection may be used to pay for administrative and personnel expenses incurred in carrying out this subsection.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1342 as printed February 19, 2014.)

BREAUX

Motion prevailed.

SENATE MOTION
(Amendment 1342–3)

Madam President: I move that Engrossed House Bill 1342 be amended to read as follows:

Page 4, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 8. IC 13-14-2-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) This section applies to a restrictive covenant created in connection with a remediation project conducted under:**

(1) IC 13-23;

(2) IC 13-24;

(3) IC 13-25-4; or

(4) IC 13-25-5.

(b) If:

(1) a change of conditions or an advancement in science or technology permits a modification of the conditions and restrictions imposed by a restrictive covenant; and

(2) the modification of the conditions and restrictions imposed by the restrictive covenant would not increase the potential hazards to human health or the environment;

the commissioner may, under subsection (c), authorize the filing in the office of the county recorder of a supplemental recording recognizing the modification of the conditions and restrictions of the restrictive covenant to reflect the change in conditions or advancement in science or technology.

(c) The commissioner may authorize the filing of a supplemental recording under subsection (b) if the owner of the real property that is subject to the restrictive covenant submits to the department:

(1) a written request for the modification of the covenant;

(2) a copy of the proposed modification of the restrictive covenant; and

(3) information indicating why the covenant should be modified.

The information submitted under subdivision (3) must be sufficient to enable the department to determine whether the proposed modification of the restrictive covenant will increase the potential hazards to human health or the environment. The commissioner may request additional information from the owner of the real property if necessary to the making of a determination under this subsection.

(d) The board shall adopt rules under IC 4-22-2 and IC 13-14-9 providing for the recovery of administrative and personnel expenses incurred by the state in evaluating proposed modifications of restrictive covenants under this section.".

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

"SECTION 24. IC 13-22-12-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. **Except for the hazardous waste disposal fee collected under section 3.5 of this chapter,** the fees and delinquency charges collected under this chapter:

(1) are payable to the department; and

(2) shall be deposited in the environmental management permit operation fund established by IC 13-15-11-1.".

Page 15, line 21, delete "required under section 24(e) of this chapter." and insert "**under IC 13-14-2-9.**".

Page 15, line 35, delete "required under" and insert "**under IC 13-14-2-9; or**".

Page 15, delete line 36.

Page 16, delete lines 15 through 42, begin a new paragraph and insert:

"SECTION 31. IC 13-25-4-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 24. (a) This section applies to real property that is:

(1) the site of an existing or former hazardous waste facility that is or was subject to regulation under:

(A) IC 13-22-2 through IC 13-22-8 and IC 13-22-13 through IC 13-22-14; or

(B) Subchapter III of the federal Solid Waste Disposal Act (42 U.S.C. 6921 through 6939e); or

(2) a site:

(A) on which a hazardous substance has been:

(i) deposited;

(ii) stored; or

(iii) disposed of; and

(B) that is or was listed on the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) in accordance with Section 116 of CERCLA (42 U.S.C. 9616);

if more than an insignificantly small amount of a hazardous substance remains on or beneath the surface of that property after the partial or final closure of a hazardous waste facility located on the property or the completion of a remedial action on the property under CERCLA or this chapter.

(b) The owner of real property described in subsection (a) shall execute and record, in the office of the county recorder of the county in which the property is located, a restrictive covenant applying to the property if the commissioner determines that a restrictive covenant meeting the requirements set forth in subsection (c) is necessary to protect the public health or welfare or the environment from unreasonable risk of future exposure to a hazardous substance.

(c) A restrictive covenant required under this section must:

(1) to the extent feasible, describe:

(A) the identity, quantity, and location of every hazardous substance:

(i) deposited;

(ii) stored;

(iii) disposed of; or

(iv) placed;

on the property; and

(B) the extent to which each hazardous substance remains on the property; and

(2) incorporate the conditions and restrictions that the commissioner considers necessary to assure that the future use of the property will not disturb the final cover, any liners, or any components of the hazardous substance containment system on the property, or disturb the function of the monitoring system on the property, unless the commissioner finds that the disturbance:

(A) is necessary to the proposed use of the property and will not increase the potential hazards to human health or to the environment; or

(B) is necessary to mitigate a threat to human health or to the environment.

(d) ~~If a change of conditions or advancements in science or technology permit an alteration in the conditions and restrictions imposed by~~ A restrictive covenant required by this section ~~that would not increase the potential hazards to human health or to the environment, the commissioner, upon written request by the owner of the real property, may authorize the filing of a supplemental recording recognizing a change in the restrictive covenant in the office of the county recorder to reflect the change in the conditions and restrictions.~~ **is subject to modification under IC 13-14-2-9.**".

Delete page 17.

Page 18, delete lines 1 through 20.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1342 as printed February 19, 2014.)

CHARBONNEAU

Motion prevailed.

SENATE MOTION
(Amendment 1342–4)

Madam President: I move that Engrossed House Bill 1342 be amended to read as follows:

Page 1, line 3, delete "P.L.277-2013," and insert "SEA 24-2014, SECTION 30, IS".

Page 1, delete line 4.

Page 1, line 5, delete "IS CORRECTED AND".

(Reference is to EHB 1342 as printed February 19, 2014.)

CHARBONNEAU

Motion prevailed. The bill was ordered engrossed.

Engrossed House Bill 1119

Senator Holdman called up Engrossed House Bill 1119 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1027

Senator Zakas called up Engrossed House Bill 1027 for third reading:

A BILL FOR AN ACT concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 236: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1028

Senator Yoder called up Engrossed House Bill 1028 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 237: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1052

Senator Waterman called up Engrossed House Bill 1052 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 238: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1059

Senator Holdman called up Engrossed House Bill 1059 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 239: yeas 44, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1076

Senator Banks called up Engrossed House Bill 1076 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 240: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1140

Senator Tomes called up Engrossed House Bill 1140 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 241: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1171

Senator Wyss called up Engrossed House Bill 1171 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 242: yeas 30, nays 17. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1215

Senator Hershman called up Engrossed House Bill 1215 for third reading:

A BILL FOR AN ACT concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 243: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1233

Senator Kruse called up Engrossed House Bill 1233 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 244: yeas 23, nays 24. The bill failed for lack of a constitutional majority.

Engrossed House Bill 1245

Senator Holdman called up Engrossed House Bill 1245 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning financial institutions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 245: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1253

Senator Patricia Miller called up Engrossed House Bill 1253 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 246: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

Engrossed House Bill 1361

Senator Banks called up Engrossed House Bill 1361 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 247: yeas 47, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Chair instructed the Secretary to inform the House of the passage of the bill.

MESSAGE FROM THE HOUSE

Madam President: I am directed by the House to inform the Senate that the House has passed Senate Concurrent Resolutions 6 and 20 and the same are herewith returned to the Senate.

M. CAROLINE SPOTTS
Principal Clerk of the House

MESSAGE FROM THE HOUSE

Madam President: I am directed by the House to inform the Senate that the House has passed House Concurrent Resolution 5 and the same is herewith transmitted for further action.

M. CAROLINE SPOTTS
Principal Clerk of the House

SENATE MOTION

Madam President: I move that Senators Alting, Arnold, Banks, Becker, Boots, Bray, Breaux, Broden, Buck, Charbonneau, Crider, Delph, Eckerty, Glick, Grooms, Head, Hershman, Holdman, Hume, Kenley, Kruse, Lanane, Landske, Leising, Long, Merritt, Patricia Miller, Pete Miller, Mishler, Mrvan, Nugent, Paul, Randolph, Rogers, Schneider, Skinner, Smith, Steele, Stoops, Tallian, Taylor, Walker, Waltz, Waterman, Wyss, Yoder, M. Young, R. Young, and Zakas be added as coauthors of Senate Concurrent Resolution 31.

TOMES

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Hershman be added as coauthor of Senate Concurrent Resolution 10.

HOLDMAN

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Schneider be added as third sponsor of Engrossed House Bill 1076.

BANKS

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Kruse be added as coauthor of Senate Concurrent Resolution 10.

HOLDMAN

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Buck be added as second sponsor of Engrossed House Bill 1028.

YODER

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Buck be added as second sponsor of Engrossed House Bill 1059.

HOLDMAN

Motion prevailed.

SENATE MOTION

Madam President: I move that Senator Mrvan be added as cosponsor of Engrossed House Bill 1059.

HOLDMAN

Motion prevailed.

SENATE MOTION

Madam President: I move we adjourn until 1:30 p.m., Thursday, February 27, 2014.

HERSHMAN

Motion prevailed.

The Senate adjourned at 5:17 p.m.

JENNIFER L. MERTZ
Secretary of the Senate

SUE ELLSPERMANN
President of the Senate