



CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1001

Citations Affected: IC 2-5; IC 4; IC 5; IC 6; IC 8; IC 9-30-5-15; IC 10-17; IC 12-11-14-10.5; IC 12-15; IC 14-22; IC 15-19-2-10; IC 16-21-10-21; IC 16-28; IC 20; IC 21; IC 22-4.1-4-10; IC 22-4.5-9-4; IC 33-37; IC 34-30-2-24.5; IC 35-38-6-1; IC 36-1.5; IC 36-4-3-11.8; noncode.

Synopsis: State biennial budget. Appropriates money for capital expenditures, the operation of the state, K-12 and higher education, the delivery of Medicaid and other services, and various other distributions and purposes. Provides for bonding authority for capital projects for higher education institutions. Terminates the legislative evaluation and oversight program. Replaces the statutory appropriation from the counter cyclical and revenue stabilization fund to the state general fund based on the budget report with a limited discretionary transfer determined by the budget director and approved by the governor. Requires the attorney general to include certain language concerning settlement funds in proposed court order language. Establishes the agency settlement fund for purposes of receiving certain funds paid to the state as part of a settlement or similar agreement. Permits money held in a trust fund for other post-employment benefits (other than pension) to be invested in the same manner as money may be invested by the public employees' retirement fund or any other public pension or employee retirement fund administered by the board of trustees of the Indiana public retirement system. Establishes the teachers' defined contribution plan (plan) as an account within the Indiana state teachers' retirement fund (fund). Provides that an individual who begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund may elect to become a member of the plan. Provides that an individual who does not elect to become a member of the plan becomes a member of the fund. Requires the board of trustees of the Indiana public retirement system (board) to establish, subject to any approval from the Internal Revenue Service that the board considers necessary or desirable, alternative investment programs within the annuity savings account as the initial alternative investment programs for the plan. Provides that, if the board considers it necessary or appropriate, the board may establish different or additional alternative investment programs for the plan, except that the board shall
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maintain the stable value fund. Provides that each member's contribution to the plan is 3% of the member's compensation and requires the employer to pay the member's contribution on behalf of the member. Allows a member to make additional contributions to the plan up to 10% of the member's compensation. Provides that the employer's contribution rate for the plan is equal to the employer's contribution rate for the fund as determined by the board, although the amount credited from the employer's contribution rate to the member's account may not be greater than the normal cost of the fund, and any amount not credited to the member's account is applied to the unfunded accrued liability of the fund. Provides that an employer's minimum contribution to the plan is 3% of the compensation of all members of the plan. Provides that member contributions and net earnings on the member contributions belong to the member at all times and do not belong to the employer. Provides that a member vests in the employer contribution subaccount at 20% per year with full vesting after five years of participation. Provides that, if a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the subaccount that is not vested is: (1) transferred to the member's new employer, if the new employer participates in the plan; or (2) held in the member's employer contribution subaccount until forfeited. Provides that a member who: (1) terminates service in a covered position; and (2) does not perform any service in a covered position for at least 30 days after the date on which the member terminates service; is entitled to withdraw vested amounts in the member's account. Provides that a member may elect to have withdrawals paid as: (1) a lump sum; (2) a direct rollover to another eligible retirement plan; or (3) if the member is at least 62 years of age with at least five years of participation in the plan, a monthly annuity in accordance with the rules of the board. Provides that, on the plan's effective date, school corporations become participants in the plan. Provides that the board shall provide education to employers and members regarding retirement benefit options of all applicable pension and retirement funds that the board administers. Establishes the next level Indiana trust and trust fund. Provides that the trust proceeds of the next generation trust shall be transferred to the next level Indiana trust and trust fund and that the next generation trust shall cease upon completion of the transfer. Provides that the proceeds transferred to the next level Indiana trust fund shall be used exclusively for the provision of highways, roads, and bridges. Requires the board of trustees (board) of the Indiana public employees' retirement system, after December 31, 2017, to establish and maintain the next level Indiana innovation and entrepreneurial fund (fund) as an annuity savings account investment option for members of the public employees' retirement fund (PERF) and the Indiana state teachers' retirement fund (TRF). Requires the deferred compensation committee (committee), after December 31, 2017, to establish and maintain the fund as an investment option in the state employees' deferred compensation plan. Requires the board and the committee to consult with the board of trustees of the next level Indiana trust fund to establish the fund's investment objectives and policies. Limits initial transfers into the fund to 20% of the balance in a fund member's or state employee's account. Limits annual contributions to the fund to 20% of a member's or an employee's total contributions for that year. Provides that, if a member or employee contributes not less than the amount the member or employee initially designated to the fund for at least 36 consecutive months and maintains in the fund the amounts transferred and contributed during that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 36 month period. Provides that for each additional 12 consecutive months that a member or an employee contributes not less than the member or employee initially designated to the fund and maintains in the fund the amounts transferred and contributed during

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that period, the state shall contribute on the member's or employee's behalf to the fund as a match 10% of the total amount contributed by the member or employee or on the member's or employee's behalf to the fund during that 12 month period. Provides that, for purposes of determining the amount of the state's match, the total amount contributed by the member or employee or on the member's or employee's behalf excludes the amount of any state match. Provides that, in the case of a group insurance plan established by the state police department, conservation officers of the department of natural resources, and the state excise police (state law enforcement agencies), any proposed modification to change the benefits under the plan may not be made unless the modification is approved by the budget agency. Provides that, on or before July 1 of each year, state law enforcement agencies must submit to the budget agency the current plan documents and any other related information for the agency's group insurance plan as well as any proposed modifications to the plan. Provides that the budget agency may request additional information from a state law enforcement agency to analyze the impact of a proposed modification to the state's contribution and post-employment liability under the group insurance plan. Provides that, if a state law enforcement agency fails to provide the information, the budget agency may recommend to the budget committee that the state personnel department manage the state law enforcement agency's group insurance plan during the next succeeding calendar year. Establishes the personal services/fringe benefits contingency fund for the purpose of allotting money to departments, institutions, and state agencies for: (1) salary increases; (2) fringe benefit increases; (3) an employee leave conversion program; (4) state retiree health programs; and (5) any related expenses. Provides that the budget agency shall administer the fund and may use money in the fund only with the approval of the governor. Permits the director of the horse racing commission to negotiate an interstate compact and represent Indiana on a commission to negotiate an interstate compact. Specifies that money in each horse breed development fund is continuously appropriated to make payments ordered by the horse racing commission. Specifies that the horse racing commission's share of the money in the gaming integrity fund is continuously appropriated to carry out the purposes of the fund. Extends the effective date from July 1, 2017, to July 1, 2018, for provisions in the sales tax code declaring that a person is a retail merchant making a retail transaction if the person furnishes rooms, lodgings, or accommodations in a house, condominium, or apartment for transient residential housing for consideration. Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code declaring that a "facilitator" is a retail merchant making a retail transaction when the facilitator accepts payment for a room, lodging, or accommodation rented or furnished in Indiana. Extends the effective date from July 1, 2017, to July 1, 2018, for a provision in the sales tax code requiring a retail merchant who rents or furnishes lodgings to provide to the consumer of the lodging an itemized statement separately stating certain information and that imposes a penalty on a facilitator for each transaction in which the facilitator fails to separately state such information. Merges the law enforcement academy building fund and the law enforcement training fund into the law enforcement academy fund with no changes to the funds' uses. Allows the law enforcement academy to charge a fee to all users for training and corresponding marginal and fixed costs according to an annual cost and fee schedule approved by the budget director. Allows the academy to house and train law enforcement agencies from outside Indiana. Permits the distressed unit appeal board to employ an executive director. Authorizes the department of correction to enter into a contract with an outsourcing facility, a wholesale drug distributor, a pharmacy, or a pharmacist for the issuance or compounding of a lethal substance necessary to carry out an execution by lethal injection. Specifies that the provision of a lethal substance for lethal injection does not constitute the practice of pharmacy and is not subject to the jurisdiction

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of the board of pharmacy, the medical licensing board, the state department of health, or the professional licensing agency. Provides that information relating to the identity of a person who provides a lethal substance for lethal injection is confidential. Prohibits the office of the secretary of family and social services from reducing Medicaid reimbursement for home health services. Voids an administrative rule containing a 3% reimbursement reduction and any successor rule or renewal from reducing home health services. Specifies powers of the treasurer of state, acting as the chairperson of the achieving a better life experience (ABLE) board, related to the approval of expenses of the ABLE board and the ABLE authority. Establishes the Indiana tourism task force to study the tourism departments of other states for the purposes of learning: (1) the structure of state tourism departments; (2) the level of funding provided to state tourism departments; and (3) the relationship between state funding of a state's tourism department and the economic impact of tourism on the state. Increases the maximum school scholarship income tax credits that may be awarded during a state fiscal year. Specifies the foundation amounts, special education grant amounts, and honors diploma award amounts. Provides that the spring ADM count of students is only for informational purposes. Requires virtual charter schools to report annually certain information to the department of education (DOE). Deletes the provision specifying that the DOE shall accept applications for choice scholarship students from September 2 through January 15 for the spring semester of the current school year. Provides for a teacher appreciation grant for school corporations and virtual charter schools. Provides that if a school corporation or a charter school enters into an agreement with a choice scholarship school to provide dropout recovery educational services for an at-risk student who is enrolled at a public school, the student may not be included in the calculation of the public school's performance grade. Amends the primary care shortage area scholarship statute to provide that it applies to qualifying applicants who will practice in Indiana (rather than only those who will practice in a primary care shortage area). Specifies that the scholarship may also be awarded to qualifying nonresidents who intend to remain in Indiana (but provides that the commission for higher education (CHE) shall give a preference to Indiana residents when awarding such a scholarship). Deletes the requirement that the scholarship may only be awarded to a student in the first year class. Specifies the maximum amounts of the scholarship (depending on the class year in which it is awarded). Provides that the CHE (in coordination with the Marian University College of Osteopathic Medicine) shall administer the scholarship program. Exempts Ivy Tech Community College through December 31, 2017, from having to obtain three appraisals to sell real estate. Provides that an acute care hospital is entitled to a credit against the hospital's adjusted gross income tax liability equal to 20% of the property taxes paid in Indiana. (The current credit is equal to 10% of the property taxes paid in Indiana.) Specifies that the credit applies only to taxes on real property. Provides that the amount of any unused credit may be claimed as a refundable tax credit. Provides for an income tax deduction for military retirement and survivor's benefits of \$6,250 (retains a \$5,000 deduction for military income that is not a military retirement benefit, which is now a combined deduction including military income and military retirement benefits). Authorizes the Indiana department of veterans' affairs to make grants to be used for the purpose of providing services to veterans. Requires the budget agency to retain and transfer to the department of state revenue in 2019 a part of the certified distribution of local income tax that is equal to the amount of the certified distribution that represents certified shares for calendar year 2018 multiplied by 0.5%. Specifies that the money in the standardbred horse fund is continuously appropriated to carry out the purposes of the fund. Repeals the power of the Indiana finance authority to enter into direct negotiations with a single offeror for a public-private

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partnership involving state communications systems infrastructure. Provides that a governmental entity may issue a request for information with respect to a public-private agreement: (1) to consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project involving a public facility or transportation project; (2) to prepare a request for proposals; or (3) to evaluate any aspect of an existing public-private agreement. Provides that responses to a request for information are confidential unless confidentiality is waived in writing. Requires the state board of finance to notify the state board of education and the DOE when the state board of finance takes certain actions. Provides for an increase in the reimbursement rate for certain services provided to an individual under a Medicaid waiver and whose services are delivered by direct care staff. Changes the expiration dates for the hospital assessment fee and the health facility quality assessment fee from June 30, 2017, to June 30, 2019. Provides that deer research and management fund fee revenue, migratory waterfowl stamp revenue, and game bird restoration stamp revenue may be retained in the fish and wildlife fund if the budget agency finds that it would reduce the balance in the fish and wildlife fund below \$3,000,000 at the end of the state fiscal year. Modifies the replacement facility exemption for purposes of the prohibition on the approval of licensure of comprehensive care health facilities and comprehensive care beds, and extends the prohibition through June 30, 2019. Establishes the school corporation efficiency incentive grant program. Provides that certain reorganized school corporations are eligible for a one time efficiency incentive grant if requirements are met. Provides that the grant may be used to: (1) pay expenses associated with the reorganization, including professional service fees, legal costs, and necessary capital expenditures; and (2) provide salary bonuses to teachers. Provides that the amount of the grant is \$500 multiplied by the most recent average daily membership (ADM) count of the reorganized school corporation. Provides that a reorganized school corporation may increase its new combined maximum permissible school transportation levy and school bus replacement levy by 3% after all other adjustments. Adds a definition of "postsecondary SEI affiliated educational institution". Allows a state educational institution to be a member of and control a postsecondary SEI affiliated educational institution under certain conditions. Requires a postsecondary SEI affiliated educational institution and any educational programs offered to be authorized by the CHE. Provides that a postsecondary SEI affiliated educational institution is not subject to open door laws. Provides that the CHE may request information from a postsecondary SEI affiliated educational institution. Provides that a postsecondary SEI affiliated educational institution may be confirmed as a public school for purposes of United States Department of Education regulations. Increases the automated record keeping fee from \$19 to \$20 permanently. Provides that certain annexation ordinances are void. Provides \$5,000,000 from a 2013 appropriation for the health and safety contingency fund to rehabilitate a state owned building to be used to provide services to Indiana's veterans. Requires the budget agency to transfer an amount from the state general fund to the state bicentennial capital account to cover obligations incurred before July 1, 2017. Provides that the amount transferred may not exceed \$5,500,000. Extends the legislative and judicial branch leave conversion pilot program through June 30, 2019. Repeals: (1) the bonding authority enacted in 2007 for the Purdue University West Lafayette-Animal Disease Diagnostic Laboratory; and (2) the bonding authority enacted in 2009 for the Indiana University Southeast education and technology building. Requires the CHE to: (1) review the metrics used in the performance funding formula to ensure that those metrics are aligned with the state's higher education goals; and (2) make recommendations before July 1, 2018, to the legislative council and the governor concerning the metrics used in the performance funding formula. Requires the CHE to study the effectiveness of the academic program at the Indiana Academy for Science, Math, and

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Humanities and report the CHE's findings to the legislative council and the governor. Urges the legislative council to assign to the interim study committee on courts and the judiciary the topic of studying issues related to providing indigent defense services. **(This conference committee report does the following: (1) Inserts from the House passed budget the duties of the treasurer of state in the role of chairperson of the Achieving a Better Life Experience (ABLE) board. (2) Inserts from the House passed budget provisions regarding the statutory appropriation from the Rainy Day Fund to the state general fund. (3) Modifies the school funding provisions and deletes the provisions concerning career and technical education grants. (4) Allows a teacher at a virtual charter school to receive a teacher appreciation grant. (5) Provides that the budget agency shall before February 1, 2018, transfer to the state general fund from each county's local income tax trust account for expenditures related to the department of state revenue's information technology modernization project. (6) Establishes the teachers' defined contribution plan as an account within the Indiana state teachers' retirement fund (EHB 1463). (7) Exempts Ivy Tech temporarily from the requirement to obtain three appraisals. (8) Inserts home health services provisions. (9) Modifies the reimbursement rate for certain services provided to an individual under a Medicaid waiver and whose services are delivered by direct care staff. (10) Modifies provisions concerning the hyperbaric oxygen treatment pilot program. (11) Inserts and modifies the House passed language concerning requests for information. (12) Increases the military retirement income tax deduction to \$6,250. (13) Increases the choice scholarship income tax credit cap. (14) Inserts provisions concerning school efficiency grants. Inserts language terminating the next generation trust and creating the next level Indiana trust. (15) Requires the INPRS to establish and maintain the next level Indiana innovation and entrepreneurial fund as an annuity savings account investment option for members of INPRS. (16) Inserts DUI community service language from House passed HB 1502. (17) Inserts lethal substance for lethal injection provisions. (18) Inserts OPEB investment language. (19) Inserts oversight provisions concerning the state police, conservation officers, and excise police group insurance plan. (20) Permits the horse racing commission to join an interstate compact. (21) Makes the effective date of sales tax provisions regarding short term rental July 1, 2018, instead of July 1, 2017. (22) Adds provisions concerning postsecondary SEI affiliated educational institutions. (23) Adds a provision voiding certain annexations. (24) Cures conflicts.**

Effective: Upon passage; July 1, 2016 (retroactive); January 1, 2017 (retroactive); April 30, 2017 (retroactive); June 1, 2017; June 15, 2017; June 29, 2017; June 30, 2017; July 1, 2017; January 1, 2018; July 1, 2018.

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1001 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

1 SECTION 1. [EFFECTIVE JULY 1, 2017]

2
3 (a) The following definitions apply throughout this act:

4 (1) "Augmentation allowed" means the governor and the budget agency are
5 authorized to add to an appropriation in this act from revenues accruing to the
6 fund from which the appropriation was made.

7 (2) "Biennium" means the period beginning July 1, 2017, and ending June 30, 2019.
8 Appropriations appearing in the biennial column for construction or other permanent
9 improvements do not revert under IC 4-13-2-19 and may be allotted.

10 (3) "Deficiency appropriation" or "special claim" means an appropriation available
11 during the 2016-2017 fiscal year.

12 (4) "Equipment" includes machinery, implements, tools, furniture,
13 furnishings, vehicles, and other articles that have a calculable period of service
14 that exceeds twelve (12) calendar months.

15 (5) "Fee replacement" includes payments to universities to be used to pay indebtedness
16 resulting from financing the cost of planning, purchasing, rehabilitation, construction,
17 repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities,
18 and equipment to be used for academic and instructional purposes.

19 (6) "Federally qualified health center" means a community health center that is
20 designated by the Health Resources Services Administration, Bureau of Primary Health
21 Care, as a Federally Qualified Health Center Look Alike under the FED 330 Consolidated

1 Health Center Program authorization, including Community Health Center (330e), Migrant
2 Health Center (330g), Health Care for the Homeless (330h), Public Housing Primary
3 Care (330i), and School Based Health Centers (330).

4 (7) "Other operating expense" includes payments for "services other than personal",
5 "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds,
6 and awards", "in-state travel", "out-of-state travel", and "equipment".

7 (8) "Pension fund contributions" means the state of Indiana's contributions to a
8 specific retirement fund.

9 (9) "Personal services" includes payments for salaries and wages to officers and
10 employees of the state (either regular or temporary), payments for compensation
11 awards, and the employer's share of Social Security, health insurance, life insurance,
12 dental insurance, vision insurance, deferred compensation - state match, leave
13 conversion, disability, and retirement fund contributions.

14 (10) "SSBG" means the Social Services Block Grant. This was formerly referred to
15 as "Title XX".

16 (11) "State agency" means:

17 (A) each office, officer, board, commission, department, division, bureau, committee,
18 fund, agency, authority, council, or other instrumentality of the state;

19 (B) each hospital, penal institution, and other institutional enterprise of the
20 state;

21 (C) the judicial department of the state; and

22 (D) the legislative department of the state.

23 However, this term does not include cities, towns, townships, school cities, school
24 townships, school districts, other municipal corporations or political subdivisions
25 of the state, or universities and colleges supported in whole or in part by state
26 funds.

27 (12) "State funded community health center" means a public or private not for profit
28 (501(c)(3)) organization that provides comprehensive primary health care services to
29 all age groups.

30 (13) "Total operating expense" includes payments for both "personal services" and
31 "other operating expense".

32 (b) The state board of finance may authorize advances to boards or persons having
33 control of the funds of any institution or department of the state of a sum of
34 money out of any appropriation available at such time for the purpose of establishing
35 working capital to provide for payment of expenses in the case of emergency when
36 immediate payment is necessary or expedient. Advance payments shall be made by
37 warrant by the auditor of state, and properly itemized and receipted bills or invoices
38 shall be filed by the board or persons receiving the advance payments.

39 (c) All money appropriated by this act shall be considered either a direct appropriation
40 or an appropriation from a rotary or revolving fund.

41 (1) Direct appropriations are subject to withdrawal from the state treasury and for
42 expenditure for such purposes, at such time, and in such manner as may be prescribed
43 by law. Direct appropriations are not subject to return and rewithdrawal from the
44 state treasury, except for the correction of an error which may have occurred in
45 any transaction or for reimbursement of expenditures which have occurred in the
46 same fiscal year.

47 (2) A rotary or revolving fund is any designated part of a fund that is set apart
48 as working capital in a manner prescribed by law and devoted to a specific purpose
49 or purposes. The fund consists of earnings and income only from certain sources

1 or combination of sources. The money in the fund shall be used for the purpose designated
 2 by law as working capital. The fund at any time consists of the original appropriation
 3 to the fund, if any, all receipts accrued to the fund, and all money withdrawn from
 4 the fund and invested or to be invested. The fund shall be kept intact by separate
 5 entries in the auditor of state's office, and no part of the fund shall be used
 6 for any purpose other than the lawful purpose of the fund or revert to any other
 7 fund at any time. However, any unencumbered excess above any prescribed amount may
 8 be transferred to the state general fund at the close of each fiscal year unless
 9 otherwise specified in the Indiana Code.

10
 11 **SECTION 2. [EFFECTIVE JULY 1, 2017]**

12
 13 For the conduct of state government, its offices, funds, boards, commissions, departments,
 14 societies, associations, services, agencies, and undertakings, and for other appropriations
 15 not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are
 16 appropriated for the periods of time designated from the general fund of the state of
 17 Indiana or other specifically designated funds.

18
 19 In this act, whenever there is no specific fund or account designated, the appropriation
 20 is from the general fund.

21
 22 **SECTION 3. [EFFECTIVE JULY 1, 2017]**

23
 24 **GENERAL GOVERNMENT**

25
 26 **A. LEGISLATIVE**

27
 28 **FOR THE GENERAL ASSEMBLY**

29	LEGISLATORS' SALARIES - HOUSE		
30	Total Operating Expense	6,706,080	7,851,879
31	HOUSE EXPENSES		
32	Total Operating Expense	11,894,570	12,158,288
33	LEGISLATORS' SALARIES - SENATE		
34	Total Operating Expense	2,405,318	2,405,318
35	SENATE EXPENSES		
36	Total Operating Expense	9,893,709	11,162,575

37
 38 Included in the above appropriations for house and senate expenses are funds for
 39 a legislative business per diem allowance, meals, and other usual and customary
 40 expenses associated with legislative affairs. Except as provided below, this allowance
 41 is to be paid to each member of the general assembly for every day, including Sundays,
 42 during which the general assembly is convened in regular or special session, commencing
 43 with the day the session is officially convened and concluding with the day the session
 44 is adjourned sine die. However, after five (5) consecutive days of recess, the legislative
 45 business per diem allowance is to be made on an individual voucher basis until the
 46 recess concludes.

47
 48 Each member of the general assembly is entitled, when authorized by the speaker of the
 49 house or the president pro tempore of the senate, to the legislative business per diem

1 allowance for every day the member is engaged in official business.

2
3 The legislative business per diem allowance that each member of the general assembly
4 is entitled to receive equals the maximum daily amount allowable to employees of the
5 executive branch of the federal government for subsistence expenses while away from
6 home in travel status in the Indianapolis area. The legislative business per diem changes
7 each time there is a change in that maximum daily amount.

8
9 In addition to the legislative business per diem allowance, each member of the general
10 assembly shall receive the mileage allowance in an amount equal to the standard
11 mileage rates for personally owned transportation equipment established by the federal
12 Internal Revenue Service for each mile necessarily traveled from the member's usual
13 place of residence to the state capitol. However, if the member traveled by a means
14 other than by motor vehicle, and the member's usual place of residence is more than
15 one hundred (100) miles from the state capitol, the member is entitled to reimbursement
16 in an amount equal to the lowest air travel cost incurred in traveling from the
17 usual place of residence to the state capitol. During the period the general assembly
18 is convened in regular or special session, the mileage allowance shall be limited
19 to one (1) round trip each week per member.

20
21 Any member of the general assembly who is appointed by the governor, speaker of
22 the house, president or president pro tempore of the senate, house or senate minority
23 floor leader, or Indiana legislative council to serve on any research, study, or survey
24 committee or commission, or who attends any meetings authorized or convened
25 under the auspices of the Indiana legislative council, including pre-session conferences
26 and federal-state relations conferences, is entitled, when authorized by the legislative
27 council, to receive the legislative business per diem allowance for each day the
28 member is in actual attendance and is also entitled to a mileage allowance, at the
29 rate specified above, for each mile necessarily traveled from the member's usual
30 place of residence to the state capitol, or other in-state site of the committee,
31 commission, or conference. The per diem allowance and the mileage allowance permitted
32 under this paragraph shall be paid from the legislative council appropriation for
33 legislator and lay member travel unless the member is attending an out-of-state
34 meeting, as authorized by the speaker of the house of representatives or the president
35 pro tempore of the senate, in which case the member is entitled to receive:
36 (1) the legislative business per diem allowance for each day the member is engaged
37 in approved out-of-state travel; and
38 (2) reimbursement for traveling expenses actually incurred in connection with the
39 member's duties, as provided in the state travel policies and procedures established
40 by the legislative council.

41
42 Notwithstanding the provisions of this or any other statute, the legislative council
43 may adopt, by resolution, travel policies and procedures that apply only to members
44 of the general assembly or to the staffs of the house of representatives, senate, and
45 legislative services agency, or both members and staffs. The legislative council may
46 apply these travel policies and procedures to lay members serving on research, study,
47 or survey committees or commissions that are under the jurisdiction of the legislative
48 council. Notwithstanding any other law, rule, or policy, the state travel policies and
49 procedures established by the Indiana department of administration and approved

1 by the budget agency do not apply to members of the general assembly, to the staffs
 2 of the house of representatives, senate, or legislative services agency, or to lay members
 3 serving on research, study, or survey committees or commissions under the jurisdiction
 4 of the legislative council (if the legislative council applies its travel policies and
 5 procedures to lay members under the authority of this SECTION), except that, until
 6 the legislative council adopts travel policies and procedures, the state travel policies
 7 and procedures established by the Indiana department of administration and approved
 8 by the budget agency apply to members of the general assembly, to the staffs of the house
 9 of representatives, senate, and legislative services agency, and to lay members serving
 10 on research, study, or survey committees or commissions under the jurisdiction of the
 11 legislative council. The executive director of the legislative services agency is responsible
 12 for the administration of travel policies and procedures adopted by the legislative
 13 council. The auditor of state shall approve and process claims for reimbursement of travel
 14 related expenses under this paragraph based upon the written affirmation of the speaker
 15 of the house of representatives, the president pro tempore of the senate, or the executive
 16 director of the legislative services agency that those claims comply with the travel
 17 policies and procedures adopted by the legislative council. If the funds appropriated
 18 for the house and senate expenses and legislative salaries are insufficient to pay all
 19 the necessary expenses incurred, including the cost of printing the journals of the
 20 house and senate, there is appropriated such further sums as may be necessary to pay
 21 such expenses.

22

LEGISLATORS' SUBSISTENCE		
LEGISLATORS' EXPENSES - HOUSE		
Total Operating Expense	2,872,220	2,609,126
LEGISLATORS' EXPENSES - SENATE		
Total Operating Expense	1,245,888	1,195,888

28

29 Each member of the general assembly is entitled to a subsistence allowance of forty
 30 percent (40%) of the maximum daily amount allowable to employees of the executive
 31 branch of the federal government for subsistence expenses while away from home in
 32 travel status in the Indianapolis area for:

- 33 (1) each day that the general assembly is not convened in regular or special session;
 34 and
 35 (2) each day after the first session day held in November and before the first session
 36 day held in January.

37

38 However, the subsistence allowance under subdivision (2) may not be paid with respect
 39 to any day after the first session day held in November and before the first session
 40 day held in January with respect to which all members of the general assembly are
 41 entitled to a legislative business per diem.

42

43 The subsistence allowance is payable from the appropriations for legislators' subsistence.

44

45 The officers of the senate are entitled to the following amounts annually in addition
 46 to the subsistence allowance: president pro tempore, \$7,000; assistant president
 47 pro tempore, \$3,000; majority floor leader, \$5,500; assistant majority floor leader(s),
 48 \$3,500; majority floor leader emeritus, \$2,500; majority caucus chair, \$5,500;
 49 assistant majority caucus chair(s), \$1,500; appropriations committee chair, \$5,500;

1 tax and fiscal policy committee chair, \$5,500; appropriations committee ranking
2 majority member, \$2,000; tax and fiscal policy committee ranking majority member,
3 \$2,000; majority whip, \$4,000; assistant majority whip, \$2,000; minority floor leader,
4 \$6,000; minority leader emeritus, \$1,500; minority caucus chair, \$5,000; assistant
5 minority floor leader, \$5,000; appropriations committee ranking minority member,
6 \$2,000; tax and fiscal policy committee ranking minority member, \$2,000; minority
7 whip(s), \$2,000; assistant minority whip, \$1,000; assistant minority caucus chair(s),
8 \$1,000; agriculture committee chair, \$1,000; natural resources committee chair,
9 \$1,000; public policy committee chair, \$1,000; corrections and criminal law committee
10 chair, \$1,000; civil law committee chair, \$1,000; education and career development
11 chair, \$1,000; elections committee chair, \$1,000; environmental affairs committee
12 chair, \$1,000; family and children services committee chair, \$1,000; pensions and
13 labor committee chair, \$1,000; health and provider services committee chair, \$1,000;
14 homeland security and transportation committee chair, \$1,000; veterans affairs and
15 the military committee chair, \$1,000; insurance and financial institutions committee
16 chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair,
17 \$1,000; utilities committee chair, \$1,000; commerce and technology committee chair,
18 \$1,000; appointments and claims committee chair, \$1,000; rules and legislative procedure
19 committee chair, \$1,000; and ethics committee chair, \$1,000. If an officer fills
20 more than one (1) leadership position, the officer shall be paid for the higher
21 paid position.

22
23 Officers of the house of representatives are entitled to the following amounts annually
24 in addition to the subsistence allowance: speaker of the house, \$7,000; speaker
25 pro tempore, \$5,000; deputy speaker pro tempore, \$2,000; majority floor leader,
26 \$5,500; majority caucus chair, \$5,500; majority whip, \$4,000; assistant majority
27 floor leader(s), \$3,500; assistant majority caucus chair(s), \$2,000; assistant majority
28 whip(s), \$2,000; ways and means committee chair, \$5,500; ways and means committee
29 vice chair, \$4,000; ways and means k-12 subcommittee chair, \$1,500; ways and means
30 higher education subcommittee chair, \$1,500; ways and means budget subcommittee
31 chair, \$3,000; ways and means health and human services subcommittee chair, \$1,500;
32 ways and means local government subcommittee chair, \$1,500; minority leader, \$5,500;
33 minority floor leader, \$4,500; minority caucus chair, \$4,500; minority whip, \$3,000;
34 assistant minority leader, \$1,500; assistant minority floor leader, \$1,500; assistant
35 minority caucus chair, \$1,500; assistant minority whip, \$1,500; ways and means committee
36 ranking minority member, \$3,500; agriculture and rural development committee chair,
37 \$1,000; commerce, small business, and economic development committee chair, \$1,000;
38 courts and criminal code committee chair, \$1,000; education committee chair, \$1,000;
39 elections and apportionment committee chair, \$1,000; employment, labor, and pensions
40 committee chair, \$1,000; environmental affairs committee chair, \$1,000; statutory
41 committee on legislative ethics committee chair, \$1,000; family, children, and human
42 affairs committee chair, \$1,000; financial institutions committee chair, \$1,000;
43 government and regulatory reform committee chair, \$1,000; insurance committee chair,
44 \$1,000; statutory committee on interstate and international cooperation committee
45 chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair,
46 \$1,000; natural resources committee chair, \$1,000; public health committee chair,
47 \$1,000; public policy committee chair, \$1,000; roads and transportation committee
48 chair, \$1,000; rules and legislative procedures committee chair, \$1,000; select
49 committee on government reduction committee chair, \$1,000; utilities, energy and

1 telecommunications committee chair, \$1,000; and veterans affairs and public safety
2 committee chair, \$1,000. If an officer fills more than one (1) leadership position,
3 the officer may be paid for each of the paid positions.

4
5 If the senate or house of representatives eliminates a committee or officer referenced
6 in this SECTION and replaces the committee or officer with a new committee or position,
7 the above appropriations for subsistence shall be used to pay for the new committee
8 or officer. However, this does not permit any additional amounts to be paid under
9 this SECTION for a replacement committee or officer than would have been spent for
10 the eliminated committee or officer. If the senate or house of representatives creates
11 a new, additional committee or officer, or assigns additional duties to an existing
12 officer, the above appropriations for subsistence shall be used to pay for the new
13 committee or officer, or to adjust the annual payments made to the existing officer,
14 in amounts determined by the legislative council.

15
16 If the funds appropriated for legislators' subsistence are insufficient to pay all the
17 subsistence incurred, there are hereby appropriated such further sums as may be
18 necessary to pay such subsistence.

19
20 **FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY**

Total Operating Expense	18,653,222	19,300,021
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	847,500	847,500

21
22
23
24
25 Included in the above appropriations for the legislative council and legislative services
26 agency expenses are funds for usual and customary expenses associated with legislative
27 services.

28
29 If the funds above appropriated for the legislative council and the legislative services
30 agency and for legislator and lay member travel are insufficient to pay all the necessary
31 expenses incurred, there are hereby appropriated such further sums as may be necessary
32 to pay those expenses.

33
34 Any person other than a member of the general assembly who is appointed by the governor,
35 speaker of the house, president or president pro tempore of the senate, house or senate
36 minority floor leader, or legislative council to serve on any research, study, or survey
37 committee or commission is entitled, when authorized by the legislative council, to a
38 per diem instead of subsistence of \$75 per day during the 2017-2019 biennium. In
39 addition to the per diem, such a person is entitled to mileage reimbursement, at the
40 rate specified for members of the general assembly, for each mile necessarily traveled
41 from the person's usual place of residence to the state capitol or other in-state site
42 of the committee, commission, or conference. However, reimbursement for any out-of-state
43 travel expenses claimed by lay members serving on research, study, or survey committees
44 or commissions under the jurisdiction of the legislative council shall be based
45 on SECTION 14 of this act, until the legislative council applies those travel policies
46 and procedures that govern legislators and their staffs to such lay members as authorized
47 elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph
48 shall be paid from the legislative council appropriations for legislative and lay
49 member travel unless otherwise provided for by a specific appropriation.

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Included in the above appropriations for the legislative council and legislative services agency are funds for the printing and distribution of documents published by the legislative council. These documents include journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 120th general assembly, the supplements to the Indiana Code for fiscal years 2017-2018 and 2018-2019, and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

STATE VIDEO STREAMING SERVICES

Build Indiana Fund (IC 4-30-17)

Total Operating Expense	375,950	387,229
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LEGISLATIVE CLOSED CAPTIONING SERVICES

Total Operating Expense	193,500	229,500
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If the above appropriations for legislative closed captioning services are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

LEGISLATIVE COUNCIL CONTINGENCY FUND

Total Operating Expense	113,062	113,062
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Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: \$900

Annual subscription to the session document service for sessions ending in even-numbered years: \$500

Per page charge for copies of legislative documents: \$0.15

Annual charge for interim calendar: \$10

Daily charge for the journal of either house: \$2

COUNCIL OF STATE GOVERNMENTS ANNUAL DUES

Other Operating Expense	183,061	190,383
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NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES

	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
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1 **Augmentation allowed.**

2

3 **The above appropriation includes funding to develop and implement a statewide electronic**
 4 **filing system for court documents, a case management system, and a public defender**
 5 **case management system.**

6

7 **INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY**

8 Total Operating Expense	778,750	778,750
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9

10 **The above funds are appropriated to the division of state court administration in**
 11 **compliance with the provisions of IC 33-24-13-7.**

12

13 **GUARDIAN AD LITEM**

14 Total Operating Expense	6,337,810	6,337,810
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15

16 **The division of state court administration shall use the above appropriations to**
 17 **administer an office of guardian ad litem and court appointed special advocate services**
 18 **and to provide matching funds to counties that are required to implement, in courts**
 19 **with juvenile jurisdiction, a guardian ad litem and court appointed special advocate**
 20 **program for children who are alleged to be victims of child abuse or neglect under**
 21 **IC 31-33 and to administer the program. A county may use these matching funds to**
 22 **supplement amounts collected as fees under IC 31-40-3 to be used for the operation**
 23 **of guardian ad litem and court appointed special advocate programs. The county fiscal**
 24 **body shall appropriate adequate funds for the county to be eligible for these matching**
 25 **funds. In each fiscal year, the office of guardian ad litem shall set aside at least**
 26 **thirty thousand dollars (\$30,000) from the above appropriations to provide older**
 27 **youth foster care.**

28

29 **ADULT GUARDIANSHIP**

30 Total Operating Expense	1,500,000	1,500,000
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31

32 **The above appropriations are for the administration of the office of adult guardianship**
 33 **and to provide matching funds to county courts with probate jurisdiction that implement**
 34 **and administer programs for volunteer advocates for seniors and incapacitated adults**
 35 **who are appointed a guardian under IC 29. Volunteer advocates for seniors and incapacitated**
 36 **adults programs shall provide a match of 50% of the funds appropriated by the division**
 37 **of state court administration of which up to half may be an in-kind match and the remainder**
 38 **must be county funds or other local county resources. Only programs certified by**
 39 **the supreme court are eligible for matching funds. The above appropriations also**
 40 **include funds to develop and maintain an adult guardianship registry to serve as**
 41 **a data repository for adult guardianship cases and guardians appointed by the courts.**

42

43 **CIVIL LEGAL AID**

44 Total Operating Expense	1,500,000	1,500,000
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45

46 **The above appropriations include the appropriation provided in IC 33-24-12-7.**

47

48 **SPECIAL JUDGES - COUNTY COURTS**

49 Total Operating Expense	149,000	149,000
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If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS		
Total Operating Expense	380,996	380,996

JUDICIAL CENTER		
Personal Services	3,294,283	3,294,283
Other Operating Expense	2,669,197	2,669,197

The above appropriations for the judicial center include funding for the judicial conference and for juvenile justice reform programming.

VETERANS PROBLEM-SOLVING COURTS		
Total Operating Expense	1,000,000	1,000,000

The above appropriations shall be distributed for the establishment, training, and certification of veterans problem-solving courts.

DRUG AND ALCOHOL PROGRAMS FUND		
Total Operating Expense	100,000	100,000

The above funds are appropriated notwithstanding the distribution under IC 33-37-7-9 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if additional funds are needed to carry out the purpose of the program, existing revenues in the fund may be allotted.

INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION		
Total Operating Expense	236,180	236,180

PROBATION OFFICERS TRAINING		
Total Operating Expense	750,000	750,000

FOR THE PUBLIC DEFENDER COMMISSION		
Total Operating Expense	18,350,000	18,350,000

The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. The division of state court administration of the supreme court of Indiana shall administer the public defense fund. The administrative costs may come from the public defense fund. Any balance in the public defense fund is appropriated to the public defender commission. Of the above appropriations, \$1,000,000 each year is for the public defense of the parents of CHINs.

FOR THE COURT OF APPEALS		
Personal Services	10,705,015	10,705,015
Other Operating Expense	1,586,352	1,593,452

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The above appropriations for the court of appeals personal services include the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT

Personal Services	730,209	730,209
Other Operating Expense	156,030	156,030

FOR THE PUBLIC DEFENDER

Personal Services	6,322,493	6,322,493
Other Operating Expense	1,023,837	1,023,837

FOR THE PUBLIC DEFENDER COUNCIL

Personal Services	1,117,329	977,329
Other Operating Expense	407,243	407,243

FOR THE PROSECUTING ATTORNEYS COUNCIL

Personal Services	706,733	706,733
Other Operating Expense	508,393	508,393

DRUG PROSECUTION

Drug Prosecution Fund (IC 33-39-8-6)		
Total Operating Expense	468,995	468,995
Augmentation allowed.		

FOR THE INDIANA PUBLIC RETIREMENT SYSTEM

JUDGES' RETIREMENT FUND

Other Operating Expense	7,964,306	8,877,616
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PROSECUTORS' RETIREMENT FUND

Other Operating Expense	3,013,800	3,215,600
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C. EXECUTIVE

FOR THE GOVERNOR'S OFFICE

Personal Services	1,812,266	1,812,266
Other Operating Expense	56,534	56,534

GOVERNOR'S RESIDENCE

Total Operating Expense	111,138	111,138
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GOVERNOR'S CONTINGENCY FUND

Total Operating Expense	5,104	5,104
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Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

GOVERNOR'S FELLOWSHIP PROGRAM

Total Operating Expense	103,145	103,145
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SUBSTANCE ABUSE PREVENTION, TREATMENT, & ENFORCEMENT

Addiction Services Fund (IC 12-23-2)

Total Operating Expense	5,000,000	5,000,000
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1	FOR THE WASHINGTON LIAISON OFFICE		
2	Total Operating Expense	53,542	53,542
3			
4	FOR THE LIEUTENANT GOVERNOR		
5	Personal Services	1,877,783	1,877,783
6	Other Operating Expense	422,217	422,217
7			
8	LIEUTENANT GOVERNOR'S CONTINGENCY FUND		
9	Total Operating Expense	5,107	5,107

10
11 Direct disbursements from the above contingency fund are not subject to the provisions
12 of IC 5-22.

13			
14	FOR THE SECRETARY OF STATE		
15	ADMINISTRATION		
16	Personal Services	4,300,232	4,300,232
17	Other Operating Expense	1,019,914	1,019,914
18	VOTER EDUCATION OUTREACH		
19	Total Operating Expense	750,000	1,000,000

20
21 The above appropriations shall be deposited in the voter education outreach
22 fund established by IC 3-6-3.7-4.

23			
24	FOR THE ATTORNEY GENERAL		
25	ATTORNEY GENERAL		
26	From the General Fund		
27		21,641,910	21,641,910
28	From the Homeowner Protection Unit Account (IC 4-6-12-9)		
29		500,000	500,000
30	Augmentation allowed.		
31	From the Consumer Fees and Settlements Fund		
32		1,831,401	1,831,401
33	Augmentation allowed.		
34	From the Real Estate Appraiser Investigative Fund (IC 25-34.1-8-7.5)		
35		50,000	50,000
36	Augmentation allowed.		
37	From the Non-Consumer Settlements Fund		
38		600,000	600,000
39	Augmentation allowed.		
40	From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
41		818,916	818,916
42	Augmentation allowed.		
43	From the Abandoned Property Fund (IC 32-34-1-33)		
44		820,806	820,806
45	Augmentation allowed.		

46
47 The amounts specified from the general fund, homeowner protection unit account,
48 consumer fees and settlements fund, real estate appraiser investigative fund, non-consumer
49 settlements fund, tobacco master settlement agreement fund, and abandoned property

1 fund are for the following purposes:

2			
3	Personal Services	24,449,168	24,449,168
4	Other Operating Expense	1,813,865	1,813,865

5
6 **HOMEOWNER PROTECTION UNIT**

7	Homeowner Protection Unit Account (IC 4-6-12-9)		
8	Total Operating Expense	799,572	799,572

9 **MEDICAID FRAUD UNIT**

10	Total Operating Expense	1,400,000	1,400,000
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11
12 The above appropriations to the Medicaid fraud unit are the state's matching share
13 of funding for the state Medicaid fraud control unit under IC 4-6-10 as prescribed
14 by 42 U.S.C. 1396b(q). Augmentation allowed from collections.

15
16 **UNCLAIMED PROPERTY**

17	Abandoned Property Fund (IC 32-34-1-33)		
18	Personal Services	1,330,555	1,330,555
19	Other Operating Expense	2,400,074	2,400,074
20	Augmentation allowed.		

21
22 **D. FINANCIAL MANAGEMENT**

23
24 **FOR THE AUDITOR OF STATE**

25	Personal Services	4,707,622	4,707,622
26	Other Operating Expense	2,225,713	2,225,713

27
28 **GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS**

29	Total Operating Expense	188,065	188,065
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30
31 The above appropriations for governors' and governors' surviving spouses' pensions
32 are made under IC 4-3-3.

33
34 **FOR THE STATE BOARD OF ACCOUNTS**

35	Personal Services	14,724,120	14,724,120
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36 **STATE BOARD OF ACCOUNTS DEDICATED FUND**

37	State Board of Accounts Dedicated Fund		
38	Total Operating Expense	9,467,094	10,330,632

39
40 **FOR THE STATE BUDGET COMMITTEE**

41	Total Operating Expense	44,000	44,000
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42
43 Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of
44 the budget committee is an amount equal to one hundred fifty percent (150%) of the
45 legislative business per diem allowance. If the above appropriations are insufficient
46 to carry out the necessary operations of the budget committee, there are hereby
47 appropriated such further sums as may be necessary.

48
49 **FOR THE OFFICE OF MANAGEMENT AND BUDGET**

	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1	Personal Services	408,538	408,538
2	Other Operating Expense	306,200	106,200
3			
4	The above appropriation includes \$200,000 in fiscal year 2018 for a water data hub.		
5	In addition, the above appropriation includes \$30,000 annually for the local pension report.		
6			
7	DISTRESSED UNIT APPEALS BOARD		
8	Total Operating Expense	5,000,000	5,000,000
9	MANAGEMENT AND PERFORMANCE HUB		
10	Total Operating Expense	6,000,000	6,000,000
11	Department of Insurance Fund (IC 27-1-3-28)		
12	Total Operating Expense	1,300,000	1,300,000
13	Database Management Fund		
14	Total Operating Expense	1,700,000	1,700,000
15			
16	The above appropriation includes \$500,000 in fiscal year 2018 for Medicaid and		
17	unemployment insurance fraud prevention and \$300,000 in fiscal year 2018 to reduce		
18	recidivism at the department of correction.		
19			
20	FOR THE STATE BUDGET AGENCY		
21	Personal Services	2,770,905	2,770,905
22	Other Operating Expense	422,812	422,812
23			
24	DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND		
25	Total Operating Expense		1,940,000
26			
27	The above departmental and institutional emergency contingency fund appropriation		
28	is subject to allotment to departments, institutions, and all state agencies by		
29	the budget agency with the approval of the governor. These allocations may be made		
30	upon written request of proper officials, showing that contingencies exist that		
31	require additional funds for meeting necessary expenses. The budget committee shall		
32	be advised of each transfer request and allotment.		
33			
34	OUTSIDE BILL CONTINGENCY		
35	Total Operating Expense	1	1
36			
37	PERSONAL SERVICESFRINGE BENEFITS CONTINGENCY FUND		
38	Total Operating Expense		20,000,000
39	Personal Services/Fringe Benefits Contingency Fund		
40	Total Operating Expense		60,000,000
41			
42	The above personal services/fringe benefits contingency fund appropriations shall		
43	be allotted in the amount requested by the judicial branch, the legislative branch,		
44	and statewide elected officials by the budget agency. The above personal services/fringe		
45	benefits contingency fund appropriation may be allotted to departments, institutions,		
46	and all state agencies by the budget agency with the approval of the governor.		
47			
48	The above personal services/fringe benefits contingency fund appropriations may be		
49	used only for salary increases, fringe benefit increases, an employee leave conversion		

1 program, state retiree health programs, or related expenses.

2

3 Of the above appropriations, \$5,240,000 shall be paid to the Indiana public retirement
 4 system (IC 5-10.5-3-1) in each fiscal year to fund thirteenth checks for retired
 5 members of the public employees' retirement fund, the state excise police, gaming
 6 agent, gaming control officer, and conservation enforcement officers' retirement
 7 plan, the state police pre-1987 benefit system, and the state police 1987 benefit
 8 system.

9

10 **RETIREE HEALTH BENEFIT TRUST FUND**

11 Retiree Health Benefit Trust Fund (IC 5-10-8-8.5)

Total Operating Expense	17,551,576	17,551,576
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13 Augmentation Allowed.

14

15 The above appropriation for the retiree health plan:

16 (1) is to fund employer contributions and benefits provided under IC 5-10-8.5;

17 (2) does not revert at the end of any state fiscal year but remains available for
 18 the purposes of the appropriation in subsequent state fiscal years; and

19 (3) is not subject to transfer to any other fund or to transfer, assignment,
 20 or reassignment for any other use or purpose by the state board of finance
 21 notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency
 22 notwithstanding IC 4-12-1-12 or any other law.

23

24 The budget agency may transfer appropriations from federal or dedicated funds to
 25 the trust fund to accrue funds to pay benefits to employees that are not paid from the
 26 general fund.

27

28 **SCHOOL AND LIBRARY INTERNET CONNECTION**

Total Operating Expense	1,500,000	1,500,000
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30 Build Indiana Fund (IC 4-30-17-3)

Total Operating Expense	3,500,000	3,500,000
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32

33 Of the above appropriations, \$3,415,000 each year shall be used for schools under
 34 IC 4-34-3-4, and \$1,585,000 each year shall be used for libraries under IC 4-34-3-2,
 35 including schools and libraries that are not part of the ENA consortium.

36

37 **INSPIRE**

Other Operating Expense	1,382,250	1,382,250
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39

40 The above appropriations shall be used for the INSPIRE project under IC 4-34-3-2.

41

42 **FOR THE INDIANA PUBLIC RETIREMENT SYSTEM**

43 **PUBLIC SAFETY PENSION**

Total Operating Expense	150,000,000	145,000,000
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45 Augmentation Allowed.

46

47 **FOR THE TREASURER OF STATE**

Personal Services	1,230,712	1,230,712
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Other Operating Expense	51,035	51,035
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49

1	ABLE AUTHORITY (IC 12-11-14)		
2	Total Operating Expense	255,466	235,966

3
4 **E. TAX ADMINISTRATION**

5			
6	FOR THE DEPARTMENT OF REVENUE		
7	COLLECTION AND ADMINISTRATION		
8	Personal Services	44,725,070	45,074,218
9	Other Operating Expense	26,465,075	26,115,927

10
11 **With the approval of the governor and the budget agency, the department shall annually**
12 **reimburse the state general fund for expenses incurred in support of the collection of**
13 **dedicated fund revenue according to the department's cost allocation plan.**

14
15 **With the approval of the governor and the budget agency, the foregoing sums for the**
16 **department of state revenue may be augmented to an amount not exceeding in total,**
17 **together with the above specific amounts, one and one-tenth percent (1.1%) of the**
18 **amount of money collected by the department of state revenue from taxes and fees.**

19			
20	OUTSIDE COLLECTIONS		
21	Total Operating Expense	5,044,000	5,044,000

22
23 **With the approval of the governor and the budget agency, the foregoing sums for the**
24 **department of state revenue's outside collections may be augmented to an amount not**
25 **exceeding in total, together with the above specific amounts, one and one-tenth percent**
26 **(1.1%) of the amount of money collected by the department from taxes and fees.**

27			
28	MOTOR CARRIER REGULATION		
29	Motor Carrier Regulation Fund (IC 8-2.1-23)		
30	Personal Services	3,293,335	3,293,335
31	Other Operating Expense	4,066,621	4,066,621
32	Augmentation allowed from the Motor Carrier Regulation Fund.		

33			
34	FOR THE INDIANA GAMING COMMISSION		
35	From the State Gaming Fund (IC 4-33-13-2)		
36	2,918,000	2,918,000	
37	From the Gaming Investigations Fund		
38	600,000	600,000	

39
40 **The amounts specified from the state gaming fund and gaming investigations fund**
41 **are for the following purposes:**

42			
43	Personal Services	2,890,320	2,890,320
44	Other Operating Expense	627,680	627,680

45
46 **The above appropriations to the Indiana gaming commission are made from revenues**
47 **accruing to the state gaming fund under IC 4-33 before any distribution is made**
48 **under IC 4-33-13-5.**
49 **Augmentation allowed.**

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The above appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.

GAMING SALARY MATRIX ADJUSTMENT

State Gaming Fund (IC 4-33-13-2)

Total Operating Expense	1,456,238	3,494,972
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ATHLETIC COMMISSION

State Gaming Fund (IC 4-33-13-3)

Total Operating Expense	64,587	64,587
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Augmentation Allowed

Athletic Fund (IC 4-33-22-9)

Total Operating Expense	100,000	100,000
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Augmentation Allowed

FANTASY SPORTS REGULATION AND ADMINISTRATION

Fantasy Sports Regulation and Administration Fund (IC 4-33-24-28)

Total Operating Expense	441,314	441,314
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Augmentation Allowed

FOR THE INDIANA HORSE RACING COMMISSION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Personal Services	1,761,370	1,761,370
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Other Operating Expense	310,799	310,799
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The above appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9.

Augmentation allowed.

FINGERPRINT FEES

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	10,400	10,400
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Augmentation allowed.

FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Personal Services	2,640,021	2,640,021
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Other Operating Expense	993,119	993,119
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FOR THE INDIANA BOARD OF TAX REVIEW

Personal Services	1,466,883	1,466,883
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Other Operating Expense	70,416	70,416
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F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION

Personal Services	9,566,483	9,566,483
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Other Operating Expense	16,535,201	16,535,201
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MOTOR POOL ROTARY FUND

General Fund

Total Operating Expense	10,422,921	10,730,930
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1	Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)		
2	Total Operating Expense	29,300	0
3	Motor Fuel Inspection Fund (IC 16-44-3-10)		
4	Total Operating Expense	143,000	44,000
5	Entomology and Plant Pathology Fund (IC 14-24-10-3)		
6	Total Operating Expense	72,000	0
7	Charity Gaming Enforcement Fund (IC 4-32.2-7-3)		
8	Total Operating Expense	98,550	100,500
9	Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
10	Total Operating Expense	81,000	315,500
11	Integrated Public Safety Communications Fund (IC 5-26-4-1)		
12	Total Operating Expense	27,000	54,500
13	Land and Water Resources Fund (IC 14-25-10-2)		
14	Total Operating Expense	27,000	0
15	Enforcement and Administration Fund (IC 7.1-4-10-1)		
16	Total Operating Expense	311,725	206,725
17	Fire and Building Services Fund (IC 22-12-6-1)		
18	Total Operating Expense	100,000	110,800
19	Public Utility Fund (IC 8-1-6-1)		
20	Total Operating Expense	45,000	45,200
21	Law Enforcement Academy Fund (IC 5-2-1-13)		
22	Total Operating Expense	15,271	0
23	State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)		
24	Total Operating Expense	1,064,401	1,111,100
25	Fish and Wildlife Fund (IC 14-22-3-2)		
26	Total Operating Expense	506,343	558,000
27	Natural Resources Reclamation Division Fund (IC 14-34-14-2)		
28	Total Operating Expense	27,000	0
29	State Highway Fund (IC 8-23-9-54)		
30	Total Operating Expense	1,492,500	1,500,000
31	Administration Services Revolving Fund		
32	Total Operating Expense	21,200	0
33	Equine Health & Care Programs Fund		
34	Total Operating Expense	107,600	81,900

35
36 **The budget agency may transfer portions of the above dedicated fund appropriations**
37 **from the department of administration back to the agency that provided the**
38 **appropriation if necessary.**

39
40 **In addition to the appropriations above, the budget agency with the approval of the governor**
41 **may transfer appropriations to the motor pool rotary fund for the purchase of vehicles**
42 **and related equipment.**

43			
44	FOR THE STATE PERSONNEL DEPARTMENT		
45	Personal Services	2,658,561	2,658,561
46	Other Operating Expense	179,800	179,800
47			
48	FOR THE STATE EMPLOYEES' APPEALS COMMISSION		
49	Personal Services	115,378	115,378

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Other Operating Expense	20,441	20,441
2			
3	FOR THE OFFICE OF TECHNOLOGY		
4	PAY PHONE FUND		
5	Correctional Facilities Calling System Fund (IC 5-22-23-7)		
6	Total Operating Expense	1,280,000	1,280,000
7	Augmentation allowed.		
8			
9	The pay phone fund is established for the procurement of hardware, software, and		
10	related equipment and services needed to expand and enhance the state campus backbone		
11	and other central information technology initiatives. Such procurements may include,		
12	but are not limited to, wiring and rewiring of state offices, Internet services, video		
13	conferencing, telecommunications, application software, and related services.		
14	Notwithstanding IC 5-22-23-5, the fund consists of the net proceeds received from		
15	contracts with companies providing phone services at state institutions and other		
16	state properties. The fund shall be administered by the office of technology. Money in		
17	the fund may be spent by the office in compliance with a plan approved by the budget		
18	agency. Any money remaining in the fund at the end of any fiscal year does not revert		
19	to the general fund or any other fund but remains in the pay phone fund.		
20			
21	FOR THE INDIANA ARCHIVES AND RECORDS ADMINISTRATION		
22	Personal Services	1,369,094	1,369,094
23	Other Operating Expense	363,459	363,459
24			
25	FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR		
26	Personal Services	181,766	181,766
27	Other Operating Expense	10,618	10,618
28			
29	FOR THE OFFICE OF STATE-BASED INITIATIVES		
30	Total Operating Expense	104,305	104,305
31			
32	G. OTHER		
33			
34	FOR THE COMMISSION ON UNIFORM STATE LAWS		
35	Total Operating Expense	97,811	87,498
36			
37	FOR THE OFFICE OF INSPECTOR GENERAL		
38	Personal Services	1,092,496	1,092,496
39	Other Operating Expense	54,563	54,563
40	STATE ETHICS COMMISSION		
41	Other Operating Expense	12,543	12,543
42			
43	FOR THE SECRETARY OF STATE		
44	ELECTION DIVISION		
45	Personal Services	929,346	929,346
46	Other Operating Expense	292,039	292,039
47	VOTER LIST MAINTENANCE		
48	Total Operating Expense		2,500,000
49	VOTER REGISTRATION SYSTEM		

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	3,211,784	3,211,784
2	VOTER SYSTEM TECHNICAL OVERSIGHT PROGRAM		
3	Total Operating Expense	595,000	595,000
4			
5	SECTION 4. [EFFECTIVE JULY 1, 2017]		
6			
7	PUBLIC SAFETY		
8			
9	A. CORRECTION		
10			
11	FOR THE DEPARTMENT OF CORRECTION		
12	CENTRAL OFFICE		
13	Personal Services	11,353,563	11,353,563
14	Other Operating Expense	28,448,619	31,212,122
15	ESCAPEE COUNSEL AND TRIAL EXPENSE		
16	Other Operating Expense	284,489	284,489
17	COUNTY JAIL MISDEMEANANT HOUSING		
18	Total Operating Expense	4,152,639	4,152,639
19	ADULT CONTRACT BEDS		
20	Total Operating Expense	1,090,304	1,090,304
21	STAFF DEVELOPMENT AND TRAINING		
22	Personal Services	1,481,938	1,481,938
23	Other Operating Expense	107,308	107,308
24	PAROLE BOARD		
25	Personal Services	748,660	748,660
26	Other Operating Expense	21,896	21,896
27	INFORMATION MANAGEMENT SERVICES		
28	Personal Services	880,598	880,598
29	Other Operating Expense	230,944	230,944
30	JUVENILE TRANSITION		
31	Personal Services	408,347	408,347
32	Other Operating Expense	724,880	724,880
33	COMMUNITY CORRECTIONS PROGRAMS		
34	Total Operating Expense	72,424,747	72,424,747
35			
36	The above appropriations for community corrections programs are not subject to transfer		
37	to any other fund or to transfer, assignment, or reassignment for any other use		
38	or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23		
39	or by the budget agency notwithstanding IC 4-12-1-12 or any other law.		
40			
41	Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for community		
42	corrections programs do not revert to the general fund or another fund at the close		
43	of a state fiscal year but remain available in subsequent state fiscal years for		
44	the purposes of the program.		
45			
46	The appropriations are not subject to having allotment withheld by the state budget		
47	agency.		
48			
49	CENTRAL EMERGENCY RESPONSE		

		<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
		<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1	Personal Services	1,008,407	1,008,407	
2	Other Operating Expense	190,866	190,866	
3	MEDICAL SERVICES			
4	Other Operating Expense	68,772,099	68,772,099	

6 The above appropriations for medical services shall be used only for services that
7 are determined to be medically necessary. If a person provides medical services
8 to committed individuals as provided in this paragraph and receives medical services
9 payments in a state fiscal year from the above appropriations for providing those
10 medical services, the person shall report the following to the budget committee
11 not more than one (1) month after the end of that state fiscal year:

12 (1) The number of individuals to whom the person provided medical services as provided
13 in this paragraph in the state fiscal year.

14 (2) The amount of medical service payments received from the above appropriations
15 in the state fiscal year for providing such medical services.

16
17 **DRUG ABUSE PREVENTION**

18 Drug Abuse Fund (IC 11-8-2-11)

19	Total Operating Expense	150,000	150,000
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20 Augmentation allowed.

21 **COUNTY JAIL MAINTENANCE CONTINGENCY FUND**

22	Other Operating Expense	17,895,366	17,895,366
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23
24 Disbursements from the fund shall be made for the purpose of reimbursing sheriffs
25 for the cost of incarcerating in county jails persons convicted of felonies to the
26 extent that such persons are incarcerated for more than five (5) days after the
27 day of sentencing or the date upon which the department of correction receives the
28 abstract of judgment and sentencing order, whichever occurs later, at a rate to
29 be determined by the department of correction and approved by the state budget agency.
30 The rate shall be based upon programming provided, and shall be \$35 per day.
31 All requests for reimbursement shall be in conformity with department of correction
32 policy. In addition to the per diem, the state shall reimburse the sheriffs for expenses
33 determined by the sheriff to be medically necessary medical care to the convicted persons.
34 However, if the sheriff or county receives money with respect to a convicted person (from
35 a source other than the county), the per diem or medical expense reimbursement with respect
36 to the convicted person shall be reduced by the amount received. A sheriff shall not
37 be required to comply with IC 35-38-3-4(a) or transport convicted persons within five
38 (5) days after the day of sentencing if the department of correction does not have the
39 capacity to receive the convicted person.

40
41 The above appropriations for the county jail maintenance contingency fund are not
42 subject to transfer to any other fund or to transfer, assignment, or reassignment
43 for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7
44 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12 or any other
45 law.

46
47 Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for the
48 county jail maintenance contingency fund do not revert to the general fund or another
49 fund at the close of a state fiscal year but remain available in subsequent state

1 fiscal years for the purposes of the fund.

2

3 The appropriations are not subject to having allotment withheld by the state budget
4 agency.

5

6 **FOOD SERVICES**

7 Total Operating Expense	36,381,682	36,381,682
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8 **EDUCATIONAL SERVICES**

9 Other Operating Expense	8,782,170	8,782,170
---------------------------	-----------	-----------

10 **JUVENILE DETENTION ALTERNATIVES INITIATIVE (JDAI)**

11 Total Operating Expense	3,000,000	3,000,000
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12

13 **FOR THE PAROLE DIVISION**

14 **PAROLE DIVISION**

15 Total Operating Expense	11,738,041	11,738,041
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16

17 The above appropriations include funding for the division to utilize no less than
18 380 GPS ankle bracelets for monitoring.

19

20 **FOR THE FIRST TIME OFFENDERS AT HERITAGE TRAILS**

21 **FIRST TIME OFFENDERS FACILITY AT HERITAGE TRAILS**

22 Total Operating Expense	9,542,860	9,542,860
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23

24 **FOR THE SOUTH BEND WORK RELEASE CENTER**

25 **SOUTH BEND WORK RELEASE CENTER**

26 **General Fund**

27 Total Operating Expense	2,278,033	2,278,033
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28 **Work Release (IC 11-10-8-6.5)**

29 Total Operating Expense	350,000	350,000
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30 Augmentation allowed from Work Release - Study Release Special Revenue Fund.

31

32 **FOR THE STATE BUDGET AGENCY**

33 **MEDICAL SERVICE PAYMENTS**

34 Total Operating Expense	25,000,000	25,000,000
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35

36 These appropriations for medical service payments are made to pay for services
37 determined to be medically necessary for committed individuals, patients and
38 students of institutions under the jurisdiction of the department of correction,
39 the state department of health, the division of mental health and addiction, the
40 school for the blind and visually impaired, the school for the deaf, the division
41 of disability and rehabilitative services, or the division of aging if the services
42 are provided outside these institutions. These appropriations may not be used for
43 payments for medical services that are covered by IC 12-16 unless these services
44 have been approved under IC 12-16. These appropriations shall not be used for
45 payment for medical services which are payable from an appropriation in this act
46 for the state department of health, the division of mental health and addiction, the
47 school for the blind and visually impaired, the school for the deaf, the division of
48 disability and rehabilitative services, the division of aging, or the department
49 of correction, or that are reimbursable from funds for medical assistance under

1 **IC 12-15. If these appropriations are insufficient to make these medical service**
 2 **payments, there is hereby appropriated such further sums as may be necessary.**

3
 4 **Direct disbursements from the above contingency fund are not subject to the**
 5 **provisions of IC 4-13-2.**

6
 7 **FOR THE DEPARTMENT OF ADMINISTRATION**

8 **DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU**

9 Personal Services	143,063	143,063
10 Other Operating Expense	3,581	3,581

11
 12 **FOR THE DEPARTMENT OF CORRECTION**

13 **INDIANA STATE PRISON**

14 Personal Services	32,977,405	32,977,405
15 Other Operating Expense	4,925,297	4,925,297

16 **PENDLETON CORRECTIONAL FACILITY**

17 Personal Services	29,534,558	29,534,558
18 Other Operating Expense	4,463,373	4,463,373

19 **CORRECTIONAL INDUSTRIAL FACILITY**

20 Personal Services	19,789,190	19,789,190
21 Other Operating Expense	1,207,324	1,207,324

22 **INDIANA WOMEN'S PRISON**

23 Personal Services	10,902,444	10,902,444
24 Other Operating Expense	1,026,562	1,026,562

25 **PUTNAMVILLE CORRECTIONAL FACILITY**

26 Personal Services	28,544,023	28,544,023
27 Other Operating Expense	2,805,487	2,805,487

28 **WABASH VALLEY CORRECTIONAL FACILITY**

29 Personal Services	36,051,360	36,051,360
30 Other Operating Expense	3,967,930	3,967,930

31 **INDIANAPOLIS RE-ENTRY EDUCATION FACILITY**

32 Personal Services	6,285,556	6,285,556
33 Other Operating Expense	916,470	916,470

34 **BRANCHVILLE CORRECTIONAL FACILITY**

35 Personal Services	15,406,508	15,406,508
36 Other Operating Expense	1,936,446	1,936,446

37 **WESTVILLE CORRECTIONAL FACILITY**

38 Personal Services	40,929,301	40,929,301
39 Other Operating Expense	5,055,346	5,055,346

40 **ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN**

41 Personal Services	14,357,303	14,357,303
42 Other Operating Expense	1,724,849	1,724,849

43 **PLAINFIELD CORRECTIONAL FACILITY**

44 Personal Services	20,324,963	20,324,963
45 Other Operating Expense	3,052,817	3,052,817

46 **RECEPTION AND DIAGNOSTIC CENTER**

47 Personal Services	13,058,875	13,058,875
48 Other Operating Expense	892,132	892,132

49 **MIAMI CORRECTIONAL FACILITY**

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	29,422,866	29,422,866
2	Other Operating Expense	4,262,721	4,262,721
3	NEW CASTLE CORRECTIONAL FACILITY		
4	Other Operating Expense	41,130,553	41,130,553
5	CHAIN O' LAKES CORRECTIONAL FACILITY		
6	Personal Services	1,479,073	1,479,073
7	Other Operating Expense	187,549	187,549
8	MADISON CORRECTIONAL FACILITY		
9	Personal Services	7,884,180	7,884,180
10	Other Operating Expense	1,231,805	1,231,805
11	EDINBURGH CORRECTIONAL FACILITY		
12	Personal Services	3,840,693	3,840,693
13	Other Operating Expense	367,706	367,706
14	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY		
15	Personal Services	11,552,899	11,552,899
16	Other Operating Expense	713,364	713,364
17	CAMP SUMMIT		
18	Personal Services	3,693,495	3,693,495
19	Other Operating Expense	186,739	186,739
20	PENDLETON JUVENILE CORRECTIONAL FACILITY		
21	Personal Services	16,294,327	16,294,327
22	Other Operating Expense	982,808	982,808
23	MADISON JUVENILE CORRECTIONAL FACILITY		
24	Personal Services	4,900,868	4,900,868
25	Other Operating Expense	1,256,039	1,256,039

26
27 **B. LAW ENFORCEMENT**

28
29 **FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION**

30 **From the General Fund**

31 **119,097,359 119,097,359**

32 **From the Motor Carrier Regulation Fund (IC 8-2.1-23)**

33 **4,191,833 4,191,833**

34 **Augmentation allowed from the motor carrier regulation fund.**

35
36 **The amounts specified from the General Fund and the Motor Carrier Regulation Fund**
37 **are for the following purposes:**

38	Personal Services	107,386,481	107,386,481
39	Other Operating Expense	15,902,711	15,902,711

40
41
42 **The above appropriations for personal services and other operating expense include**
43 **funds to continue the state police minority recruiting program.**

44
45 **The above appropriations for the Indiana state police and motor carrier inspection**
46 **include funds for the police security detail to be provided to the Indiana state**
47 **fair board. However, amounts actually expended to provide security for the Indiana**
48 **state fair board as determined by the budget agency shall be reimbursed by the Indiana**
49 **state fair board to the state general fund.**

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ISP SALARY MATRIX ADJUSTMENT

Personal Services	8,676,646	20,823,950
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The above appropriations are for an adjustment to the ISP salary matrix.

MOTOR CARRIER INSPECTOR SALARY MATRIX ADJUSTMENT

Total Operating Expense	208,488	500,370
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CAPITOL POLICE SALARY MATRIX ADJUSTMENT

Total Operating Expense	291,582	699,798
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ISP OPEB CONTRIBUTION

Total Operating Expense	13,350,700	12,575,902
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INDIANA INTELLIGENCE FUSION CENTER

Total Operating Expense	1,372,939	1,372,939
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ODOMETER FRAUD INVESTIGATION

Motor Vehicle Odometer Fund (IC 9-14-14-2)

Total Operating Expense	94,200	94,200
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Augmentation allowed.

STATE POLICE TRAINING

State Police Training Fund (IC 5-2-8-5)

Total Operating Expense	500,000	500,000
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Augmentation allowed.

FORENSIC AND HEALTH SCIENCES LABORATORIES

From the General Fund

11,317,003	11,317,003
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From the Motor Carrier Regulation Fund (IC 8-2.1-23)

398,320	398,320
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Augmentation allowed from the general fund and the motor carrier regulation fund.

The amounts specified from the Motor Carrier Regulation Fund are for the following purposes:

Personal Services	11,435,323	11,435,323
Other Operating Expense	280,000	280,000

ENFORCEMENT AID

Total Operating Expense	72,518	72,518
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The above appropriations for enforcement aid are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's authority.

PENSION FUND

Total Operating Expense	20,650,000	24,150,000
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The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before

1 the 30th of each succeeding month thereafter.

2

3 **BENEFIT FUND**

4	Total Operating Expense	5,500,000	5,600,000
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5

6 All benefits to members shall be paid by warrant drawn on the treasurer of state
7 by the auditor of state on the basis of claims filed and approved by the trustees
8 of the state police pension and benefit funds created by IC 10-12-2.

9

10 **SUPPLEMENTAL PENSION**

11	Total Operating Expense	3,125,000	3,125,000
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12

13 If the above appropriations for supplemental pension for any one (1) year are greater
14 than the amount actually required under the provisions of IC 10-12-5, then the excess
15 shall be returned proportionately to the funds from which the appropriations were
16 made. If the amount actually required under IC 10-12-5 is greater than the above
17 appropriations, then, with the approval of the governor and the budget agency, those
18 sums may be augmented from the general fund.

19

20 **ACCIDENT REPORTING**

21 Accident Report Account (IC 9-26-9-3)

22	Total Operating Expense	5,000	5,000
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23 Augmentation allowed.

24 **DRUG INTERDICTION**

25 Drug Interdiction Fund (IC 10-11-7)

26	Total Operating Expense	208,550	208,550
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27 Augmentation allowed.

28 **DNA SAMPLE PROCESSING FUND**

29 DNA Sample Processing Fund (IC 10-13-6-9.5)

30	Total Operating Expense	1,312,304	1,312,304
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31 Augmentation allowed.

32

33 **FOR THE INTEGRATED PUBLIC SAFETY COMMISSION**

34 **PROJECT SAFE-T**

35 Integrated Public Safety Communications Fund (IC 5-26-4-1)

36	Total Operating Expense	11,874,947	11,874,947
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37 Augmentation allowed.

38

39 **FOR THE ADJUTANT GENERAL**

40	Personal Services	3,127,119	3,127,119
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41	Other Operating Expense	4,382,454	4,382,454
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42 **CAMP ATTERBURY MUSCATATUCK CENTER FOR COMPLEX OPERATIONS**

43	Personal Services	554,085	554,085
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44	Other Operating Expense	23,106	23,106
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45 **DISABLED SOLDIERS' PENSION**

46	Total Operating Expense	1	1
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47 Augmentation allowed.

48 **MUTC - MUSCATATUCK URBAN TRAINING CENTER**

49	Total Operating Expense	933,306	933,306
----	-------------------------	---------	---------

1	HOOSIER YOUTH CHALLENGE ACADEMY		
2	Total Operating Expense	2,438,850	2,438,850
3	GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND		
4	Total Operating Expense	119,004	119,004

5

6 The above appropriations for the governor's civil and military contingency fund are

7 made under IC 10-16-11-1.

8

9	FOR THE CRIMINAL JUSTICE INSTITUTE		
10	ADMIN. MATCH		
11	Total Operating Expense	402,002	402,002
12	DRUG ENFORCEMENT MATCH		
13	Total Operating Expense	869,347	869,347

14

15 To facilitate the duties of the Indiana criminal justice institute as outlined in

16 IC 5-2-6-3, the above appropriation is not subject to the provisions of IC 4-9.1-1-7

17 when used to support other state agencies through the awarding of state match dollars.

18

19	VICTIM AND WITNESS ASSISTANCE FUND		
20	Victim and Witness Assistance Fund (IC 5-2-6-14)		
21	Total Operating Expense	723,609	723,609
22	Augmentation allowed.		

23	ENHANCED ENFORCEMENT DRUG MITIGATION AREA PILOT PROGRAM		
24	Total Operating Expense	250,000	250,000

25	ALCOHOL AND DRUG COUNTERMEASURES		
26	Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)		
27	Total Operating Expense	337,765	337,765
28	Augmentation allowed.		

29	STATE DRUG FREE COMMUNITIES FUND		
30	State Drug Free Communities Fund (IC 5-2-10-2)		
31	Total Operating Expense	560,662	560,662
32	Augmentation allowed.		

33	INDIANA SAFE SCHOOLS		
34	General Fund		
35	Total Operating Expense	1,095,340	1,095,340
36	Indiana Safe Schools Fund (IC 5-2-10.1-2)		
37	Total Operating Expense	400,053	400,053
38	Augmentation allowed from Indiana Safe Schools Fund.		

39

40 The above appropriations for the Indiana safe schools program are for the purpose

41 of providing grants to school corporations and charter schools for school safe haven

42 programs, emergency preparedness programs, and school safety programs. The criminal

43 justice institute shall transfer \$750,000 each fiscal year to the department of

44 education to provide training to school safety specialists.

45

46	CHILD RESTRAINT SYSTEM FUND		
47	Child Restraint System Account (IC 9-19-11-9)		
48	Total Operating Expense	145,500	145,500
49	HIGHWAY PASSENGER & COMMERCIAL VEHICLE GRANT		

1 **Office of Traffic Safety**
2 **Total Operating Expense** **507,633** **507,633**

3
4 **The above appropriation for the office of traffic safety may be used to cover the**
5 **state match requirement for this program according to the current highway safety**
6 **plan approved by the governor and the budget agency.**

7
8 **SEXUAL ASSAULT VICTIMS' ASSISTANCE**
9 **Total Operating Expense** **1,500,000** **1,500,000**
10 **Sexual Assault Victims Assistance Fund (IC 5-2-6-23(j))**
11 **Total Operating Expense** **25,000** **25,000**

12 **Augmentation allowed.**
13 **VICTIMS OF VIOLENT CRIME ADMINISTRATION**
14 **Social Services Block Grant**
15 **Total Operating Expense** **636,763** **636,763**
16 **Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)**
17 **Personal Services** **146,050** **146,050**
18 **Other Operating Expense** **2,415,950** **2,415,950**

19 **Augmentation allowed.**
20 **DOMESTIC VIOLENCE PREVENTION AND TREATMENT**
21 **General Fund**
22 **Total Operating Expense** **5,000,000** **5,000,000**
23 **Domestic Violence Prevention and Treatment Fund (IC 5-2-6.7-4)**
24 **Total Operating Expense** **1,064,334** **1,064,334**
25 **Augmentation allowed.**

26
27 **The above appropriations are for programs and treatment for the prevention of domestic**
28 **violence. The appropriations may not be used to construct or rehabilitate a shelter.**

29
30 **FOR THE DEPARTMENT OF TOXICOLOGY**
31 **General Fund**
32 **Total Operating Expense** **2,344,728** **2,344,728**
33 **Breath Test Training and Certification Fund (IC 10-20-2-9)**
34 **Total Operating Expense** **355,000** **355,000**
35 **Augmentation allowed.**

36
37 **FOR THE CORONERS TRAINING BOARD**
38 **Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)**
39 **Total Operating Expense** **388,000** **388,000**
40 **Augmentation allowed.**

41
42 **FOR THE LAW ENFORCEMENT TRAINING ACADEMY**
43 **From the General Fund**
44 **1,927,671** **1,927,671**
45 **From the Law Enforcement Academy Fund (IC 5-2-1-13)**
46 **2,125,467** **2,125,467**
47 **Augmentation allowed from the Law Enforcement Academy Fund.**

48
49 **The amounts specified from the General Fund and the Law Enforcement Academy Fund**

1 are for the following purposes:

2			
3	Personal Services	3,472,021	3,472,021
4	Other Operating Expense	581,117	581,117

5

6 **C. REGULATORY AND LICENSING**

7

8 **FOR THE BUREAU OF MOTOR VEHICLES**

9	Personal Services	15,957,952	15,957,952
10	Other Operating Expense	11,988,932	11,988,932

11 **LICENSE PLATES**

12	Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)		
13	Total Operating Expense	8,605,503	14,205,503
14	Augmentation allowed.		

15 **FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION**

16	Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)		
17	Total Operating Expense	6,183,531	6,183,531
18	Augmentation allowed.		

19 **STATE MOTOR VEHICLE TECHNOLOGY**

20	State Motor Vehicle Technology Fund (IC 9-14-14-3)		
21	Total Operating Expense	4,950,726	4,950,726
22	Augmentation allowed.		

23 **MOTORCYCLE OPERATOR SAFETY**

24	Motorcycle Operator Safety Education Fund (IC 9-27-7-7)		
25	Total Operating Expense	1,080,251	1,080,251
26	Augmentation allowed.		

27

28 **FOR THE DEPARTMENT OF LABOR**

29	Personal Services	722,402	722,402
30	Other Operating Expense	70,074	70,074

31 **BUREAU OF MINES AND MINING**

32	Personal Services	179,564	179,564
33	Other Operating Expense	23,804	23,804

34 **QUALITY, METRICS, AND STATISTICS (MIS)**

35	Other Operating Expense	120,794	120,794
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36 **OCCUPATIONAL SAFETY AND HEALTH**

37	Other Operating Expense	2,210,830	2,210,830
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38

39 **The above appropriations for occupational safety and health and M.I.S. research and**

40 **statistics reflect only the general fund portion of the total program costs of the**

41 **Indiana occupational safety and health plan as approved by the U.S. Department of**

42 **Labor. It is the intention of the general assembly that the Indiana department of**

43 **labor make application to the federal government for the federal share of the total**

44 **program costs.**

45

46 **EMPLOYMENT OF YOUTH**

47	Employment of Youth Fund (IC 20-33-3-42)		
48	Total Operating Expense	162,791	162,791
49	Augmentation allowed.		

1 **INSAFE**
2 **Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)**
3 **Other Operating Expense** **384,260** **384,260**
4 **Augmentation allowed.**

5
6 **FOR THE DEPARTMENT OF INSURANCE**
7 **Department of Insurance Fund (IC 27-1-3-28)**
8 **Personal Services** **5,436,852** **5,436,852**
9 **Other Operating Expense** **1,120,029** **1,120,029**
10 **Augmentation allowed.**

11 **BAIL BOND DIVISION**
12 **Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)**
13 **Personal Services** **126,700** **126,700**
14 **Other Operating Expense** **4,907** **4,907**
15 **Augmentation allowed.**

16 **PATIENT'S COMPENSATION AUTHORITY**
17 **Patient's Compensation Fund (IC 34-18-6-1)**
18 **Personal Services** **688,240** **688,240**
19 **Other Operating Expense** **814,800** **814,800**
20 **Augmentation allowed.**

21 **POLITICAL SUBDIVISION RISK MANAGEMENT**
22 **Political Subdivision Risk Management Fund (IC 27-1-29-10)**
23 **Other Operating Expense** **119,932** **119,932**
24 **Augmentation allowed.**

25 **MINE SUBSIDENCE INSURANCE**
26 **Mine Subsidence Insurance Fund (IC 27-7-9-7)**
27 **Total Operating Expense** **637,758** **637,758**
28 **Augmentation allowed.**

29 **TITLE INSURANCE ENFORCEMENT OPERATING**
30 **Title Insurance Enforcement Fund (IC 27-7-3.6-1)**
31 **Personal Services** **295,858** **295,858**
32 **Other Operating Expense** **600,894** **600,894**
33 **Augmentation allowed.**

34
35 **FOR THE ALCOHOL AND TOBACCO COMMISSION**
36 **Enforcement and Administration Fund (IC 7.1-4-10-1)**
37 **Personal Services** **10,283,193** **10,283,193**
38 **Other Operating Expense** **1,501,502** **1,501,502**
39 **Augmentation allowed.**

40
41 **Five hundred thousand dollars (\$500,000) of the above appropriations is for fraud enforcement**
42 **of EBT cards in the Temporary Assistance for Needy Families (TANF) and SNAP programs.**

43
44 **ATC SALARY MATRIX ADJUSTMENT**
45 **Enforcement and Administration Fund (IC 7.1-4-10-1)**
46 **Personal Services** **606,318** **1,455,164**

47
48 **The above appropriations are for an adjustment to the ATC salary matrix.**
49

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1			
2	WOMEN'S COMMISSION		
3	Total Operating Expense	98,115	98,115
4	COMMISSION ON THE SOCIAL STATUS OF BLACK MALES		
5	Total Operating Expense	135,431	135,431
6	NATIVE AMERICAN INDIAN AFFAIRS COMMISSION		
7	Total Operating Expense	74,379	74,379
8	COMMISSION ON HISPANIC/LATINO AFFAIRS		
9	Total Operating Expense	102,432	102,432
10	MARTIN LUTHER KING JR. HOLIDAY COMMISSION		
11	Total Operating Expense	19,400	19,400
12			
13	FOR THE UTILITY CONSUMER COUNSELOR		
14	Public Utility Fund (IC 8-1-6-1)		
15	Personal Services	5,740,952	5,740,952
16	Other Operating Expense	771,825	771,825
17	Augmentation allowed.		
18			
19	EXPERT WITNESS FEES AND AUDIT		
20	Public Utility Fund (IC 8-1-6-1)		
21	Total Operating Expense	839,678	839,678
22	Augmentation allowed.		
23			
24	FOR THE UTILITY REGULATORY COMMISSION		
25	Public Utility Fund (IC 8-1-6-1)		
26	Personal Services	6,629,648	6,629,648
27	Other Operating Expense	2,777,171	2,777,171
28	Augmentation allowed.		
29			
30	FOR THE WORKER'S COMPENSATION BOARD		
31	Personal Services	1,831,715	1,831,715
32	Other Operating Expense	85,471	85,471
33			
34	FOR THE STATE BOARD OF ANIMAL HEALTH		
35	Personal Services	4,487,710	4,558,754
36	Other Operating Expense	583,463	583,463
37	INDEMNITY FUND		
38	Total Operating Expense	80,000	50,000
39	Augmentation allowed.		
40			
41	The above appropriations may be used to pay the Board's share of expenses related		
42	to bovine tuberculosis testing. The Board may use the above appropriation for FY		
43	2018 to provide retroactive reimbursement for bovine tuberculosis testing expenses		
44	incurred in prior years.		
45			
46	MEAT & POULTRY INSPECTION		
47	Total Operating Expense	1,602,306	1,602,306
48	PUBLIC HEALTH DATA COMM. INFRASTRUCTURE SYSTEM		
49	Total Operating Expense	9,039	9,039

1	INTERSTATE SHIPMENT COOPERATIVE AGREEMENT WITH THE USDA		
2	Total Operating Expense	49,647	49,647
3	CAPTIVE CERVIDAE PROGRAMS		
4	Captive Cervidae Programs Fund (IC 15-17-14.7-16)		
5	Total Operating Expense	30,000	30,000
6			
7	FOR THE DEPARTMENT OF HOMELAND SECURITY		
8	FIRE AND BUILDING SERVICES		
9	Fire and Building Services Fund (IC 22-12-6-1)		
10	Personal Services	13,600,344	13,600,344
11	Other Operating Expense	207,176	207,176
12	Augmentation allowed.		
13	REGIONAL PUBLIC SAFETY TRAINING		
14	Regional Public Safety Training Fund (IC 10-15-3-12)		
15	Total Operating Expense	1,940,000	1,940,000
16	Augmentation allowed.		
17	RADIOLOGICAL HEALTH		
18	Total Operating Expense	74,955	74,955
19	EMERGENCY MANAGEMENT CONTINGENCY FUND		
20	Total Operating Expense	114,456	114,456

21

22 The above appropriations for the emergency management contingency fund are made

23 under IC 10-14-3-28.

24

25	PUBLIC ASSISTANCE		
26	Total Operating Expense	1	1
27	Augmentation allowed.		
28	INDIANA EMERGENCY RESPONSE COMMISSION		
29	Local Emergency Planning and Right to Know Fund (IC 13-25-2-10.5)		
30	Total Operating Expense	71,407	71,407
31	Augmentation allowed.		
32	STATE DISASTER RELIEF FUND		
33	State Disaster Relief Fund (IC 10-14-4-5)		
34	Total Operating Expense	485,000	485,000
35	Augmentation allowed, not to exceed revenues collected from the public safety		
36	fee imposed by IC 22-11-14-12.		
37			
38	Augmentation allowed from the general fund to match federal disaster relief funds.		
39			
40	REDUCED IGNITION PROPENSITY STANDARDS FOR CIGARETTES FUND		
41	Reduced Ignition Propensity Stds.-Cig. Fund (IC 22-14-7-22(a))		
42	Total Operating Expense	31,026	31,026
43	Augmentation allowed.		
44	STATEWIDE FIRE AND BUILDING SAFETY EDUCATION FUND		
45	Statewide Fire & Building Safety Educ. Fund (IC 22-12-6-3)		
46	Total Operating Expense	98,089	98,089
47	Augmentation allowed.		
48	INDIANA SECURED SCHOOL FUND		
49	Total Operating Expense	9,000,000	9,000,000

1
2 **From the above appropriations, up to \$1,000,000 is for the Department of Education**
3 **to partner with the Indiana Cybersecurity Center to provide assistance to the department**
4 **and schools. From the above appropriations, the Department of Homeland Security**
5 **shall make \$500,000 available each fiscal year to accredited nonpublic schools who**
6 **apply for grants for the purchase of security equipment or other security upgrades.**
7 **The Department shall prioritize grants to nonpublic schools that demonstrate a**
8 **heightened risk of security threats.**
9

10 **SECTION 5. [EFFECTIVE JULY 1, 2017]**

11 **CONSERVATION AND ENVIRONMENT**

12 **A. NATURAL RESOURCES**

13
14
15
16 **FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION**

17 **Personal Services** 7,755,083 7,755,083

18 **Other Operating Expense** 1,926,025 1,926,025

19 **DNR OPEB CONTRIBUTION**

20 **Total Operating Expense** 2,335,421 2,309,007

21 **ENTOMOLOGY AND PLANT PATHOLOGY DIVISION**

22 **Personal Services** 392,338 392,338

23 **Other Operating Expense** 83,645 83,645

24 **ENTOMOLOGY AND PLANT PATHOLOGY FUND**

25 **Entomology and Plant Pathology Fund (IC 14-24-10-3)**

26 **Total Operating Expense** 374,734 374,734

27 **Augmentation allowed.**

28 **DNR ENGINEERING DIVISION**

29 **Personal Services** 1,677,224 1,677,224

30 **Other Operating Expense** 70,711 70,711

31 **HISTORIC PRESERVATION DIVISION**

32 **Personal Services** 428,466 428,466

33 **Other Operating Expense** 266,196 266,196

34 **DIVISION OF HISTORIC PRESERVATION AND ARCHAEOLOGY DEDICATED**

35 **Total Operating Expense** 26,040 26,040

36 **WABASH RIVER HERITAGE CORRIDOR**

37 **Wabash River Heritage Corridor Fund (IC 14-13-6-23)**

38 **Total Operating Expense** 187,210 187,210

39 **OUTDOOR RECREATION DIVISION**

40 **Personal Services** 478,123 478,123

41 **Other Operating Expense** 56,078 56,078

42 **NATURE PRESERVES DIVISION**

43 **Personal Services** 797,800 797,800

44 **Other Operating Expense** 196,880 196,880

45 **WATER DIVISION**

46 **Personal Services** 4,032,382 4,032,382

47 **Other Operating Expense** 775,000 775,000

48

49 **All revenues accruing from state and local units of government and from private**

1 utilities and industrial concerns as a result of water resources study projects,
 2 and as a result of topographic and other mapping projects, shall be deposited into
 3 the state general fund, and such receipts are hereby appropriated, in addition to
 4 the above appropriations, for water resources studies. The above appropriations
 5 include \$200,000 each fiscal year for the monitoring of water resources.

6
 7 **DEER RESEARCH AND MANAGEMENT**

8 Deer Research and Management Fund (IC 14-22-5-2)

9 Total Operating Expense	151,813	151,813
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10 Augmentation allowed.

11 **OIL AND GAS DIVISION**

12 Oil and Gas Fund (IC 6-8-1-27)

13 Personal Services	1,263,884	1,263,884
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14 Other Operating Expense	332,192	332,192
----------------------------	---------	---------

15 Augmentation allowed.

16 **STATE PARKS AND RESERVOIRS**

17 From the General Fund

8,921,508	8,921,508
-----------	-----------

19 From the State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)

29,359,893	29,359,893
------------	------------

21 Augmentation allowed from the State Parks and Reservoirs Special Revenue Fund.

22
 23 The amounts specified from the General Fund and the State Parks and Reservoirs
 24 Special Revenue Fund are for the following purposes:

26 Personal Services	28,532,879	28,532,879
----------------------	------------	------------

27 Other Operating Expense	9,748,522	9,748,522
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28
 29 **SNOWMOBILE FUND**

30 Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)

31 Total Operating Expense	154,928	154,928
----------------------------	---------	---------

32 Augmentation allowed.

33 **DNR LAW ENFORCEMENT DIVISION**

34 From the General Fund

9,956,425	9,956,425
-----------	-----------

36 From the Fish and Wildlife Fund (IC 14-22-3-2)

10,831,730	10,831,730
------------	------------

38 Augmentation allowed from the Fish and Wildlife Fund.

39
 40 The amounts specified from the General Fund and the Fish and Wildlife Fund are for
 41 the following purposes:

43 Personal Services	18,019,655	18,019,655
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44 Other Operating Expense	2,768,500	2,768,500
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45
 46 **DNR SALARY MATRIX ADJUSTMENT**

47 Personal Services	1,490,922	3,578,212
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48
 49 The above appropriations are for an adjustment to the DNR salary matrix.

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SPORTSMEN'S BENEVOLENCE

Total Operating Expense	145,500	145,500
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FISH AND WILDLIFE DIVISION

Fish and Wildlife Fund (IC 14-22-3-2)

Personal Services	4,126,639	4,126,639
Other Operating Expense	5,356,565	5,356,565

Augmentation allowed.

FORESTRY DIVISION

From the General Fund

4,309,473	4,309,473
-----------	-----------

From the State Forestry Fund (IC 14-23-3-2)

6,002,212	6,002,212
-----------	-----------

Augmentation allowed from the State Forestry Fund.

The amounts specified from the General Fund and the State Forestry Fund are for the following purposes:

Personal Services	7,928,960	7,928,960
Other Operating Expense	2,382,725	2,382,725

In addition to any of the above appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

DEPT. OF NATURAL RESOURCES - US DEPT. OF COMMERCE

Cigarette Tax Fund (IC 6-7-1-28.1)

Total Operating Expense	117,313	117,313
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Augmentation allowed.

LAKE AND RIVER ENHANCEMENT

Lake and River Enhancement Fund (IC 6-6-11-12.5)

Total Operating Expense	2,078,288	2,078,288
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Augmentation allowed.

HERITAGE TRUST

General Fund

Total Operating Expense	94,090	94,090
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Benjamin Harrison Conservation Trust Fund (IC 14-12-2-25)

Total Operating Expense	1,164,000	1,164,000
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Augmentation allowed.

DEPT. OF NATURAL RESOURCES - USDOT

Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)

Total Operating Expense	55,000	55,000
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Augmentation allowed.

INSTITUTIONAL ROAD CONSTRUCTION

1 **State Highway Fund (IC 8-23-9-54)**
2 **Total Operating Expense** **2,425,000** **2,425,000**

3
4 **The above appropriation for institutional road construction may be used for road**
5 **and bridge construction, relocation, and other related improvement projects at state owned**
6 **properties managed by the department of natural resources.**

7
8 **B. OTHER NATURAL RESOURCES**

9
10 **FOR THE INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION**

11 **General Fund**
12 **Total Operating Expense** **8,369,488** **8,369,488**
13 **Indiana State Museum and Historic Sites Corp.**
14 **Total Operating Expense** **2,632,555** **2,632,555**

15
16 **In lieu of billing the University of Southern Indiana annually for the maintenance**
17 **of properties in New Harmony, the above appropriation includes an additional \$25,000**
18 **annually for that purpose.**

19
20 **FOR THE WORLD WAR MEMORIAL COMMISSION**

21 **Personal Services** **813,482** **813,482**
22 **Other Operating Expense** **367,000** **367,000**

23
24 **All revenues received as rent for space in the buildings located at 777 North Meridian**
25 **Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the**
26 **costs of operation and maintenance of the space rented, shall be paid into the general**
27 **fund.**

28
29 **FOR THE WHITE RIVER STATE PARK DEVELOPMENT COMMISSION**

30 **Total Operating Expense** **766,312** **766,312**

31
32 **FOR THE MAUMEE RIVER BASIN COMMISSION**

33 **Total Operating Expense** **105,000** **105,000**

34
35 **FOR THE ST. JOSEPH RIVER BASIN COMMISSION**

36 **Total Operating Expense** **54,110** **54,110**

37
38 **FOR THE KANKAKEE RIVER BASIN COMMISSION**

39 **Total Operating Expense** **54,110** **54,110**

40
41 **C. ENVIRONMENTAL MANAGEMENT**

42
43 **FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**
44 **OPERATING**

45 **From the General Fund**
46 **13,646,133** **13,646,133**
47 **From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**
48 **1,152,795** **1,152,795**
49 **Augmentation allowed.**

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The amounts specified from the General Fund and the underground petroleum storage tank excess liability trust fund are for the following purposes:

Personal Services	10,938,248	10,938,248
Other Operating Expense	3,860,680	3,860,680
IDEM LABORATORY CONTRACTS		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	1,056,994	1,056,994
Augmentation allowed.		
OHIO RIVER VALLEY WATER SANITATION COMMISSION		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	282,600	282,600
Augmentation allowed.		
OFFICE OF ENVIRONMENTAL RESPONSE		
Personal Services	2,398,491	2,398,491
Other Operating Expense	263,310	263,310
POLLUTION PREVENTION AND TECHNICAL ASSISTANCE		
Personal Services	787,567	787,567
Other Operating Expense	94,741	94,741
PPG PCB INSPECTION		
Environmental Management Permit Operation Fund (IC 13-15-11-1)		
Total Operating Expense	19,822	19,822
Augmentation allowed.		
U.S. GEOLOGICAL SURVEY CONTRACTS		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	51,503	51,503
Augmentation allowed.		
STATE SOLID WASTE GRANTS MANAGEMENT		
State Solid Waste Management Fund (IC 13-20-22-2)		
Personal Services	93,715	93,715
Other Operating Expense	313,354	313,354
Augmentation allowed.		
RECYCLING OPERATING		
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)		
Personal Services	487,616	487,616
Other Operating Expense	227,350	227,350
Augmentation allowed.		
RECYCLING PROMOTION AND ASSISTANCE PROGRAM		
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)		
Total Operating Expense	1,000,000	1,000,000
Augmentation allowed.		
VOLUNTARY CLEAN-UP PROGRAM		
Voluntary Remediation Fund (IC 13-25-5-21)		
Personal Services	1,028,162	1,028,162
Other Operating Expense	58,880	58,880
Augmentation allowed.		
TITLE V AIR PERMIT PROGRAM		
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		

	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
1	Personal Services	11,524,403	11,524,403
2	Other Operating Expense	1,328,419	1,328,419
3	Augmentation allowed.		
4	WATER MANAGEMENT PERMITTING		
5	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
6	Personal Services	6,462,158	6,462,158
7	Other Operating Expense	379,297	379,297
8	Augmentation allowed.		
9	SOLID WASTE MANAGEMENT PERMITTING		
10	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
11	Personal Services	4,908,924	4,908,924
12	Other Operating Expense	393,266	393,266
13	Augmentation allowed.		
14	CFO/CAFO INSPECTIONS		
15	Total Operating Expense	318,424	318,424
16	HAZARDOUS WASTE MANAGEMENT PERMITTING - FEDERAL		
17	Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
18	Total Operating Expense	1,247,383	1,247,383
19	HAZARDOUS WASTE MANAGEMENT PERMITTING		
20	Environmental Management Permit Operation Fund (IC 13-15-11-1)		
21	Personal Services	2,987,999	2,987,999
22	Other Operating Expense	314,491	314,491
23	Augmentation allowed.		
24	ELECTRONIC WASTE		
25	Electronic Waste Fund (IC 13-20.5-2-3)		
26	Total Operating Expense	123,537	123,537
27	SAFE DRINKING WATER PROGRAM		
28	State Solid Waste Management Fund (IC 13-20-22-2)		
29	Total Operating Expense	2,942,579	2,942,579
30	CLEAN VESSEL PUMPOUT		
31	Environmental Management Special Fund (IC 13-14-12-1)		
32	Total Operating Expense	31,549	31,549
33	Augmentation allowed.		
34	GROUNDWATER PROGRAM		
35	Environmental Management Special Fund (IC 13-14-12-1)		
36	Total Operating Expense	432,091	432,091
37	Augmentation allowed.		
38	UNDERGROUND STORAGE TANK PROGRAM		
39	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
40	Total Operating Expense	178,198	178,198
41	Augmentation allowed.		
42	AIR MANAGEMENT OPERATING		
43	Environmental Management Special Fund (IC 13-14-12-1)		
44	Total Operating Expense	976,272	976,272
45	Augmentation allowed.		
46	WATER MANAGEMENT NONPERMITTING		
47	Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
48	Total Operating Expense	1,549,417	1,549,417
49	LEAKING UNDERGROUND STORAGE TANKS		

1 **Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**
2 **Total Operating Expense** **161,334** **161,334**
3 **Augmentation allowed.**

4 **AUTO EMISSIONS TESTING PROGRAM**

5 **Personal Services** **75,287** **75,287**
6 **Other Operating Expense** **5,297,619** **5,297,619**

7
8 **The above appropriations for auto emissions testing are the maximum amounts available**
9 **for this purpose. If it becomes necessary to conduct additional tests in other locations,**
10 **the above appropriations shall be prorated among all locations.**

11
12 **HAZARDOUS WASTE SITES - STATE CLEAN-UP**

13 **Hazardous Substances Response Trust Fund (IC 13-25-4-1)**
14 **Personal Services** **2,435,371** **2,435,371**
15 **Other Operating Expense** **1,139,885** **1,139,885**

16 **Augmentation allowed.**

17 **HAZARDOUS WASTE - NATURAL RESOURCE DAMAGES**

18 **Hazardous Substances Response Trust Fund (IC 13-25-4-1)**
19 **Personal Services** **165,567** **165,567**
20 **Other Operating Expense** **119,482** **119,482**

21 **Augmentation allowed.**

22 **SUPERFUND MATCH**

23 **Hazardous Substances Response Trust Fund (IC 13-25-4-1)**
24 **Total Operating Expense** **1,657,551** **1,757,551**

25 **Augmentation allowed.**

26
27 **The above appropriation includes \$700,000 for fiscal year 2018 and \$800,000 for**
28 **fiscal year 2019 for the department of environmental management to match federal**
29 **funds for lead clean up in East Chicago.**

30
31 **ASBESTOS TRUST - OPERATING**

32 **Asbestos Trust Fund (IC 13-17-6-3)**
33 **Personal Services** **388,047** **388,047**
34 **Other Operating Expense** **45,498** **45,498**

35 **Augmentation allowed.**

36 **UNDERGROUND PETROLEUM STORAGE TANK - OPERATING**

37 **Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**
38 **Personal Services** **4,850,137** **4,850,137**
39 **Other Operating Expense** **39,101,300** **39,101,300**

40 **Augmentation allowed.**

41 **WASTE TIRE MANAGEMENT**

42 **Waste Tire Management Fund (IC 13-20-13-8)**
43 **Total Operating Expense** **548,783** **548,783**

44 **Augmentation allowed.**

45 **VOLUNTARY COMPLIANCE**

46 **Environmental Management Special Fund (IC 13-14-12-1)**
47 **Personal Services** **690,198** **690,198**
48 **Other Operating Expense** **40,548** **40,548**

49 **Augmentation allowed.**

1	ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING		
2	Environmental Management Special Fund (IC 13-14-12-1)		
3	Total Operating Expense	608,626	608,626
4	Augmentation allowed.		
5	CORE SUPERFUND		
6	Environmental Management Special Fund (IC 13-14-12-1)		
7	Total Operating Expense	12,500	12,500
8	Augmentation allowed.		
9	WETLANDS PROTECTION		
10	Environmental Management Special Fund (IC 13-14-12-1)		
11	Total Operating Expense	20,419	20,419
12	Augmentation allowed.		
13	PETROLEUM TRUST - OPERATING		
14	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
15	Other Operating Expense	1,000,000	1,000,000
16	Augmentation allowed.		

17

18 **Notwithstanding any other law, with the approval of the governor and the budget**
19 **agency, the above appropriations for hazardous waste management permitting,**
20 **wetlands protection, groundwater program, underground storage tank program,**
21 **air management operating, asbestos trust operating, water management nonpermitting,**
22 **safe drinking water program, and any other appropriation eligible to be included in a**
23 **performance partnership grant may be used to fund activities incorporated into a**
24 **performance partnership grant between the United States Environmental Protection**
25 **Agency and the department of environmental management.**

26			
27	FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION		
28	Personal Services	281,537	281,537
29	Other Operating Expense	22,906	22,906

30

31 **SECTION 6. [EFFECTIVE JULY 1, 2017]**

32

33 **ECONOMIC DEVELOPMENT**

34

35 **A. AGRICULTURE**

36			
37	FOR THE DEPARTMENT OF AGRICULTURE		
38	Personal Services	1,327,382	1,327,382
39	Other Operating Expense	905,767	905,767

40

41 **Up to \$5,000 annually of the above appropriations may be used for Hoosier Homestead**
42 **plaques for recipients of the Hoosier Homestead award.**

43			
44	DISTRIBUTIONS TO FOOD BANKS		
45	Total Operating Expense	300,000	300,000

46	CLEAN WATER INDIANA		
47	General Fund		
48	Total Operating Expense	1,000,000	1,000,000
49	Cigarette Tax Fund (IC 6-7-1-28.1)		

	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	628,060	628,060
2	OFFICE OF COMMUNITY AND RURAL AFFAIRS		
3	Total Operating Expense	1,470,000	1,470,000
4	HISTORIC PRESERVATION GRANTS		
5	Total Operating Expense	1,000,000	1,000,000
6	RURAL ECONOMIC DEVELOPMENT FUND		
7	Total Operating Expense	600,000	600,000
8	LINCOLN PRODUCTION		
9	Total Operating Expense	200,000	200,000
10	INDIANA GROWN		
11	Total Operating Expense	250,000	250,000
12	FOR THE OFFICE OF ENERGY DEVELOPMENT		
13	Total Operating Expense	177,510	177,510
14			
15	FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION		
16	ADMINISTRATIVE AND FINANCIAL SERVICES		
17	General Fund		
18	Total Operating Expense	6,521,695	6,521,695
19	Training 2000 Fund (IC 5-28-7-5)		
20	Total Operating Expense	180,061	180,061
21	Industrial Development Grant Fund (IC 5-28-25-4)		
22	Total Operating Expense	50,570	50,570
23			
24	IN 21ST CENTURY RESEARCH & TECHNOLOGY FUND		
25	General Fund		
26	Total Operating Expense	10,000,000	10,000,000
27	Department of Insurance Fund (IC 27-1-3-28)		
28	Total Operating Expense	10,000,000	10,000,000
29	Indiana Twenty-First Century Research and Technology Fund (IC 5-28-16-2)		
30	Total Operating Expense	10,000,000	10,000,000
31	Augmentation allowed from the Indiana Twenty-First Century Research and Technology		
32	Fund.		
33			
34	OFFICE OF SMALL BUSINESS AND ENTREPRENEURSHIP		
35	Total Operating Expense	1,458,000	1,458,000
36			
37	One million dollars (\$1,000,000) of the above appropriations is for the Launch IN		
38	Initiative and the Ball State University Entrepreneur College. Ball State University		
39	will provide support and expertise for the program to be implemented for a fee.		
40	The office of small business and entrepreneurship shall provide funding to initiatives		
41	throughout Indiana. The Indiana Economic Development Corporation shall submit annual		
42	reports to the state budget committee on the uses of the above appropriations.		
43			
44	BUSINESS PROMOTION AND INNOVATION		
45	Total Operating Expense	15,000,000	15,000,000
46			
47	The above appropriations may be used by the Indiana Economic Development Corporation		
48	to promote business investment and encourage entrepreneurship and innovation. The		
49	Corporation may use the above appropriations to encourage regional development initiatives,		

1 including a project to establish a new port, incentivize direct flights from international
 2 and regional airports in Indiana, advance innovation and entrepreneurship education,
 3 programs, and practice through strategic partnerships with higher education and
 4 communities in Indiana, and support activities that promote international trade.

5
 6 **INDIANA BIOSCIENCES RESEARCH INSTITUTE**

7 Total Operating Expense	0	20,000,000
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8
 9 **The Indiana Economic Development Corporation Board must approve each award made**
 10 **from the above appropriation. No awards may be disbursed until a comprehensive plan**
 11 **for expending the funds has been reviewed by the state budget committee and approved**
 12 **by the director of the Office of Management and Budget. The Indiana Economic Development**
 13 **Corporation shall submit semi-annual reports to the state budget committee on award**
 14 **amounts and activities of the Indiana Biosciences Research Institute.**

15
 16 **ENTERPRISE ZONE PROGRAM**

17 **Enterprise Zone Fund (IC 5-28-15-6)**

18 Total Operating Expense	79,977	79,977
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19 **Augmentation allowed.**

20 **SKILLS ENHANCEMENT FUND**

21 Total Operating Expense	12,500,000	12,500,000
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22 **INDUSTRIAL DEVELOPMENT GRANT PROGRAM**

23 Total Operating Expense	5,000,000	5,000,000
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24 **ECONOMIC DEVELOPMENT GRANT AND LOAN PROGRAM**

25 Total Operating Expense	1,148,992	1,148,992
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26
 27 **FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**

28 **211 SERVICES (IC 8-1-19.5)**

29 Total Operating Expense	1,000,000	1,000,000
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30 **HOUSING FIRST PROGRAM**

31 Total Operating Expense	1,000,000	1,000,000
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32 **INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS**

33 Total Operating Expense	970,000	970,000
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34
 35 **The housing and community development authority shall collect and report to the**
 36 **family and social services administration (FSSA) all data required for FSSA to meet**
 37 **the data collection and reporting requirements in 45 CFR Part 265.**

38
 39 **The family and social services administration, division of family resources shall apply**
 40 **all qualifying expenditures for individual development account deposits toward Indiana's**
 41 **maintenance of effort under the federal Temporary Assistance for Needy Families (TANF)**
 42 **program (45 CFR 260 et seq.).**

43
 44 **FOR THE INDIANA FINANCE AUTHORITY**

45 **ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM**

46 **Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**

47 Total Operating Expense	1,500,000	1,500,000
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 49 **C. EMPLOYMENT SERVICES**

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FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT

ADMINISTRATION

Total Operating Expense	1,339,665	1,339,665
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WORK INDIANA PROGRAM

Total Operating Expense	5,000,000	5,000,000
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HOOSIER INITIATIVE FOR RE-ENTRY (HIRE)

Total Operating Expense	648,742	648,742
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PROPRIETARY EDUCATIONAL INSTITUTIONS

Total Operating Expense	62,639	62,639
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CAREER AND TECHNICAL EDUCATION INNOVATION AND ADVANCEMENT

Total Operating Expense	21,365,000	21,365,000
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The above appropriations shall be used for investments in career and technical education pathways or statewide career and technical education and workforce development initiatives focused on high-wage and high-demand jobs. Up to \$5,000,000 of the above appropriation shall be used annually to fund Career and Technical Education performance grants.

INDIANA WORKS COUNCILS

Total Operating Expense	200,000	0
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INDIANA CONSTRUCTION ROUNDTABLE FOUNDATION

Total Operating Expense	1,000,000	1,000,000
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SERVE INDIANA ADMINISTRATION

Total Operating Expense	239,560	239,560
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SPECIAL VOCATIONAL EDUCATION - ADULT BASIC EDUCATION

Total Operating Expense	14,452,990	14,452,990
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It is the intent of the 2017 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of workforce development shall reduce the distributions proportionately.

DROPOUT PREVENTION

Total Operating Expense	8,000,000	8,000,000
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D. OTHER ECONOMIC DEVELOPMENT

FOR THE INDIANA STATE FAIR BOARD

STATE FAIR

Total Operating Expense	2,582,000	2,582,000
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SECTION 7. [EFFECTIVE JULY 1, 2017]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

RAILROAD GRADE CROSSING IMPROVEMENT

Motor Vehicle Highway Account (IC 8-14-1)

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	750,000	750,000
2	HIGH SPEED RAIL		
3	Industrial Rail Service Fund (IC 8-3-1.7-2)		
4	Matching Funds	20,000	20,000
5	Augmentation allowed.		
6	HOOSIER STATE RAIL LINE		
7	Total Operating Expense	3,000,000	3,000,000
8	PUBLIC MASS TRANSPORTATION		
9	Total Operating Expense	44,000,000	45,000,000

10
11 **The appropriations are to be used solely for the promotion and development of public**
12 **transportation.**

13
14 **The department of transportation may distribute public mass transportation funds**
15 **to an eligible grantee that provides public transportation in Indiana.**

16
17 **The state funds can be used to match federal funds available under the Federal Transit**
18 **Act (49 U.S.C. 5301 et seq.) or local funds from a requesting grantee.**

19
20 **Before funds may be disbursed to a grantee, the grantee must submit its request for**
21 **financial assistance to the department of transportation for approval. Allocations**
22 **must be approved by the governor and the budget agency after review by the budget**
23 **committee and shall be made on a reimbursement basis. Only applications for capital**
24 **and operating assistance may be approved. Only those grantees that have met the**
25 **reporting requirements under IC 8-23-3 are eligible for assistance under this**
26 **appropriation.**

27			
28	HIGHWAY OPERATING		
29	State Highway Fund (IC 8-23-9-54)		
30	Personal Services	245,131,480	245,131,480
31	Other Operating Expense	45,205,525	45,205,525

32			
33	HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT		
34	State Highway Fund (IC 8-23-9-54)		
35	Other Operating Expense	20,300,000	20,300,000

36
37 **The above appropriations for highway operating and highway vehicle and road**
38 **maintenance equipment may be used for personal services, equipment, and other**
39 **operating expense, including the cost of transportation for the governor.**

40			
41	HIGHWAY MAINTENANCE WORK PROGRAM		
42	State Highway Fund (IC 8-23-9-54)		
43	Other Operating Expense	87,186,474	89,020,203

44
45 **The above appropriations for the highway maintenance work program may be used for:**
46 **(1) materials for patching roadways and shoulders;**
47 **(2) repairing and painting bridges;**
48 **(3) installing signs and signals and painting roadways for traffic control;**
49 **(4) mowing, herbicide application, and brush control;**

- 1 **(5) drainage control;**
- 2 **(6) maintenance of rest areas, public roads on properties of the department**
- 3 **of natural resources, and driveways on the premises of all state facilities;**
- 4 **(7) materials for snow and ice removal;**
- 5 **(8) utility costs for roadway lighting; and**
- 6 **(9) other special maintenance and support activities consistent with the**
- 7 **highway maintenance work program.**

8

9

HIGHWAY CAPITAL IMPROVEMENTS

10

State Highway Fund (IC 8-23-9-54)

11

Right-of-Way Expense	8,322,040	8,980,050
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12

Formal Contracts Expense	454,633,947	540,200,759
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13

Consulting Services Expense	51,881,974	58,749,968
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14

Institutional Road Construction	2,500,000	2,500,000
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15

Augmentation allowed for the highway capital improvements program.

16

17

The above appropriations for the capital improvements program may be used for:

18

(1) bridge rehabilitation and replacement;

19

(2) road construction, reconstruction, or replacement;

20

(3) construction, reconstruction, or replacement of travel lanes, intersections,

21

grade separations, rest parks, and weigh stations;

22

(4) relocation and modernization of existing roads;

23

(5) resurfacing;

24

(6) erosion and slide control;

25

(7) construction and improvement of railroad grade crossings, including

26

the use of the appropriations to match federal funds for projects;

27

(8) small structure replacements;

28

(9) safety and spot improvements; and

29

(10) right-of-way, relocation, and engineering and consulting expenses

30

associated with any of the above types of projects.

31

32

The above appropriation for institutional road construction may be used for road,

33

bridge, and parking lot construction, maintenance, and improvement projects at any

34

state-owned property.

35

36

No appropriation from the state highway fund may be used to fund any toll road or

37

toll bridge project except as specifically provided for under IC 8-15-2-20.

38

39

HIGHWAY PLANNING AND RESEARCH PROGRAM

40

State Highway Fund (IC 8-23-9-54)

41

Total Operating Expense	4,400,000	4,444,000
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42

43

STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM

44

State Highway Road Construction and Improvement Fund (IC 8-14-10-5)

45

Lease Rental Payments Expense	70,000,000	70,000,000
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46

Augmentation allowed.

47

48

The above appropriations for the state highway road construction and improvement

49

program shall be first used for payment of rentals and leases relating to projects

1 under IC 8-14.5. If any funds remain, the funds may be used for the following purposes:

- 2 (1) road and bridge construction, reconstruction, or replacement;
 3 (2) construction, reconstruction, or replacement of travel lanes, intersections,
 4 and grade separations;
 5 (3) relocation and modernization of existing roads; and
 6 (4) right-of-way, relocation, and engineering and consulting expenses associated
 7 with any of the above types of projects.

8
 9 **CROSSROADS 2000 PROGRAM**

10 State Highway Fund (IC 8-23-9-54)

Lease Rental Payment Expense	6,497,743	28,188
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12 Augmentation allowed.

13 Crossroads 2000 Fund (IC 8-14-10-9)

Lease Rental Payment Expense	36,000,000	36,100,000
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15 Augmentation allowed.

16
 17 The above appropriations for the crossroads 2000 program shall be first used for
 18 payment of rentals and leases relating to projects under IC 8-14-10-9. If any funds
 19 remain, the funds may be used for the following purposes:

- 20 (1) road and bridge construction, reconstruction, or replacement;
 21 (2) construction, reconstruction, or replacement of travel lanes, intersections, and
 22 grade separations;
 23 (3) relocation and modernization of existing roads; and
 24 (4) right-of-way, relocation, and engineering and consulting expenses associated
 25 with any of the above types of projects.

26
 27 **JOINT MAJOR MOVES CONSTRUCTION**

28 State Highway Fund (IC 8-23-9-54)

Formal Contracts Expense	75,000,000	25,000,000
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30 Augmentation allowed.

31 **FEDERAL APPORTIONMENT**

Right-of-Way Expense	21,648,000	20,500,000
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Formal Contracts Expense	628,534,000	655,694,000
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Consulting Engineers Expense	73,718,000	63,550,000
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Highway Planning and Research	17,600,000	17,776,000
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Local Government Revolving Acct.	246,900,000	252,500,000
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37
 38 The department may establish an account to be known as the "local government revolving
 39 account". The account is to be used to administer the federal-local highway construction
 40 program. All contracts issued and all funds received for federal-local projects under
 41 this program shall be entered into this account.

42
 43 If the federal apportionments for the fiscal years covered by this act exceed the above
 44 estimated appropriations for the department or for local governments, the excess
 45 federal apportionment is hereby appropriated for use by the department with the
 46 approval of the governor and the budget agency.

47
 48 The department shall bill, in a timely manner, the federal government for all department
 49 payments that are eligible for total or partial reimbursement.

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The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2017-2019 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:

- (1) the program of technical assistance under IC 8-23-2-5(a)(6); and
- (2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7), there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

- (1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
- (2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

OHIO RIVER BRIDGE

State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	25,740,000	34,000,000
I-69		
State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	2,556,000	3,942,000

SECTION 8. [EFFECTIVE JULY 1, 2017]

1 **FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS**

2
3 **A. FAMILY AND SOCIAL SERVICES**

4
5 **FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION**

6
7 **INDIANA PRESCRIPTION DRUG PROGRAM**

8 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**
9 **Total Operating Expense** 617,830 617,830

10 **CHILDREN'S HEALTH INSURANCE PROGRAM**

11 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**
12 **Total Operating Expense** 693,500 693,500

13 **Augmentation allowed.**

14 **CHILDREN'S HEALTH INSURANCE PROGRAM - ADMINISTRATION**

15 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**
16 **Total Operating Expense** 1,557,784 1,557,784

17 **FAMILY AND SOCIAL SERVICES ADMINISTRATION - CENTRAL OFFICE**

18 **Total Operating Expense** 16,377,158 16,377,158

19 **SOCIAL SERVICES DATA WAREHOUSE**

20 **Total Operating Expense** 200,000 200,000

21 **OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION**

22 **Total Operating Expense** 750,000 750,000

23 **MEDICAID ADMINISTRATION**

24 **Total Operating Expense** 44,643,897 44,643,897

25 **MEDICAID - CURRENT OBLIGATIONS**

26 **General Fund**

27 **Total Operating Expense** 1,980,600,000 2,238,500,000

28 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

29 **Total Operating Expense** 6,000,000 6,000,000

30
31 **In addition to the above appropriation for state fiscal year 2018, the office of**
32 **Medicaid policy and planning shall carry forward \$127,700,000 of unexpended Medicaid**
33 **appropriations remaining in the Medicaid account from prior state fiscal years.**
34 **Such amount is hereby appropriated for expenditure in state fiscal year 2018 for**
35 **the purposes of the Medicaid program and is in addition to the amount appropriated**
36 **above. Of the above appropriations, \$500,000 each fiscal year shall be used by the**
37 **office of Medicaid policy and planning to increase reimbursement rates for Indiana-based**
38 **nonprofit organizations that (1) were in operation prior to January 1, 2009, (2)**
39 **currently offer facility-based day services programs for the developmentally disabled,**
40 **and (3) do not own, operate, or manage supervised group living facilities.**

41
42 **The above appropriations for Medicaid current obligations and for Medicaid administration**
43 **are for the purpose of enabling the office of Medicaid policy and planning to carry**
44 **out all services as provided in IC 12-8-6.5. In addition to the above appropriations,**
45 **all money received from the federal government and paid into the state treasury**
46 **as a grant or allowance is appropriated and shall be expended by the office of Medicaid**
47 **policy and planning for the respective purposes for which the money was allocated**
48 **and paid to the state. Subject to the provisions of IC 12-8-1.5-11, if the sums**
49 **herein appropriated for Medicaid current obligations and for Medicaid administration**

1 are insufficient to enable the office of Medicaid policy and planning to meet its
 2 obligations, then there is appropriated from the general fund such further sums
 3 as may be necessary for that purpose, subject to the approval of the governor and
 4 the budget agency.

5
 6 **HEALTHY IN PLAN**

7 **Healthy IN Plan Trust Fund (IC 12-15-44.2-17)**

8 Total Operating Expense	112,654,073	112,654,073
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9 **Augmentation allowed.**

10 **HOSPITAL CARE FOR THE INDIGENT FUND**

11 Total Operating Expense	29,500,000	29,500,000
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12 **MEDICAL ASSISTANCE TO WARDS (MAW)**

13 Total Operating Expense	13,100,000	13,100,000
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14 **MARION COUNTY HEALTH AND HOSPITAL CORPORATION**

15 Total Operating Expense	38,000,000	38,000,000
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16 **MENTAL HEALTH ADMINISTRATION**

17 Total Operating Expense	2,883,186	2,883,186
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18
 19 **Two hundred seventy-five thousand dollars (\$275,000) of the above appropriation**
 20 **shall be distributed annually to neighborhood based community service**
 21 **programs.**

22
 23 **MENTAL HEALTH AND ADDICTION FORENSIC TREATMENT SERVICES GRANT**

24 Total Operating Expense	20,000,000	20,000,000
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25
 26 **The above appropriations for the mental health and addiction forensic treatment**
 27 **services grant program are not subject to transfer to any other fund or to transfer,**
 28 **assignment, or reassignment for any other use or purpose by the state board of finance**
 29 **notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding**
 30 **IC 4-12-1-12 or any other law.**

31
 32 **Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for the**
 33 **mental health and addiction forensic treatment services grant program do not revert**
 34 **to the general fund or another fund at the close of a state fiscal year but remain**
 35 **available in subsequent state fiscal years for the purposes of the grant program.**

36
 37 **The appropriations are not subject to having allotment withheld by the state budget**
 38 **agency.**

39
 40 **CHILD PSYCHIATRIC SERVICES FUND**

41 Total Operating Expense	17,404,722	18,404,722
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42
 43 **The above appropriation includes \$2,500,000 in FY 2018 and \$3,500,000 in FY 2019**
 44 **for the Family and Social Services Administration to maintain an evidence-based**
 45 **program model that partners with elementary and high schools to provide social services**
 46 **to children, parents, caregivers, teachers, and the community to prevent substance**
 47 **abuse, promote healthy behaviors, and maximize student success. In making grant**
 48 **awards in FY 2018 and FY 2019, the Family and Social Services Administration shall**
 49 **consider the applicant's experience in providing similar services and the results**

1 of any independent evaluation of those services.

2

3 **CHILD ASSESSMENT NEEDS SURVEY**

4 Total Operating Expense	260,000	260,000
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5 **SERIOUSLY EMOTIONALLY DISTURBED**

6 Total Operating Expense	14,571,352	14,571,352
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7 **SERIOUSLY MENTALLY ILL**

8 **General Fund**

9 Total Operating Expense	92,602,551	92,602,551
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10 **Mental Health Centers Fund (IC 6-7-1-32.1)**

11 Total Operating Expense	2,600,000	2,600,000
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12 Augmentation allowed.

13 **COMMUNITY MENTAL HEALTH CENTERS**

14 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

15 Total Operating Expense	7,200,000	7,200,000
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16

17 The above appropriation from the Tobacco Master Settlement Agreement Fund is in
 18 addition to other funds. The above appropriations for comprehensive community mental
 19 health services include the intragovernmental transfers necessary to provide the
 20 nonfederal share of reimbursement under the Medicaid rehabilitation option.

21

22 The comprehensive community mental health centers shall submit their proposed annual
 23 budgets (including income and operating statements) to the budget agency on or before
 24 August 1 of each year. All federal funds shall be applied in augmentation of the above
 25 appropriations rather than in place of any part of the funds. The office of the secretary,
 26 with the approval of the budget agency, shall determine an equitable allocation of the
 27 appropriation among the mental health centers.

28

29 **GAMBLERS' ASSISTANCE**

30 **Addiction Services Fund (IC 12-23-2)**

31 Total Operating Expense	3,041,728	3,041,728
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32 **SUBSTANCE ABUSE TREATMENT**

33 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

34 Total Operating Expense	5,355,820	5,355,820
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35 **QUALITY ASSURANCE/RESEARCH**

36 Total Operating Expense	475,954	475,954
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37 **PREVENTION**

38 **Addiction Services Fund (IC 12-23-2)**

39 Total Operating Expense	2,572,675	2,572,675
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40 Augmentation allowed.

41 **METHADONE DIVERSION CONTROL AND OVERSIGHT (MDCO) PROGRAM**

42 **Opioid Treatment Program Fund (IC 12-23-18-4)**

43 Total Operating Expense	380,566	380,566
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44 Augmentation allowed.

45 **DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM**

46 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

47 Total Operating Expense	250,000	250,000
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48 Augmentation allowed.

49 **EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER**

1 **From the General Fund**
2 775,517 775,517
3 **From the Mental Health Fund (IC 12-24-14-4)**
4 2,933,345 2,933,345
5 **Augmentation allowed.**

6
7 **The amounts specified from the general fund and the mental health fund are for the**
8 **following purposes:**

10 Personal Services	3,236,797	3,236,797
11 Other Operating Expense	472,065	472,065

12
13 **EVANSVILLE STATE HOSPITAL**
14 **From the General Fund**
15 22,018,659 22,018,659
16 **From the Mental Health Fund (IC 12-24-14-4)**
17 5,180,386 5,180,386
18 **Augmentation allowed.**

19
20 **The amounts specified from the general fund and the mental health fund are for the**
21 **following purposes:**

23 Personal Services	19,732,264	19,732,264
24 Other Operating Expense	7,466,781	7,466,781

25
26 **LARUE CARTER MEMORIAL HOSPITAL**
27 **From the General Fund**
28 18,500,766 6,716,120
29 **From the Mental Health Fund (IC 12-24-14-4)**
30 9,008,594 3,269,602
31 **Augmentation allowed.**

32
33 **The amounts specified from the general fund and the mental health fund are for the**
34 **following purposes:**

36 Personal Services	19,573,678	6,763,808
37 Other Operating Expense	7,935,682	3,221,914

38
39 **LOGANSPOUR STATE HOSPITAL**
40 **From the General Fund**
41 28,662,340 28,662,340
42 **From the Mental Health Fund (IC 12-24-14-4)**
43 3,668,784 3,668,784
44 **Augmentation allowed.**

45
46 **The amounts specified from the general fund and the mental health fund are for the**
47 **following purposes:**

49 Personal Services	26,080,124	26,080,124
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	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	90,130,109	90,130,109
2	INDIANA ELIGIBILITY SYSTEM		
3	Total Operating Expense	8,500,078	8,500,078
4	IMPACT PROGRAM		
5	Total Operating Expense	3,016,154	3,016,154
6	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)		
7	Total Operating Expense	21,086,301	21,086,301
8	SNAP ADMINISTRATION		
9	Total Operating Expense	4,339,572	4,339,572

10

11 **The above appropriations for information systems/technology, education and training,**
12 **and Temporary Assistance for Needy Families (TANF) are for the purpose of enabling**
13 **the division of family resources to carry out all services as provided in IC 12-14.**
14 **In addition to the above appropriations, all money received from the federal government**
15 **and paid into the state treasury as a grant or allowance is appropriated and shall**
16 **be expended by the division of family resources for the respective purposes for**
17 **which such money was allocated and paid to the state.**

18

19

BURIAL EXPENSES

20

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

21

Total Operating Expense 5,665,041 5,665,041

22

DIVISION OF AGING ADMINISTRATION

23

Other Operating Expense 738,378 738,378

24

25 **The above appropriations for the division of aging administration are for administrative**
26 **expenses. Any federal fund reimbursements received for such purposes are to be deposited**
27 **in the general fund.**

28

29

ROOM AND BOARD ASSISTANCE (R-CAP)

30

Total Operating Expense 8,481,788 8,481,788

31

C.H.O.I.C.E. IN-HOME SERVICES

32

Total Operating Expense 48,765,643 48,765,643

33

34 **The above appropriations for C.H.O.I.C.E. In-Home Services include intragovernmental**
35 **transfers to provide the nonfederal share of the Medicaid aged and disabled waiver.**

36

37 **The intragovernmental transfers for use in the Medicaid aged and disabled waiver**
38 **may not exceed \$18,000,000 annually.**

39

40 **The division of aging shall conduct an annual evaluation of the cost effectiveness**
41 **of providing home and community-based services. Before January of each year, the**
42 **division shall submit a report to the budget committee, the budget agency, and the**
43 **legislative council (in an electronic format under IC 5-14-6) that covers all aspects**
44 **of the division's evaluation and such other information pertaining thereto as may**
45 **be requested by the budget committee, the budget agency, or the legislative council,**
46 **including the following:**

- 47 **(1) the number and demographic characteristics of the recipients of home and**
48 **community-based services during the preceding fiscal year, including a separate**
49 **count of individuals who received no services other than case management services**

1 (as defined in 455 IAC 2-4-10) during the preceding fiscal year;
 2 (2) the total cost and per recipient cost of providing home and community-based
 3 services during the preceding fiscal year.
 4

5 The division shall obtain from providers of services data on their costs and expenditures
 6 regarding implementation of the program and report the findings to the budget committee,
 7 the budget agency, and the legislative council. The report to the legislative council
 8 must be in an electronic format under IC 5-14-6.
 9

10	STATE SUPPLEMENT TO SSBG - AGING		
11	Total Operating Expense	687,396	687,396
12	OLDER HOOSIERS ACT		
13	Total Operating Expense	1,573,446	1,573,446
14	ADULT PROTECTIVE SERVICES		
15	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
16	Total Operating Expense	5,451,948	5,451,948
17	Augmentation allowed.		

18
 19 The above appropriations may be used for emergency adult protective services placement.
 20 Funds shall be used to the extent that such services are not available to an individual
 21 through a policy of accident and sickness insurance, a health maintenance organization
 22 contract, the Medicaid program, the federal Medicare program, or any other federal
 23 program.
 24

25	ADULT GUARDIANSHIP SERVICES		
26	Total Operating Expense	405,565	405,565
27	TITLE III ADMINISTRATION GRANT		
28	Total Operating Expense	253,437	253,437
29	OMBUDSMAN		
30	Total Operating Expense	310,124	310,124
31	DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION		
32	Total Operating Expense	360,764	360,764
33	BUREAU OF REHABILITATIVE SERVICES		
34	- VOCATIONAL REHABILITATION OPERATING		
35	Total Operating Expense	15,866,049	15,866,049
36	AID TO INDEPENDENT LIVING		
37	Total Operating Expense	46,927	46,927
38	accessABILITY CENTER FOR INDEPENDENT LIVING		
39	Total Operating Expense	87,665	87,665
40	SOUTHERN INDIANA CENTER FOR INDEPENDENT LIVING		
41	Total Operating Expense	87,665	87,665
42	ATTIC, INCORPORATED		
43	Total Operating Expense	87,665	87,665
44	LEAGUE FOR THE BLIND AND DISABLED		
45	Total Operating Expense	87,665	87,665
46	FUTURE CHOICES, INC.		
47	Total Operating Expense	158,113	158,113
48	THE WABASH INDEPENDENT LIVING AND LEARNING CENTER, INC.		
49	Total Operating Expense	158,113	158,113

1	INDEPENDENT LIVING CENTER OF EASTERN INDIANA		
2	Total Operating Expense	158,113	158,113
3	BUREAU OF REHABILITATIVE SERVICES - DEAF AND HARD OF HEARING SERVICES		
4	Personal Services	124,232	124,232
5	Other Operating Expense	142,542	142,542
6	BUREAU OF REHABILITATIVE SERVICES - BLIND VENDING OPERATIONS		
7	Total Operating Expense	129,905	129,905
8	BUREAU OF REHABILITATIVE SERVICES - INDEPENDENT LIVING - BLIND ELDERLY		
9	Total Operating Expense	69,357	69,357
10	BUREAU OF REHABILITATIVE SERVICES - SUPPORTED EMPLOYMENT		
11	Total Operating Expense	26,156	26,156
12	BUREAU OF QUALITY IMPROVEMENT SERVICES		
13	Total Operating Expense	2,533,633	2,533,633
14	BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DAY SERVICES		
15	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
16	Other Operating Expense	3,418,884	3,418,884
17	FIRST STEPS		
18	Total Operating Expense	8,149,513	8,149,513
19	BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DIAGNOSIS AND EVALUATION		
20	Total Operating Expense	400,125	400,125
21	BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - CAREGIVER SUPPORT		
22	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
23	Other Operating Expense	250,000	250,000
24	BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - OPERATING		
25	Total Operating Expense	6,595,632	6,595,632
26	BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - RESIDENTIAL SERVICES		
27	General Fund		
28	Total Operating Expense	85,067,952	85,067,952
29	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
30	Total Operating Expense	11,027,819	11,027,819
31			
32	The above appropriations for residential services include the intragovernmental transfers		
33	necessary to provide the nonfederal share of reimbursement under the Medicaid program		
34	for day services provided to residents of group homes and nursing facilities.		
35			
36	In the development of new community residential settings for persons with developmental		
37	disabilities, the division of disability and rehabilitative services must give priority to the		
38	appropriate placement of such persons who are eligible for Medicaid and currently		
39	residing in intermediate care or skilled nursing facilities and, to the extent permitted		
40	by law, such persons who reside with aged parents or guardians or families in crisis.		
41			
42	PRE-K EDUCATION PILOT		
43	Total Operating Expense	22,000,000	22,000,000
44			
45	Of the above appropriations, \$1,000,000 shall be used each fiscal year for reimbursement		
46	of technology based in-home early education services under IC 12-17.2-7.5.		
47			
48	SCHOOL AGE CHILD CARE PROJECT FUND		
49	Total Operating Expense	812,413	812,413

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	CHILD CARE & DEVELOPMENT FUND		
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10	FOR THE DEPARTMENT OF CHILD SERVICES		
11	CHILD SERVICES ADMINISTRATION		
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20	The above appropriations for the department of child services Title IV-D of the federal		
21	Social Security Act are made under, and not in addition to, IC 31-25-4-28.		
22			
23	FAMILY AND CHILDREN FUND		
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37	FOR THE DEPARTMENT OF ADMINISTRATION		
38	DEPARTMENT OF CHILD SERVICES OMBUDSMAN BUREAU		
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41	B. PUBLIC HEALTH		
42			
43	FOR THE STATE DEPARTMENT OF HEALTH		
44	General Fund		
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47			
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49			

1 **The amounts specified from the General Fund and the tobacco master settlement agreement**
2 **fund are for the following purposes:**

3			
4	Personal Services	20,171,018	20,171,018
5	Other Operating Expense	4,898,008	4,429,622

6

7 **All receipts to the state department of health from licenses or permit fees shall**
8 **be deposited in the state general fund.**

9

10 **AREA HEALTH EDUCATION CENTERS**

11	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
12	Total Operating Expense	2,300,000	2,300,000

13 **CANCER REGISTRY**

14	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
15	Total Operating Expense	488,375	488,375

16 **MINORITY HEALTH INITIATIVE**

17	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
18	Total Operating Expense	2,473,500	2,473,500

19

20 **The above appropriations shall be allocated to the Indiana Minority Health Coalition**
21 **to work with the state department on the implementation of IC 16-46-11.**

22

23 **SICKLE CELL**

24	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
25	Total Operating Expense	490,000	490,000

26 **MEDICARE-MEDICAID CERTIFICATION**

27	Total Operating Expense	5,014,068	5,014,068
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28

29 **Personal services augmentation allowed in amounts not to exceed revenue from health**
30 **facilities license fees or from health care providers (as defined in IC 16-18-2-163) fee**
31 **increases or those adopted by the Executive Board of the Indiana State Department of**
32 **Health under IC 16-19-3.**

33

34 **AIDS EDUCATION**

35	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
36	Personal Services	218,070	218,070
37	Other Operating Expense	435,533	435,533

38 **HIV/AIDS SERVICES**

39	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
40	Total Operating Expense	1,992,517	1,992,517

41 **AIDS CARE COORDINATION**

42	Total Operating Expense	278,981	278,981
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43 **INFECTIOUS DISEASE**

44	Total Operating Expense	1,390,325	1,390,325
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45 **TUBERCULOSIS TREATMENT**

46	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
47	Total Operating Expense	100,000	100,000

48 **STATE CHRONIC DISEASES**

49	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	103,188	103,188
2	Other Operating Expense	759,300	759,300
3			
4	At least \$82,560 of the above appropriations shall be for grants to community groups		
5	and organizations as provided in IC 16-46-7-8. The state department of health may		
6	consider grants to the Kidney Foundation up to \$50,000.		
7			
8	STATEWIDE CHILD FATALITY COORDINATOR		
9	Total Operating Expense	55,226	55,226
10	FOOD ASSISTANCE		
11	Total Operating Expense	104,978	104,978
12	WOMEN, INFANTS, AND CHILDREN SUPPLEMENT		
13	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
14	Total Operating Expense	184,300	184,300
15	MATERNAL AND CHILD HEALTH SUPPLEMENT		
16	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
17	Total Operating Expense	184,300	184,300
18	CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER		
19	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
20	Total Operating Expense	69,172	69,172
21	BREAST AND CERVICAL CANCER PROGRAM		
22	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
23	Total Operating Expense	106,575	106,575
24	ADOPTION HISTORY		
25	Adoption History Fund (IC 31-19-18-6)		
26	Total Operating Expense	192,266	192,266
27	Augmentation allowed.		
28	CHILDREN WITH SPECIAL HEALTH CARE NEEDS		
29	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
30	Total Operating Expense	10,393,134	10,393,134
31	Augmentation allowed.		
32	NEWBORN SCREENING PROGRAM		
33	Newborn Screening Fund (IC 16-41-17-11)		
34	Personal Services	816,274	816,274
35	Other Operating Expense	1,688,066	1,688,066
36	Augmentation allowed.		
37			
38	The above appropriation includes funding for pulse oximetry screening of infants.		
39			
40	CENTER FOR DEAF AND HARD OF HEARING EDUCATION		
41	Total Operating Expense	2,018,097	2,018,097
42	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
43	Total Operating Expense	739,747	739,747
44	RADON GAS TRUST FUND		
45	Radon Gas Trust Fund (IC 16-41-38-8)		
46	Total Operating Expense	10,670	10,670
47	Augmentation allowed.		
48	SAFETY PIN PROGRAM		
49	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	5,500,000	5,500,000
2	BIRTH PROBLEMS REGISTRY		
3	Birth Problems Registry Fund (IC 16-38-4-17)		
4	Personal Services	63,824	63,824
5	Other Operating Expense	9,693	9,693
6	Augmentation allowed.		
7	MOTOR FUEL INSPECTION PROGRAM		
8	Motor Fuel Inspection Fund (IC 16-44-3-10)		
9	Total Operating Expense	160,000	160,000
10	Augmentation allowed.		
11	DONATED DENTAL SERVICES		
12	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
13	Total Operating Expense	34,335	34,335
14			
15	The above appropriation shall be used by the Indiana foundation for dentistry for		
16	individuals who are handicapped.		
17			
18	OFFICE OF WOMEN'S HEALTH		
19	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
20	Total Operating Expense	96,970	96,970
21	SPINAL CORD AND BRAIN INJURY		
22	Spinal Cord and Brain Injury Fund (IC 16-41-42.2-3)		
23	Total Operating Expense	1,600,000	1,600,000
24	Augmentation allowed.		
25	HEALTHY IN PLAN - IMMUNIZATIONS		
26	Healthy IN Plan Trust Fund (IC 12-15-44.2-17)		
27	Total Operating Expense	11,000,000	11,000,000
28	WEIGHTS AND MEASURES FUND		
29	Weights and Measures Fund (IC 16-19-5-4)		
30	Total Operating Expense	7,000	7,000
31	Augmentation allowed.		
32	MINORITY EPIDEMIOLOGY		
33	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
34	Total Operating Expense	618,375	618,375
35	COMMUNITY HEALTH CENTERS		
36	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
37	Total Operating Expense	14,453,000	14,453,000
38	PRENATAL SUBSTANCE USE & PREVENTION		
39	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
40	Total Operating Expense	119,965	119,965
41	OPIOID OVERDOSE INTERVENTION		
42	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
43	Total Operating Expense	250,000	250,000
44	NURSE FAMILY PARTNERSHIP		
45	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
46	Total Operating Expense	5,000,000	5,000,000
47	HEARING AND BLIND SERVICES		
48	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
49	Total Operating Expense	500,000	500,000

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A. HIGHER EDUCATION

**FOR INDIANA UNIVERSITY
BLOOMINGTON CAMPUS**

Total Operating Expense	198,427,517	200,892,690
Fee Replacement	20,255,389	23,775,573

**FOR INDIANA UNIVERSITY REGIONAL CAMPUSES
EAST**

Total Operating Expense	11,336,768	11,697,093
Fee Replacement	1,028,645	555,970

KOKOMO

Total Operating Expense	13,644,149	14,013,516
Fee Replacement	1,181,466	1,683,433

NORTHWEST

Total Operating Expense	17,481,650	17,635,464
Fee Replacement	5,824,692	5,157,768

SOUTH BEND

Total Operating Expense	23,613,102	23,982,670
Fee Replacement	3,226,763	4,086,620

SOUTHEAST

Total Operating Expense	19,863,677	20,149,938
Fee Replacement	2,770,653	3,329,290

FORT WAYNE HEALTH SCIENCES PROGRAM

Total Operating Expense	0	4,850,000
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TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES
99,971,565 107,141,762

**FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY
AT INDIANAPOLIS (IUPUI)**

I. U. SCHOOLS OF MEDICINE AND DENTISTRY

Total Operating Expense	101,876,703	103,134,439
Fee Replacement	12,670,612	10,475,279

FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE

INDIANA UNIVERSITY SCHOOL OF MEDICINE - EVANSVILLE

Total Operating Expense	2,132,341	2,158,666
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - FORT WAYNE

Total Operating Expense	1,993,081	2,017,687
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - NORTHWEST - GARY

Total Operating Expense	2,666,144	2,699,060
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - LAFAYETTE

Total Operating Expense	2,422,099	2,452,002
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - MUNCIE

Total Operating Expense	2,217,489	2,244,866
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - SOUTH BEND

Total Operating Expense	2,084,994	2,110,734
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1 **FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY**

2 **AT FORT WAYNE (IPFW)**

3	Total Operating Expense	42,146,858	42,622,390
4	Fee Replacement	3,582,945	3,386,657

5

6 **Transfers of allocations between campuses to correct for errors in allocation among**
7 **the campuses of Purdue University can be made by the institution with the approval of**
8 **the commission for higher education and the budget agency.**

9

10 **FOR PURDUE UNIVERSITY**

11 **NEXT GENERATION MANUFACTURING COMPETITIVENESS CENTER**

12	Total Operating Expense	2,500,000	2,500,000
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13 **THINK SUMMER**

14	Total Operating Expense	1,500,000	1,500,000
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15 **PURDUE MOVES**

16	Total Operating Expense	1,000,000	1,000,000
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17 **DUAL CREDIT**

18	Total Operating Expense	2,412,600	2,412,600
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19 **ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM**

20	Total Operating Expense	5,741,561	3,711,561
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21

22 **The above appropriations shall be used to fund the animal disease diagnostic laboratory**
23 **system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease**
24 **testing service at West Lafayette, and the southern branch of ADDL Southern Indiana**
25 **Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are**
26 **in addition to any user charges that may be established and collected under IC 21-46-3-5.**
27 **Notwithstanding IC 21-46-3-4, the trustees of Purdue University may approve reasonable**
28 **charges for testing for pseudorabies.**

29

30 **STATEWIDE TECHNOLOGY**

31	Total Operating Expense	6,695,258	6,695,258
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32 **COUNTY AGRICULTURAL EXTENSION EDUCATORS**

33	Total Operating Expense	7,487,816	7,487,816
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34 **AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS**

35	Total Operating Expense	8,492,325	8,492,325
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36 **CENTER FOR PARALYSIS RESEARCH**

37	Total Operating Expense	522,558	522,558
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38 **UNIVERSITY-BASED BUSINESS ASSISTANCE**

39	Total Operating Expense	1,930,212	1,930,212
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41 **FOR INDIANA STATE UNIVERSITY**

42	Total Operating Expense	65,154,447	65,573,788
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43	Fee Replacement	11,984,228	11,998,773
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44 **DUAL CREDIT**

45	Total Operating Expense	180,750	180,750
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46 **NURSING PROGRAM**

47	Total Operating Expense	204,000	204,000
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48 **PRINCIPAL LEADERSHIP ACADEMY**

49	Total Operating Expense	600,000	600,000
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	STUDENT SUCCESS INITIATIVES		
2	Total Operating Expense	2,350,000	2,350,000
3			
4	FOR UNIVERSITY OF SOUTHERN INDIANA		
5	Total Operating Expense	44,859,953	45,279,008
6	Fee Replacement	9,011,024	12,232,928
7	DUAL CREDIT		
8	Total Operating Expense	302,550	302,550
9	CAMPUS SECURITY ENHANCEMENTS		
10	Total Operating Expense	750,000	750,000
11	STEM INNOVATION AND EXPANSION INITIATIVES		
12	Total Operating Expense	500,000	500,000
13	HISTORIC NEW HARMONY		
14	Total Operating Expense	486,878	486,878
15			
16	FOR BALL STATE UNIVERSITY		
17	Total Operating Expense	130,307,985	132,521,659
18	Fee Replacement	16,009,403	22,882,929
19	DUAL CREDIT		
20	Total Operating Expense	247,550	247,550
21	ENTREPRENEURIAL COLLEGE		
22	Total Operating Expense	2,500,000	2,500,000
23	ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES		
24	Total Operating Expense	4,384,956	4,384,956
25			
26	FOR VINCENNES UNIVERSITY		
27	Total Operating Expense	40,531,998	41,117,382
28	Fee Replacement	6,209,542	6,204,492
29	DUAL CREDIT		
30	Total Operating Expense	3,933,800	3,933,800
31	CAREER AND TECHNICAL EARLY COLLEGE PROGRAM		
32	Total Operating Expense	3,000,000	3,000,000
33			
34	Additional Early College sites may not be established unless approved by the Commission		
35	for Higher Education. The Commission shall notify the budget committee whenever		
36	the Commission approves a new Early College site.		
37			
38	FOR IVY TECH COMMUNITY COLLEGE		
39	Total Operating Expense	223,958,629	227,928,317
40	Fee Replacement	30,827,379	34,630,914
41	DUAL CREDIT		
42	Total Operating Expense	12,989,150	12,989,150
43	STATEWIDE NURSING PARTNERSHIP		
44	Total Operating Expense	85,411	85,411
45	FT. WAYNE PUBLIC SAFETY TRAINING CENTER		
46	Total Operating Expense	1,000,000	1,000,000
47			
48	The above appropriations do not include funds for the course development grant program.		
49			

1 **The sums herein appropriated to Indiana University, Purdue University, Indiana State**
2 **University, University of Southern Indiana, Ball State University, Vincennes University,**
3 **and Ivy Tech Community College are in addition to all income of said institutions,**
4 **respectively, from all permanent fees and endowments and from all land grants, fees,**
5 **earnings, and receipts, including gifts, grants, bequests, and devises, and receipts**
6 **from any miscellaneous sales from whatever source derived.**

7
8 **All such income and all such fees, earnings, and receipts on hand June 30, 2017, and**
9 **all such income and fees, earnings, and receipts accruing thereafter are hereby**
10 **appropriated to the boards of trustees or directors of the aforementioned institutions**
11 **and may be expended for any necessary expenses of the respective institutions,**
12 **including university hospitals, schools of medicine, nurses' training schools, schools**
13 **of dentistry, and agricultural extension and experimental stations. However, such**
14 **income, fees, earnings, and receipts may be used for land and structures only if**
15 **approved by the governor and the budget agency.**

16
17 **The above appropriations to Indiana University, Purdue University, Indiana State**
18 **University, University of Southern Indiana, Ball State University, Vincennes University,**
19 **and Ivy Tech Community College include the employers' share of Social Security**
20 **payments for university employees under the public employees' retirement fund, or**
21 **institutions covered by the Indiana state teachers' retirement fund. The funds**
22 **appropriated also include funding for the employers' share of payments to the public**
23 **employees' retirement fund and to the Indiana state teachers' retirement fund at a rate**
24 **to be established by the retirement funds for both fiscal years for each institution's**
25 **employees covered by these retirement plans.**

26
27 **The treasurers of Indiana University, Purdue University, Indiana State University,**
28 **University of Southern Indiana, Ball State University, Vincennes University, and**
29 **Ivy Tech Community College shall, at the end of each three (3) month period, prepare**
30 **and file with the auditor of state a financial statement that shall show in total all**
31 **revenues received from any source, together with a consolidated statement of disbursements**
32 **for the same period. The budget director shall establish the requirements for the form**
33 **and substance of the reports.**

34
35 **The reports of the treasurer also shall contain in such form and in such detail as the**
36 **governor and the budget agency may specify, complete information concerning receipts**
37 **from all sources, together with any contracts, agreements, or arrangements with any**
38 **federal agency, private foundation, corporation, or other entity from which such receipts**
39 **accrue.**

40
41 **All such treasurers' reports are matters of public record and shall include without**
42 **limitation a record of the purposes of any and all gifts and trusts with the sole**
43 **exception of the names of those donors who request to remain anonymous.**

44
45 **Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers**
46 **of Indiana University, Purdue University, Indiana State University, University of**
47 **Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community**
48 **College on the basis of vouchers stating the total amount claimed against each fund or**
49 **account, or both, but not to exceed the legally made appropriations.**

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For universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, and the trustees of Ivy Tech Community College are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

**FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND**

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	1,852,698	1,852,698
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Of the above appropriations for the medical education board-family practice residency fund, \$1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

**FOR THE GRADUATE MEDICAL EDUCATION BOARD
MEDICAL RESIDENCY EDUCATION GRANTS**

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,000,000	3,000,000
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The above appropriations for medical residency education grants are to be distributed in accordance with IC 21-13-6.5.

FOR THE COMMISSION FOR HIGHER EDUCATION

Total Operating Expense	3,061,771	3,061,771
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FREEDOM OF CHOICE GRANTS

Total Operating Expense	52,388,418	52,388,418
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HIGHER EDUCATION AWARD PROGRAM

Total Operating Expense	93,351,582	93,351,582
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1 For the higher education awards and freedom of choice grants made for the 2017-2019
 2 biennium, the following guidelines shall be used, notwithstanding current administrative
 3 rule or practice:

- 4 (1) The commission shall maintain the proportionality of award maximums for public,
 5 private, and proprietary institutions when setting forth amounts under IC 21-12-1.7.
 6 (2) Minimum Award: No actual award shall be less than \$600.
 7 (3) The commission shall reduce award amounts as necessary to stay within the appropriation.

8
 9 **TUITION AND FEE EXEMPTION FOR CHILDREN OF VETERANS AND**
 10 **PUBLIC SAFETY OFFICERS (IC 21-14)**

Total Operating Expense	28,701,041	28,701,041
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12 **ADULT STUDENT GRANT DISTRIBUTION**

Total Operating Expense	7,579,858	7,579,858
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14
 15 Priority for awards made from the above appropriation shall be given first to eligible
 16 students meeting TANF income eligibility guidelines as determined by the family and
 17 social services administration and second to eligible students who received awards
 18 from the adult grant fund during the school year associated with the biennial budget
 19 year. Funds remaining shall be distributed according to procedures established by the
 20 commission. The maximum grant that an applicant may receive for a particular academic
 21 term shall be established by the commission but shall in no case be greater than a grant
 22 for which an applicant would be eligible under IC 21-12-3 if the applicant were a
 23 full-time student. The commission shall collect and report to the family and social
 24 services administration (FSSA) all data required for FSSA to meet the data collection
 25 and reporting requirements in 45 CFR Part 265.

26
 27 The family and social services administration, division of family resources, shall apply
 28 all qualifying expenditures for the part-time grant program toward Indiana's maintenance
 29 of effort under the federal Temporary Assistance for Needy Families (TANF) program
 30 (45 CFR 260 et seq.).

31
 32 **STEM TEACHER RECRUITMENT FUND**

Total Operating Expense	5,000,000	5,000,000
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34
 35 The above appropriation may be used to provide grants to nonprofit organizations that
 36 place new science, technology, engineering, and math teachers in elementary and high
 37 schools located in underserved areas.

38
 39 **MINORITY TEACHER SCHOLARSHIPS**

Total Operating Expense	400,000	400,000
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41 **HIGH NEED STUDENT TEACHING STIPEND FUND**

Total Operating Expense	450,000	450,000
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43 **MINORITY STUDENT TEACHING STIPEND FUND**

Total Operating Expense	50,000	50,000
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45 **EARN INDIANA WORK STUDY PROGRAM**

Total Operating Expense	606,099	606,099
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47 **21ST CENTURY ADMINISTRATION**

Total Operating Expense	1,842,862	1,842,862
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49 **21ST CENTURY SCHOLAR AWARDS**

1 **Total Operating Expense** **159,676,117** **144,501,004**

2

3 **The commission shall collect and report to the family and social services administration**
4 **(FSSA) all data required for FSSA to meet the data collection and reporting requirements**
5 **in 45 CFR 265.**

6

7 **Family and social services administration, division of family resources, shall apply**
8 **all qualifying expenditures for the 21st century scholars program toward Indiana's**
9 **maintenance of effort under the federal Temporary Assistance for Needy Families**
10 **(TANF) program (45 CFR 260 et seq.).**

11

12 **INDIANA INTERNnet**

13 **Total Operating Expense** **250,000** **250,000**

14 **POSTSECONDARY CREDIT BEARING PROPRIETARY EDUCATIONAL INSTITUTION ACC**

15 **Postsecondary Credit Bearing Proprietary Educational Institution Authorization**

16 **Fund (IC 21-18.5-6-26(b))**

17 **Total Operating Expense** **232,682** **232,682**

18 **Augmentation allowed.**

19 **NEXT GENERATION HOOSIER EDUCATORS**

20 **Next Generation Hoosier Educators Scholarship Fund (IC 21-12-16-3)**

21 **Total Operating Expense** **1,582,400** **3,082,400**

22 **Augmentation allowed.**

23 **NATIONAL GUARD SCHOLARSHIP**

24 **Total Operating Expense** **3,676,240** **3,676,240**

25

26 **The above appropriations for national guard scholarship and any program reserves**
27 **shall be the total allowable state expenditure for the program in the 2017-2019**
28 **biennium. If the dollar amounts of eligible awards exceed appropriations and program**
29 **reserves, the commission shall develop a plan to ensure that the total dollar amount**
30 **does not exceed the above appropriations and any program reserves.**

31

32 **PRIMARY CARE SCHOLARSHIP**

33 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

34 **Total Operating Expense** **2,000,000** **2,000,000**

35

36 **The above appropriations for primary care scholarship are for scholarships under**
37 **IC 21-13-9.**

38

39 **LEARN MORE INDIANA**

40 **Total Operating Expense** **703,250** **703,250**

41 **STATEWIDE TRANSFER AND TECHNOLOGY**

42 **Total Operating Expense** **1,051,787** **1,051,787**

43 **WORKFORCE READY GRANTS**

44 **Total Operating Expense** **2,000,000** **2,000,000**

45

46 **The above appropriations may be used to provide workforce ready grants to adults**
47 **who pursue high value certificates. The commission may also use the above appropriations**
48 **to provide outreach to adults who may be eligible to receive workforce ready grants.**

49

1 **FOR THE DEPARTMENT OF ADMINISTRATION**
 2 **COLUMBUS LEARNING CENTER LEASE PAYMENT**
 3 **Total Operating Expense 5,312,000 5,421,000**
 4

5 **FOR THE STATE BUDGET AGENCY**
 6 **GIGAPOP PROJECT**
 7 **Build Indiana Fund (IC 4-30-17)**
 8 **Total Operating Expense 672,562 672,562**

9 **SOUTHERN INDIANA EDUCATIONAL ALLIANCE**
 10 **Build Indiana Fund (IC 4-30-17)**
 11 **Total Operating Expense 1,057,738 1,057,738**

12 **DEGREE LINK**
 13 **Build Indiana Fund (IC 4-30-17)**
 14 **Total Operating Expense 446,438 446,438**
 15

16 **The above appropriations shall be used for the delivery of Indiana State University**
 17 **baccalaureate degree programs at Ivy Tech Community College and Vincennes**
 18 **University locations through Degree Link.**
 19

20 **WORKFORCE CENTERS**
 21 **Build Indiana Fund (IC 4-30-17)**
 22 **Total Operating Expense 710,810 710,810**

23 **MIDWEST HIGHER EDUCATION COMPACT**
 24 **Build Indiana Fund (IC 4-30-17)**
 25 **Total Operating Expense 115,000 115,000**
 26

27 **B. ELEMENTARY AND SECONDARY EDUCATION**

28
 29 **FOR THE STATE BOARD OF EDUCATION**
 30 **Total Operating Expense 2,500,000 2,500,000**
 31

32 **The above appropriations for the Indiana state board of education are for the academic**
 33 **standards project to distribute copies of the academic standards and provide teachers**
 34 **with curriculum frameworks; for special evaluation and research projects, including**
 35 **national and international assessments; and for state board administrative expenses.**
 36

37 **CHARTER AND INNOVATION NETWORK SCHOOL GRANT PROGRAM (IC 20-24-13)**
 38 **Total Operating Expense 15,000,000 15,000,000**
 39

40 **FOR THE INDIANA CHARTER SCHOOL BOARD**
 41 **Total Operating Expense 750,000 750,000**
 42

43 **FOR THE DEPARTMENT OF EDUCATION**
 44 **SUPERINTENDENT'S OFFICE**
 45 **From the General Fund**
 46 **13,495,125 13,495,125**
 47 **From the Professional Standards Fund (IC 20-28-2-10)**
 48 **395,000 395,000**
 49 **Augmentation allowed from the Professional Standards Fund.**

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The amounts specified from the General Fund and the Professional Standards Fund are for the following purposes:

Personal Services	9,681,652	9,681,652
Other Operating Expense	4,208,473	4,208,473

The above appropriation includes funds to provide state support to educational service centers.

PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	3,675,000	3,675,000
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The above appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc., shall submit a distribution plan for the eight Indiana public education television stations that shall be approved by the budget agency after review by the budget committee. Of the above appropriations, at least one seventh of the funds each year shall be distributed equally among all of the public radio stations.

SCHOOL EFFICIENCY INCENTIVE GRANTS

Total Operating Expense	0	5,000,000
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STEM PROGRAM ALIGNMENT

Total Operating Expense	1,000,000	1,000,000
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The above appropriations shall be used to fund research, surveys, and related staff support activities to develop recommendations to improve elementary and secondary student achievement and participation in science, technology, engineering, and math (STEM) subjects throughout Indiana and to improve coordination among the various STEM initiatives. The department of education shall collaborate with the commission for higher education, the department of workforce development, the Indiana economic development corporation, the office of the governor, and the business community regarding programs, procedures, funding, and related policy matters to ensure equal and daily access to a quality, standards-based kindergarten through grade 12 STEM education. Up to \$90,000 of the above appropriations is for the Summer Institute for Curriculum Development at Ball State University.

INDIANA BAR FOUNDATION - WE THE PEOPLE

Total Operating Expense	300,000	300,000
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DUAL IMMERSION PILOT PROGRAM

Total Operating Expense	500,000	500,000
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RILEY HOSPITAL

Total Operating Expense	250,000	250,000
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BEST BUDDIES

Total Operating Expense	206,125	206,125
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PERKINS STATE MATCH

Total Operating Expense	494,000	494,000
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SCHOOL TRAFFIC SAFETY

Personal Services	250,788	250,788
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	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
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The above appropriations for special education are made under IC 20-35-6-2.

SPECIAL EDUCATION EXCISE

Alcoholic Beverage Excise Tax Funds (IC 20-35-4-4)

Personal Services 145,406 145,406

Other Operating Expense 241,121 241,121

Augmentation allowed.

CAREER AND TECHNICAL EDUCATION

Personal Services 1,144,829 1,144,829

Other Operating Expense 68,074 68,074

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION

Total Operating Expense 2,403,792 2,403,792

The above appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area career and technical education schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teachers' retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

Total Operating Expense 7,041,000,000 7,160,000,000

The above appropriations for distribution for tuition support are to be distributed for tuition support, complexity grants, special education programs, career and technical education programs, honor grants, Mitch Daniels early graduation scholarships, and choice scholarships in accordance with a statute enacted for this purpose during the 2017 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, any excess shall revert to the general fund.

The above appropriations for tuition support shall be made each fiscal year under a

1 schedule set by the budget agency and approved by the governor. However, the schedule
 2 shall provide for at least twelve (12) payments, that one (1) payment shall be made at
 3 least every forty (40) days, and the aggregate of the payments in each fiscal year
 4 shall equal the amount required under the statute enacted for the purpose referred
 5 to above.

6			
7	TEACHER APPRECIATION GRANTS		
8	Total Operating Expense	30,000,000	30,000,000
9			

10 It is the intent of the 2017 general assembly that the above appropriations for
 11 teacher appreciation grants shall be the total allowable state expenditure for the
 12 program. If the expected disbursements are anticipated to exceed the total appropriation
 13 for that state fiscal year, then the department of education shall reduce the distributions
 14 proportionately.

15			
16	DISTRIBUTION FOR SUMMER SCHOOL		
17	Other Operating Expense	18,360,000	18,360,000
18			

19 It is the intent of the 2017 general assembly that the above appropriations for summer
 20 school shall be the total allowable state expenditure for the program. Therefore, if
 21 the expected disbursements are anticipated to exceed the total appropriation for that
 22 state fiscal year, then the department of education shall reduce the distributions
 23 proportionately.

24			
25	ADULT LEARNERS		
26	Total Operating Expense	34,593,750	38,643,750
27	EARLY INTERVENTION PROGRAM AND READING DIAGNOSTIC ASSESSMENT		
28	Total Operating Expense	4,012,000	4,012,000
29			

30 The above appropriations for the early intervention program may be used for grants to
 31 local school corporations for grant proposals for early intervention programs.

32
 33 The above appropriations may be used by the department of education for the
 34 reading diagnostic assessment and subsequent remedial programs or activities. The
 35 reading diagnostic assessment program, as approved by the board, is to be made available
 36 on a voluntary basis to all Indiana public and accredited nonpublic school first
 37 and second grade students upon the approval of the governing body of the school
 38 corporations or the accredited nonpublic school. The board shall determine how the
 39 funds will be distributed for the assessment and related remediation. The department
 40 or its representative shall provide progress reports on the assessment as requested
 41 by the board.

42			
43	NATIONAL SCHOOL LUNCH PROGRAM		
44	Total Operating Expense	5,125,000	5,125,000
45			

46	CURRICULAR MATERIAL REIMBURSEMENT		
47	Total Operating Expense	39,000,000	39,000,000
48			

49 Before a school corporation or an accredited nonpublic school may receive a distribution

1 under the textbook reimbursement program, the school corporation or accredited nonpublic
 2 school shall provide to the department the requirements established in IC 20-33-5-2.
 3 The department shall provide to the family and social services administration (FSSA)
 4 all data required for FSSA to meet the data collection reporting requirement in 45
 5 CFR 265. The family and social services administration, division of family resources,
 6 shall apply all qualifying expenditures for the textbook reimbursement program toward
 7 Indiana's maintenance of effort under the federal Temporary Assistance for Needy
 8 Families (TANF) program (45 CFR 260 et seq.).
 9

10 **TESTING**

11 Total Operating Expense	26,300,000	26,300,000
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12
 13 The above appropriations are for summative assessments (including special education
 14 alternate assessments) in English, language arts, mathematics (grades 3 through
 15 8 and 10), social studies (grades 5 and 7), and science (grades 4, 6, and 10), the
 16 IREAD-3 test (grade 3), and the end-of-course tests (GQE) for algebra I and English 10.
 17

18 **REMEDATION TESTING**

19 Total Operating Expense	12,310,000	12,310,000
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20
 21 The above appropriations for remediation testing are for grants to public and accredited
 22 nonpublic schools through the department of education. Public and accredited nonpublic
 23 schools shall use the grants to fund formative tests to identify students who require
 24 remediation. Prior to distribution to public and accredited nonpublic schools, the
 25 grant amounts and formula shall be submitted to the state board of education and
 26 the budget agency for review and approval, and the department of education shall
 27 provide a report to the budget committee.
 28

29 The above appropriations for remediation testing includes \$310,000 each fiscal year
 30 for the department of education to pay for college and career readiness examinations.
 31

32 **ADVANCED PLACEMENT PROGRAM**

33 Other Operating Expense	5,200,000	5,200,000
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34
 35 The above appropriations for the Advanced Placement Program are to provide funding
 36 for students of accredited public and nonpublic schools to take the College Board
 37 Advanced Placement math, English, and science exams and to supplement any federal funds
 38 awarded for non-math-and-science and English Advanced Placement exams taken by students
 39 qualified for the Free or Reduced Price Lunch program. Any remaining funds available after
 40 exam fees have been paid shall be prioritized for use by teachers of math and science
 41 Advanced Placement courses to attend professional development training for those courses.
 42

43 **PSAT PROGRAM**

44 Other Operating Expense	1,900,000	2,200,000
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45
 46 The above appropriations for the PSAT program are to provide funding for students
 47 of accredited public and nonpublic schools in grade 10 and 11 to take the PSAT exam.
 48

49 **NON-ENGLISH SPEAKING PROGRAM**

1	Personal Services	77,559	77,559
2	Other Operating Expense	14,922,441	17,422,441

3

4 **The above appropriations for the Non-English Speaking Program are for students who**
5 **have a primary language other than English and limited English proficiency, as determined**
6 **by using a standard proficiency examination that has been approved by the department**
7 **of education.**

8

9 **The grant amount is \$250 per limited English proficiency student in FY 2018 and**
10 **\$300 per limited English proficiency student in FY 2019. For school corporations**
11 **and charter schools with a non-English speaking student enrollment of at least five**
12 **percent (5%) and no more than eighteen percent (18%) of total student enrollment,**
13 **the school corporation or charter school shall receive an additional per student**
14 **grant of \$975 in FY 2018 and \$1,037 in FY 2019 for each limited English proficiency**
15 **student in excess of five percent (5%) of total enrollment. For school corporations**
16 **and charter schools with a non-English speaking student enrollment greater than**
17 **eighteen percent (18%) of total enrollment, the school corporation or charter school**
18 **shall receive an additional per student grant of \$1,225 in FY 2018 and \$1,287 in**
19 **FY 2019 for each limited English proficiency student in excess of five percent (5%)**
20 **of total enrollment.**

21

22 **It is the intent of the 2017 general assembly that the above appropriation for the**
23 **Non-English Speaking Program shall be the total allowable state expenditure for**
24 **the program. If the expected distributions are anticipated to exceed the total appropriations**
25 **for the state fiscal year, the department of education shall reduce each school**
26 **corporation's and charter school's distribution proportionately.**

27

28 **GIFTED AND TALENTED EDUCATION PROGRAM**

29	Personal Services	81,420	81,420
30	Other Operating Expense	12,466,676	12,966,676

31

32 **In FY 2019, \$500,000 shall be made available to school corporations and charter**
33 **schools to purchase verbal and quantitative reasoning tests to be administered to**
34 **all students within the corporation or charter school that are enrolled in kindergarten,**
35 **second grade, and fifth grade.**

36

37 **PRIMETIME**

38	Personal Services	73,428	73,428
39	Other Operating Expense	81,102	81,102

40

40	DRUG FREE SCHOOLS		
41	Total Operating Expense	36,656	36,656

42

42	ALTERNATIVE EDUCATION		
43	Total Operating Expense	6,247,909	6,247,909

44

45 **The above appropriations include funding to provide \$10,000 for each child attending**
46 **a charter school operated by an accredited hospital specializing in the treatment of**
47 **alcohol or drug abuse. This funding is in addition to tuition support for the charter**
48 **school.**

49

1 state general fund. The portion of the benefit funded by the annuity account and
 2 the actuarially funded Post Retirement Pension Increases shall not be part of this
 3 calculation.

4
 5 **C. OTHER EDUCATION**

6
 7 **FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD**

8 Personal Services	709,180	709,180
9 Other Operating Expense	257,305	257,305

10
 11 **FOR THE STATE LIBRARY**

12 Personal Services	2,397,624	2,397,624
13 Other Operating Expense	203,611	203,611

14 **STATEWIDE LIBRARY SERVICES**

15 Total Operating Expense	1,274,428	1,274,428
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16
 17 The above appropriations for statewide library services will be used to provide
 18 services to libraries across the state. These services may include, but will not
 19 be limited to, programs, including Wheels, I*Ask, and professional development.
 20 The state library shall identify statewide library services that are to be provided
 21 by a vendor. Those services identified by the library shall be procured through
 22 a competitive process using one (1) or more requests for proposals covering the
 23 service.

24
 25 **LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES**

26 Other Operating Expense	150,000	150,000
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27 **ACADEMY OF SCIENCE**

28 Total Operating Expense	7,046	7,046
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29
 30 **FOR THE ARTS COMMISSION**

31 Personal Services	510,223	510,223
32 Other Operating Expense	3,489,777	3,489,777

33
 34 The above appropriations to the arts commission includes \$650,000 each year to
 35 provide grants under IC 4-23-2.5 to:
 36 (1) the arts organizations that have most recently qualified for general operating
 37 support as major arts organizations as determined by the arts commission; and
 38 (2) the significant regional organizations that have most recently qualified
 39 for general operating support as mid-major arts organizations, as determined
 40 by the arts commission and its regional re-granting partners.

41
 42 **FOR THE HISTORICAL BUREAU**

43 Personal Services	322,346	322,346
44 Other Operating Expense	1,674	1,674

45 **HISTORICAL MARKER PROGRAM**

46 Total Operating Expense	10,175	10,175
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47
 48 **SECTION 10. [EFFECTIVE JULY 1, 2017]**

49

1 **DISTRIBUTIONS**

2
3 **FOR THE AUDITOR OF STATE**
4 **GAMING TAX**

5 Total Operating Expense	66,328,183	66,328,183	
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6
7 **SECTION 11. [EFFECTIVE JULY 1, 2017]**

8
9 **The following allocations of federal funds are available for career and technical**
10 **education under the Carl D. Perkins Career and Technical Education Act of 2006**
11 **(20 U.S.C. 2301 et seq. for Career and Technical Education). These funds shall be**
12 **received by the state board of education, and may be allocated by the budget agency**
13 **after consultation with the board of education and any other state agencies, commissions,**
14 **or organizations required by state law. Funds shall be allocated to these agencies**
15 **in accordance with the allocations specified below:**

16
17 **STATE PROGRAMS AND LEADERSHIP**

	1,878,242	1,878,242	
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19 **SECONDARY VOCATIONAL PROGRAMS**

	15,796,838	15,796,838	
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21 **POSTSECONDARY VOCATIONAL PROGRAMS**

	7,500,345	7,500,345	
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23
24 **SECTION 12. [EFFECTIVE JULY 1, 2017]**

25
26 **In accordance with IC 20-20-38, the budget agency, with the advice of the board**
27 **of education and the budget committee, may proportionately augment or reduce**
28 **an allocation of federal funds made under SECTION 11 of this act.**

29
30 **SECTION 13. [EFFECTIVE JULY 1, 2017]**

31
32 **Utility bills for the month of June, travel claims covering the period June 16 to**
33 **June 30, payroll for the period of the last half of June, any interdepartmental**
34 **bills for supplies or services for the month of June, and any other miscellaneous**
35 **expenses incurred during the period June 16 to June 30 shall be charged to the**
36 **appropriation for the succeeding year. No interdepartmental bill shall be recorded**
37 **as a refund of expenditure to any current year allotment account for supplies or**
38 **services rendered or delivered at any time during the preceding June period.**

39
40 **SECTION 14. [EFFECTIVE JULY 1, 2017]**

41
42 **The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation**
43 **with the Indiana department of administration, may fix the amount of reimbursement**
44 **for traveling expenses (other than transportation) for travel within the limits of Indiana.**
45 **This amount may not exceed actual lodging and miscellaneous expenses incurred. A**
46 **person in travel status, as defined by the state travel policies and procedures established**
47 **by the Indiana department of administration and the budget agency, is entitled to a meal**
48 **allowance not to exceed during any twenty-four (24) hour period the standard meal**
49 **allowances established by the federal Internal Revenue Service.**

1
2 **All appropriations provided by this act or any other statute, for traveling and**
3 **hotel expenses for any department, officer, agent, employee, person, trustee, or**
4 **commissioner, are to be used only for travel within the state of Indiana, unless**
5 **those expenses are incurred in traveling outside the state of Indiana on trips that**
6 **previously have received approval as required by the state travel policies and**
7 **procedures established by the Indiana department of administration and the budget**
8 **agency. With the required approval, a reimbursement for out-of-state travel expenses**
9 **may be granted in an amount not to exceed actual lodging and miscellaneous expenses**
10 **incurred. A person in travel status is entitled to a meal allowance not to exceed during**
11 **any twenty-four (24) hour period the standard meal allowances established by the**
12 **federal Internal Revenue Service for properly approved travel within the continental**
13 **United States and a minimum of \$50 during any twenty-four (24) hour period for**
14 **properly approved travel outside the continental United States. However, while**
15 **traveling in Japan, the minimum meal allowance shall not be less than \$90 for any**
16 **twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum**
17 **meal allowance shall not be less than \$85 for any twenty-four (24) hour period.**
18 **While traveling in Singapore, China, Great Britain, Germany, the Netherlands, and**
19 **France, the minimum meal allowance shall not be less than \$65 for any twenty-four**
20 **(24) hour period.**

21
22 **In the case of the state supported institutions of postsecondary education, approval**
23 **for out-of-state travel may be given by the chief executive officer of the institution,**
24 **or the chief executive officer's authorized designee, for the chief executive officer's**
25 **respective personnel.**

26
27 **Before reimbursing overnight travel expenses, the auditor of state shall require**
28 **documentation as prescribed in the state travel policies and procedures established**
29 **by the Indiana department of administration and the budget agency. No appropriation**
30 **from any fund may be construed as authorizing the payment of any sum in excess of**
31 **the standard mileage rates for personally owned transportation equipment established**
32 **by the federal Internal Revenue Service when used in the discharge of state business.**
33 **The Indiana department of administration and the budget agency may adopt policies**
34 **and procedures relative to the reimbursement of travel and moving expenses of new**
35 **state employees and the reimbursement of travel expenses of prospective employees**
36 **who are invited to interview with the state.**

37
38 **SECTION 15. [EFFECTIVE JULY 1, 2017]**

39
40 **Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions,**
41 **and councils who are entitled to a salary per diem is equal to \$100 per day. However,**
42 **members of boards, commissions, or councils who receive an annual or a monthly salary**
43 **paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.**
44

45 **SECTION 16. [EFFECTIVE JULY 1, 2017]**

46
47 **No payment for personal services shall be made by the auditor of state unless the**
48 **payment has been approved by the budget agency or the designee of the budget agency.**
49

1 SECTION 17. [EFFECTIVE JULY 1, 2017]

2
3 No warrant for operating expenses, capital outlay, or fixed charges shall be issued to
4 any department or an institution unless the receipts of the department or institution
5 have been deposited into the state treasury for the month. However, if a department or
6 an institution has more than \$10,000 in daily receipts, the receipts shall be deposited
7 into the state treasury daily.

8
9 SECTION 18. [EFFECTIVE JULY 1, 2017]

10
11 In case of loss by fire or any other cause involving any state institution or department,
12 the proceeds derived from the settlement of any claim for the loss shall be deposited in
13 the state treasury, and the amount deposited is hereby reappropriated to the institution
14 or department for the purpose of replacing the loss. If it is determined that the loss shall
15 not be replaced, any funds received from the settlement of a claim shall be deposited
16 into the state general fund.

17
18 SECTION 19. [EFFECTIVE JULY 1, 2017]

19
20 If an agency has computer equipment in excess of the needs of that agency, then the
21 excess computer equipment may be sold under the provisions of surplus property sales,
22 and the proceeds of the sale or sales shall be deposited in the state treasury. The amount
23 so deposited is hereby reappropriated to that agency for other operating expenses of the
24 then current year, if approved by the director of the budget agency.

25
26 SECTION 20. [EFFECTIVE JULY 1, 2017]

27
28 This act does not authorize any rehabilitation and repairs to any state buildings,
29 nor does it allow that any obligations be incurred for lands and structures, without
30 the prior approval of the budget director or the director's designee. This SECTION
31 does not apply to contracts for the state universities supported in whole or in part
32 by state funds.

33
34 SECTION 21. [EFFECTIVE JULY 1, 2017]

35
36 If an agency has an annual appropriation fixed by law, and if the agency also receives
37 an appropriation in this act for the same function or program, the appropriation in
38 this act supersedes any other appropriations and is the total appropriation for the
39 agency for that program or function.

40
41 SECTION 22. [EFFECTIVE JULY 1, 2017]

42
43 The balance of any appropriation or funds heretofore placed or remaining to the
44 credit of any division of the state of Indiana, and any appropriation or funds provided
45 in this act placed to the credit of any division of the state of Indiana, the powers,
46 duties, and functions whereof are assigned and transferred to any department for
47 salaries, maintenance, operation, construction, or other expenses in the exercise
48 of such powers, duties, and functions, shall be transferred to the credit of the
49 department to which such assignment and transfer is made, and the same shall be

1 available for the objects and purposes for which appropriated originally.
2

3 **SECTION 23. [EFFECTIVE JULY 1, 2017]**
4

5 **The director of the division of procurement of the Indiana department of administration,**
6 **or any other person or agency authorized to make purchases of equipment, shall not**
7 **honor any requisition for the purchase of an automobile that is to be paid for from any**
8 **appropriation made by this act or any other act, unless the following facts are shown**
9 **to the satisfaction of the commissioner of the Indiana department of administration or**
10 **the commissioner's designee:**

11 **(1) In the case of an elected state officer, it shall be shown that the duties of the**
12 **office require driving about the state of Indiana in the performance of official duty.**

13 **(2) In the case of department or commission heads, it shall be shown that the statutory**
14 **duties imposed in the discharge of the office require traveling a greater distance**
15 **than one thousand (1,000) miles each month or that they are subject to official duty**
16 **call at all times.**

17 **(3) In the case of employees, it shall be shown that the major portion of the duties**
18 **assigned to the employee require travel on state business in excess of one thousand**
19 **(1,000) miles each month, or that the vehicle is identified by the agency as an integral**
20 **part of the job assignment.**

21
22 **In computing the number of miles required to be driven by a department head or an**
23 **employee, the distance between the individual's home and office or designated official**
24 **station is not to be considered as a part of the total. Department heads shall annually**
25 **submit justification for the continued assignment of each vehicle in their department,**
26 **which shall be reviewed by the commissioner of the Indiana department of administration,**
27 **or the commissioner's designee. There shall be an insignia permanently affixed on**
28 **each side of all state owned cars, designating the cars as being state owned. However,**
29 **this requirement does not apply to state owned cars driven by elected state officials**
30 **or to cases where the commissioner of the Indiana department of administration or**
31 **the commissioner's designee determines that affixing insignia on state owned cars**
32 **would hinder or handicap the persons driving the cars in the performance of their**
33 **official duties.**

34
35 **SECTION 24. [EFFECTIVE JULY 1, 2017]**
36

37 **When budget agency approval or review is required under this act, the budget agency**
38 **may refer to the budget committee any budgetary or fiscal matter for an advisory**
39 **recommendation. The budget committee may hold hearings and take any actions**
40 **authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget**
41 **agency.**

42
43 **SECTION 25. [EFFECTIVE JULY 1, 2017]**
44

45 **The governor of the state of Indiana is solely authorized to accept on behalf of the**
46 **state any and all federal funds available to the state of Indiana. Federal funds**
47 **received under this SECTION are appropriated for purposes specified by the federal**
48 **government, subject to allotment by the budget agency. The provisions of this**
49 **SECTION and all other SECTIONS concerning the acceptance, disbursement,**

1 review, and approval of any grant, loan, or gift made by the federal government
2 or any other source to the state or its agencies and political subdivisions shall
3 apply, notwithstanding any other law.
4

5 **SECTION 26. [EFFECTIVE JULY 1, 2017]**
6

7 Federal funds received as revenue by a state agency or department are not available
8 to the agency or department for expenditure until allotment has been made by the
9 budget agency under IC 4-12-1-12(d).
10

11 **SECTION 27. [EFFECTIVE JULY 1, 2017]**
12

13 A contract or an agreement for personal services or other services may not be
14 entered into by any agency or department of state government without the approval
15 of the budget agency or the designee of the budget director.
16

17 **SECTION 28. [EFFECTIVE JULY 1, 2017]**
18

19 Except in those cases where a specific appropriation has been made to cover the
20 payments for any of the following, the auditor of state shall transfer, from the
21 personal services appropriations for each of the various agencies and departments,
22 necessary payments for Social Security, public employees' retirement, health
23 insurance, life insurance, and any other similar payments directed by the budget
24 agency.
25

26 **SECTION 29. [EFFECTIVE JULY 1, 2017]**
27

28 Subject to SECTION 24 of this act as it relates to the budget committee, the budget
29 agency with the approval of the governor may withhold allotments of any or all
30 appropriations contained in this act for the 2017-2019 biennium, if it is considered
31 necessary to do so in order to prevent a deficit financial situation.
32

33 **SECTION 30. [EFFECTIVE JULY 1, 2017]**
34

35 **CONSTRUCTION**
36

37 For the 2017-2019 biennium, the following amounts, from the funds listed as follows,
38 are appropriated to provide for the construction, reconstruction, rehabilitation,
39 repair, purchase, rental, and sale of state properties, capital lease rentals, and the
40 purchase and sale of land, including equipment for these properties and other projects
41 as specified.
42

43 State General Fund - Lease Rentals
44 316,760,031
45 State General Fund - Construction
46 317,422,194
47 Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
48 24,863,180
49 State Police Building Account (IC 9-14-14-4)

1	3,327,000
2	Law Enforcement Academy Fund (IC 5-2-1-13)
3	1,495,000
4	Cigarette Tax Fund (IC 6-7-1-28.1)
5	3,600,000
6	Veterans' Home Building Fund (IC 10-17-9-7)
7	2,120,000
8	Postwar Construction Fund (IC 7.1-4-8-1)
9	39,614,795
10	Build Indiana Fund (IC 4-30-17)
11	5,600,000
12	State Highway Fund (IC 8-23-9-54)
13	25,000,000
14	Airport Development Grant Fund (IC 8-21-11)
15	4,000,000
16	
17	TOTAL 743,802,200

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

A. GENERAL GOVERNMENT

FOR THE STATE BUDGET AGENCY

28	Airport Facilities Leases			29,548,602
29	Stadium Lease Rental			131,032,945
30	Convention Center Lease Rental			48,918,732
31	State Fair Lease Rental			8,536,075
32	Indiana Motorsports Commission			14,000,000
33	Northwest Indiana Reg. Dev. Authority	6,000,000	12,000,000	
34	White River State Park Commission			12,000,000
35	DEPARTMENT OF REVENUE			
36	Integrated Tax System	16,100,000	16,900,000	
37	DEPARTMENT OF ADMINISTRATION			
38	Preventive Maintenance			9,784,334
39	Repair and Rehabilitation			17,009,520
40	DEPARTMENT OF ADMINISTRATION - LEASES			
41	General Fund			
42	Wabash Valley Correctional Facility Capital Lease			41,782,754
43	New Castle Correctional Facility Capital Lease			24,940,923
44	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
45	Evansville State Hospital Capital Lease			7,841,050
46	Southeast Regional Treatment Center Capital Lease			10,856,282
47	Logansport State Hospital Capital Lease			6,165,848
48	STATE LIBRARY			
49	Repair and Rehabilitation			1,404,000

1	INDIANA STATE FAIR	
2	Repair and Rehabilitation	4,000,000
3		
4	B. PUBLIC SAFETY	
5		
6	(1) LAW ENFORCEMENT	
7		
8	INDIANA STATE POLICE	
9	General Fund	
10	State Police Lab	30,000,000
11	Preventive Maintenance	1,266,998
12	State Police Building Account (IC 9-14-14-4)	
13	Repair and Rehabilitation	3,327,000
14	FORENSIC LAB	
15	Repair and Rehabilitation	3,092,760
16	LAW ENFORCEMENT TRAINING BOARD	
17	Law Enforcement Academy Fund (IC 5-2-1-13)	
18	Preventive Maintenance	400,000
19	Repair and Rehabilitation	1,095,000
20	ADJUTANT GENERAL	
21	Preventive Maintenance	1,660,500
22	Repair and Rehabilitation	4,259,150
23		
24	(2) CORRECTIONS	
25		
26	DEPARTMENT OF CORRECTION	
27	Preventive Maintenance	100,000
28	Postwar Construction Fund (IC 7.1-4-8-1)	
29	Repair and Rehabilitation	1,150,000
30	STATE PRISON	
31	Preventive Maintenance	1,100,000
32	Postwar Construction Fund (IC 7.1-4-8-1)	
33	Repair and Rehabilitation	4,150,000
34	PENDLETON CORRECTIONAL FACILITY	
35	Preventive Maintenance	1,300,000
36	Postwar Construction Fund (IC 7.1-4-8-1)	
37	Repair and Rehabilitation	500,000
38	WOMEN'S PRISON	
39	Preventive Maintenance	360,000
40	NEW CASTLE CORRECTIONAL FACILITY	
41	Preventive Maintenance	150,000
42	PUTNAMVILLE CORRECTIONAL FACILITY	
43	Preventive Maintenance	800,000
44	Postwar Construction Fund (IC 7.1-4-8-1)	
45	Repair and Rehabilitation	3,830,000
46	INDIANAPOLIS RE-ENTRY EDUCATION FACILITY	
47	Preventive Maintenance	360,000
48	Postwar Construction Fund (IC 7.1-4-8-1)	
49	Repair and Rehabilitation	160,000

1	BRANCHVILLE CORRECTIONAL FACILITY	
2	Preventive Maintenance	360,000
3	WESTVILLE CORRECTIONAL FACILITY	
4	Preventive Maintenance	1,040,000
5	Postwar Construction Fund (IC 7.1-4-8-1)	
6	Repair and Rehabilitation	850,000
7	ROCKVILLE CORRECTIONAL FACILITY	
8	Preventive Maintenance	500,000
9	Postwar Construction Fund (IC 7.1-4-8-1)	
10	Repair and Rehabilitation	2,227,440
11	PLAINFIELD CORRECTIONAL FACILITY	
12	Preventive Maintenance	950,000
13	Postwar Construction Fund (IC 7.1-4-8-1)	
14	Repair and Rehabilitation	3,840,000
15	RECEPTION AND DIAGNOSTIC CENTER	
16	Preventive Maintenance	210,000
17	Postwar Construction Fund (IC 7.1-4-8-1)	
18	Repair and Rehabilitation	250,000
19	CORRECTIONAL INDUSTRIAL FACILITY	
20	Preventive Maintenance	600,000
21	Postwar Construction Fund (IC 7.1-4-8-1)	
22	Repair and Rehabilitation	1,750,000
23	WABASH VALLEY CORRECTIONAL FACILITY	
24	Preventive Maintenance	527,354
25	CHAIN O' LAKES CORRECTIONAL FACILITY	
26	Preventive Maintenance	90,000
27	MADISON CORRECTIONAL FACILITY	
28	Preventive Maintenance	315,000
29	Postwar Construction Fund (IC 7.1-4-8-1)	
30	Repair and Rehabilitation	450,000
31	MIAMI CORRECTIONAL FACILITY	
32	Preventive Maintenance	900,000
33	CAMP SUMMIT CORRECTIONAL FACILITY	
34	Preventive Maintenance	80,000
35	Postwar Construction Fund (IC 7.1-4-8-1)	
36	Repair and Rehabilitation	350,000
37	EDINBURGH CORRECTIONAL FACILITY	
38	Preventive Maintenance	80,000
39	PENDLETON JUVENILE CORRECTIONAL FACILITY	
40	Preventive Maintenance	300,000
41	Postwar Construction Fund (IC 7.1-4-8-1)	
42	Repair and Rehabilitation	2,192,256
43	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY	
44	Preventive Maintenance	120,000
45	MADISON JUVENILE CORRECTIONAL FACILITY	
46	Preventive Maintenance	435,000
47		
48	C. CONSERVATION AND ENVIRONMENT	
49		

1	DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION	
2	Preventive Maintenance	100,000
3	Repair and Rehabilitation	592,290
4	FISH AND WILDLIFE	
5	Preventive Maintenance	3,100,000
6	Repair and Rehabilitation	923,625
7	FORESTRY	
8	Preventive Maintenance	3,050,000
9	Repair and Rehabilitation	1,800,000
10	NATURE PRESERVES	
11	Preventive Maintenance	1,173,228
12	Repair and Rehabilitation	607,769
13	OUTDOOR RECREATION	
14	Preventive Maintenance	70,000
15	Repair and Rehabilitation	350,000
16	STATE PARKS AND RESERVOIR MANAGEMENT	
17	Preventive Maintenance	4,343,358
18	Repair and Rehabilitation	14,461,524
19	Ouabache State Park Fire Tower Repair	100,000
20	Deferred Maintenance	3,900,000
21	Cigarette Tax Fund (IC 6-7-1-28.1)	
22	Preventive Maintenance	3,600,000
23	DIVISION OF WATER	
24	Preventive Maintenance	167,000
25	Repair and Rehabilitation	2,814,836
26	ENFORCEMENT	
27	Preventive Maintenance	540,000
28	Repair and Rehabilitation	206,050
29	ENTOMOLOGY	
30	Preventive Maintenance	275,000
31	INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION	
32	Preventive Maintenance	2,273,767
33	Repair and Rehabilitation	4,000,000
34	Bicentennial Match	2,000,000
35	WAR MEMORIALS COMMISSION	
36	Preventive Maintenance	1,234,000
37	Repair and Rehabilitation	4,992,625
38	KANKAKEE RIVER BASIN COMMISSION	
39	Build Indiana Fund (IC 4-30-17)	
40	Repair and Rehabilitation	600,000
41		
42	The above appropriation to the Kankakee River Basin Commission requires a 25% match	
43	of local dollars before the funds may be disbursed.	
44		
45	MAUMEE RIVER BASIN COMMISSION	
46	Build Indiana Fund (IC 4-30-17)	
47	Repair and Rehabilitation	1,000,000
48		
49	The above appropriation to the Maumee River Basin Commission requires a 25% match	

1 of local dollars before the funds may be disbursed.

2

3 **D. TRANSPORTATION**

4

5 **DEPARTMENT OF TRANSPORTATION - BUILDINGS AND GROUNDS**

6

7 **State Highway Fund (IC 8-23-9-54)**

8

9 Preventive Maintenance 7,500,000

10

11 Architectural/Engineering Fee Crawfordsville Sub and Salt Building 490,000

12

13 Brookville Unit and Crawfordsville Sub land purchases 500,000

14

15 Construction of the Oakland City Unit Building 2,750,000

16

17 Construction of the Oakland City Unit Salt Building 1,450,000

18

19 Construction of Logansport Unit Building 2,750,000

20

21 Materials and Test Phase 1 2,760,000

22

23 Land Purchases Kokomo Unit Building 300,000

24

25 Construction of the Crawfordsville Sub Building 6,500,000

26

27 **AIRPORT DEVELOPMENT**

28

29 **Build Indiana Fund (IC 4-30-17)**

30

31 Airport Development 4,000,000

32

33 **Airport Development Grant Fund (IC 8-21-11)**

34

35 Airport Development 4,000,000

36

37 Augmentation allowed.

38

39 The above appropriations for the Indiana department of transportation are for airport
 40 development and shall be used for the purpose of assisting local airport authorities
 41 and local units of government in matching available federal funds under the airport
 42 improvement program and for matching federal grants for airport planning and for
 43 the other airport studies. Matching grants of aid shall be made in accordance with
 44 the approved annual capital improvements program of the Indiana department of
 45 transportation and with the approval of the governor and the budget agency.

46

47 **E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS**

48

49 **(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION**

50

51 **EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER**

52

53 Preventive Maintenance 66,000

54

55 **Postwar Construction Fund (IC 7.1-4-8-1)**

56

57 Repair and Rehabilitation 268,680

58

59 **EVANSVILLE STATE HOSPITAL**

60

61 Preventive Maintenance 783,924

62

63 **MADISON STATE HOSPITAL**

64

65 Preventive Maintenance 928,208

66

67 **Postwar Construction Fund (IC 7.1-4-8-1)**

68

69 Repair and Rehabilitation 1,944,438

70

71 **LOGANSPORT STATE HOSPITAL**

72

73 Preventive Maintenance 863,144

74

75 **Postwar Construction Fund (IC 7.1-4-8-1)**

76

77 Repair and Rehabilitation 5,895,500

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1	RICHMOND STATE HOSPITAL		
2			1,100,000
3	Preventive Maintenance		
4	Postwar Construction Fund (IC 7.1-4-8-1)		
5			677,300
6	Repair and Rehabilitation		
7	LARUE CARTER MEMORIAL HOSPITAL		
8			1,833,118
9	Preventive Maintenance		
10	NEURO DIAGNOSTIC INSTITUTE		
11			100,000
12	Preventive Maintenance		
13	(2) PUBLIC HEALTH		
14	SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED		
15			565,714
16	Preventive Maintenance		
17	Postwar Construction Fund (IC 7.1-4-8-1)		
18			4,363,626
19	Repair and Rehabilitation		
20	SCHOOL FOR THE DEAF		
21			565,714
22	Preventive Maintenance		
23	Postwar Construction Fund (IC 7.1-4-8-1)		
24			4,765,555
25	Repair and Rehabilitation		
26	(3) VETERANS' AFFAIRS		
27	INDIANA VETERANS' HOME		
28			1,500,000
29	Veterans' Home Building Fund (IC 10-17-9-7)		
30			620,000
31	Preventive Maintenance		
32	Repair and Rehabilitation		
33	F. EDUCATION		
34	HIGHER EDUCATION		
35	INDIANA UNIVERSITY - TOTAL SYSTEM		
36			26,257,406
37	Repair and Rehabilitation		
38	IUPUI Sports Development Plan Study	3,000,000	0
39	Regional Campus Deferred Maintenance	3,750,000	6,000,000
40	IU Fort Wayne Health Sciences	2,850,000	0
41	PURDUE UNIVERSITY - TOTAL SYSTEM		
42			22,502,556
43	Repair and Rehabilitation		
44	Regional Deferred Maintenance	1,500,000	2,000,000
45	IPFW School of Music	1,000,000	0
46	INDIANA STATE UNIVERSITY		
47			2,782,568
48	Repair and Rehabilitation		
49	Academic Facility Renovation - Phase I		
50			15,000,000
51	UNIVERSITY OF SOUTHERN INDIANA		
52			1,862,672
53	Repair and Rehabilitation		
54	BALL STATE UNIVERSITY		
55			5,430,972
56	Repair and Rehabilitation		
57	VINCENNES UNIVERSITY		
58			1,813,204
59	Repair and Rehabilitation		

	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
1 Learning Resource Center Renovation			8,000,000
2 Davis Hall & Business Building Renovation			9,500,000
3 Welsh Administration Building Renovation			4,500,000
4 Diesel Technology			2,000,000
5 IVY TECH COMMUNITY COLLEGE			
6 Repair and Rehabilitation			6,637,306
7 Fort Wayne Harshman Hall Renovation	3,000,000	0	

9 **SECTION 31. [EFFECTIVE JULY 1, 2017]**

11 **The budget agency may employ one (1) or more architects or engineers to inspect**
12 **construction, rehabilitation, and repair projects covered by the appropriations in**
13 **this act or previous acts.**

15 **SECTION 32. [EFFECTIVE UPON PASSAGE]**

17 **If any part of a construction or rehabilitation and repair appropriation made by this**
18 **act or any previous acts has not been allotted or encumbered before the expiration**
19 **of two (2) biennia, the budget agency may determine that the balance of the appropriation**
20 **is not available for allotment. The appropriation may be terminated, and the balance**
21 **may revert to the fund from which the original appropriation was made.**

23 **SECTION 33. [EFFECTIVE JULY 1, 2017]**

25 **The budget agency may retain balances in the mental health fund at the end of any**
26 **fiscal year to ensure there are sufficient funds to meet the service needs of the**
27 **developmentally disabled and the mentally ill in any year.**

29 **SECTION 34. [EFFECTIVE JULY 1, 2017]**

31 **If the budget director determines at any time during the biennium that the executive**
32 **branch of state government cannot meet its statutory obligations due to insufficient**
33 **funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with**
34 **the approval of the governor and after review by the budget committee, may transfer**
35 **from the counter-cyclical revenue and economic stabilization fund to the general**
36 **fund any additional amount necessary to maintain a positive balance in the general**
37 **fund.**

38 **SECTION 35. IC 2-5-1.1-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:**

39 **Sec. 6.5. (a) As used in this section, "agency" includes an agency, an authority, a board, a bureau,**
40 **a commission, a committee, a department, a division, an institution, or other similar entity created**
41 **or established by law.**

42 **(b) The council shall, upon consultation with the governor's office, develop an annual report format**
43 **taking into consideration, among other things, program budgeting, with the final format to be determined**
44 **by the council. The format may be distributed to any agency. (as defined in IC 2-5-21-1). The agency shall**

1 complete and return a copy in an electronic format under IC 5-14-6 to the legislative council before
2 September 1 of each year for the preceding fiscal year.

3 ~~(b)~~ **(c)** The council shall distribute one (1) copy to the governor's office, one (1) copy to the budget
4 agency, and three (3) copies to the state library.

5 ~~(c)~~ **(d)** The reports are a public record and are open to inspection.

6 SECTION 36. IC 2-5-21 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Legislative Evaluation and
7 Oversight of Agencies and Programs).

8 SECTION 37. IC 4-6-3-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ
9 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 2.3. When the attorney general proposes language**
10 **to a court or settlement committee for the purpose of a court order, the attorney general shall**
11 **include language specifically permitting settlement funds to be used for any purpose allowable**
12 **under state law.**

13 SECTION 38. IC 4-10-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
14 Sec. 9. If the total state general fund revenues for a state fiscal year, in which a transfer into the fund is
15 made, are less than the level estimated in the budget report prepared in accord with IC 4-12-1-12(a) or
16 ~~(c)~~ **IC 4-12-1-12(c)** and the shortfall cannot be attributed to a statutory change in the tax rate, the tax base,
17 the fee schedules, or the revenue sources from which the general fund revenue estimate was made, ~~there~~
18 ~~is appropriated the budget director, with the approval of the governor, may transfer~~ from the fund
19 to the state general fund an amount that may not exceed ~~the lesser of the following two (2) amounts:~~

20 ~~(1) the amount that was transferred into the fund during that state fiscal year. or~~

21 ~~(2) the amount necessary to balance the general fund general operating budget for that state fiscal~~
22 ~~year.~~

23 SECTION 39. IC 4-12-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
24 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

25 **Chapter 16. Agency Settlement Fund**

26 **Sec. 1. As used in this chapter, "fund" refers to the agency settlement fund established by section**
27 **2 of this chapter.**

28 **Sec. 2. The agency settlement fund is established for the purposes of receiving the funds**
29 **described in section 3(a) of this chapter.**

30 **Sec. 3. (a) The fund consists of:**

31 **(1) except as provided in subsections (b) and (c), all funds received by the state under:**

32 **(A) multistate and Indiana specific settlements;**

33 **(B) assurances of voluntary compliance accepted by the attorney general; and**

34 **(C) any other form of agreement that:**

35 **(i) is enforceable by a court; and**

36 **(ii) settles litigation between the state and another party;**

37 **(2) all federal funds described in IC 4-6-9-7; and**

38 **(3) all money recovered as court costs or costs related to litigation.**

39 **(b) Any amount of restitution that is:**

40 **(1) awarded to an individual or institution under a consumer settlement or assurance of**
41 **voluntary compliance;**

42 **(2) received by a state agency; and**

43 **(3) determined to be abandoned property under IC 32-34-1;**

44 **must be deposited in the abandoned property fund established by IC 32-34-1-33.**

45 **(c) The fund does not include the following:**

46 **(1) Funds received by the state department of revenue.**

47 **(2) Funds required to be deposited in the securities division enforcement account (IC**

1 23-19-6-1).

2 (3) Funds received as the result of a civil forfeiture under IC 34-24-1.

3 (4) Funds received as a civil penalty or as part of an enforcement or collection action by an
4 agency authorized to impose a civil penalty or engage in an enforcement or collection action,
5 if the funds are required to be deposited in the general fund or another fund by statute.

6 Sec. 4. The fund shall be administered by the budget agency.

7 Sec. 5. (a) A state agency may use the money in the fund after appropriation of the money in the
8 fund by the general assembly.

9 (b) A state agency may, not later than November 1 of each even-numbered calendar year, submit
10 to the budget committee and the legislative council in an electronic format under IC 5-14-6 a list
11 of proposed projects, including the estimated cost of each project, for consideration of the general
12 assembly in making appropriations during the biennial budget process.

13 (c) The proceeds of a particular settlement, assurance of voluntary compliance, or other form
14 of agreement that are deposited in the fund must be used by the state agency according to any court
15 order that applies to the settlement, assurance of voluntary compliance, or other form of
16 agreement.

17 Sec. 6. The expenses of administering the fund shall be paid from money in the fund.

18 Sec. 7. The treasurer of state shall invest the money in the fund not currently needed to meet the
19 obligations of the fund in the same manner as other public money may be invested. Interest that
20 accrues from these investments shall be deposited in the fund.

21 Sec. 8. Money in the fund at the end of a state fiscal year does not revert to the state general
22 fund.

23 SECTION 40. IC 4-12-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
24 AS FOLLOWS [EFFECTIVE JUNE 30, 2017]:

25 **Chapter 17. Personal Services/Fringe Benefits Contingency Fund**

26 Sec. 1. (a) The personal services/fringe benefits contingency fund is established for the purpose
27 of allotting money to departments, institutions, and state agencies for the purposes set forth in
28 subsection (b). The fund consists of money appropriated to the fund by the general assembly. The
29 budget agency shall administer the fund.

30 (b) Money in the fund may be used only with the approval of the governor for:

- 31 (1) salary increases;
32 (2) fringe benefit increases;
33 (3) an employee leave conversion program;
34 (4) state retiree health programs; and
35 (5) any related expenses.

36 (c) Money in the fund at the end of a state fiscal year does not revert to the state general fund
37 but remains available for expenditure.

38 (d) Notwithstanding IC 4-9.1-1-7, IC 4-13-2-23, or any other law, money may not be transferred,
39 assigned, reassigned, or otherwise removed from the fund by the state board of finance, the budget
40 agency, or any other state agency, except for the purposes specified in this section.

41 SECTION 41. IC 4-31-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

42 Sec. 10. (a) The commission shall appoint a director and an assistant director who serve at the pleasure
43 of the commission. The director and the assistant director must have a background in the horse industry,
44 a high level of management skills, and previous experience with pari-mutuel horse betting administration.

45 (b) The director and the assistant director shall:

- 46 (1) attend all meetings of the commission;
47 (2) keep a complete record of the commission's proceedings;

- 1 (3) preserve at the commission's office all documents entrusted to the commission's care; and
- 2 (4) perform other duties the commission prescribes.

3 **(c) The director may do the following:**

- 4 **(1) Negotiate an interstate compact that enables party states to act jointly and cooperatively**
- 5 **to create more uniform, effective, and efficient practices, programs, and rules concerning**
- 6 **horse racing and pari-mutuel wagering on horse racing in the party states.**
- 7 **(2) Represent Indiana on a commission to negotiate an interstate compact described in**
- 8 **subdivision (1).**

9 SECTION 42. IC 4-31-11-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
10 Sec. 13. The auditor of state and treasurer of state shall make payments from the development funds upon
11 order of the commission. **Money in each fund is continuously appropriated to make these payments.**
12 However, the auditor of state and treasurer of state may not transfer money from one (1) development
13 fund to another development fund.

14 SECTION 43. IC 4-35-8.7-3, AS AMENDED BY P.L.149-2016, SECTION 15, IS AMENDED TO
15 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The gaming integrity fund is established.

16 (b) The fund shall be administered by the Indiana horse racing commission.

17 (c) The fund consists of gaming integrity fees deposited in the fund under this chapter and money
18 distributed to the fund under IC 4-35-7-12.5 and IC 4-35-7-15. Fifteen percent (15%) of the money
19 deposited in the fund shall be transferred to the Indiana state board of animal health to be used by the state
20 board to pay the costs associated with equine health and equine care programs under IC 15-17.

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

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

24 (f) Money in the fund may be used by the Indiana horse racing commission only for the following
25 purposes:

26 (1) To pay the cost of taking and analyzing equine specimens under IC 4-31-12-6(b) or another law
27 or rule and the cost of any supplies related to the taking or analysis of specimens.

28 (2) To pay dues to the Drug Testing Standards and Practices (DTSP) Committee of the Association
29 of Racing Commissioners International.

30 (3) To provide grants for research for the advancement of equine drug testing. Grants under this
31 subdivision must be approved by the Drug Testing Standards and Practices (DTSP) Committee of
32 the Association of Racing Commissioners International or by the Racing Mediation and Testing
33 Consortium.

34 (4) To pay the costs of post-mortem examinations under IC 4-31-12-10.

35 (5) To pay other costs incurred by the commission to maintain the integrity of pari-mutuel racing.

36 **(g) Money in the fund is continuously appropriated to the Indiana horse racing commission to**
37 **carry out the purposes described in subsection (f).**

38 SECTION 44. IC 5-2-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
39 Sec. 13. (a) There is created a ~~continuing~~ fund which shall be known as the law enforcement academy
40 ~~building~~ fund. The fund consists of amounts deposited under IC 33-37-7-9. This fund may be used by the
41 board **for the following:**

42 **(1) To acquire for the state of Indiana land and interests in and to land, and to construct upon such**
43 **land a fully equipped law enforcement academy to consist of classrooms, housing facilities, a**
44 **cafeteria, firearms ranges, a driving course, and other physical facilities which are deemed necessary**
45 **in the discretion of the board for the basic, inservice, and advanced training of law enforcement**
46 **officers in the skills and techniques of law enforcement. Any balance of the fund that is unexpended**
47 **at the end of any fiscal year shall not revert to the general fund but shall be carried forward as an**

1 appropriation for the next fiscal year.

2 (2) Expenditures may be made by the board for, among other things, all expenses required for land
3 acquisition and transfer, including but not limited to personal services, appraisers fees, and the cost
4 of acquiring any interest in land and the construction and maintenance of improvements thereon.

5 (3) **Building and grounds maintenance for the law enforcement academy.**

6 (4) **Training equipment and supplies necessary to operate the law enforcement academy.**

7 (5) **Aid to approved law enforcement training schools certified as having met or exceeded the
8 minimum standards established by the board.**

9 (6) **Personal services, as authorized by the board, with the approval of the governor.**

10 (7) **Any other purpose necessary to carry out this chapter, as determined by the board.**

11 (b) The budget agency may, with the approval of the board and the governor, make allocations and
12 transfers of funds appropriated by the general assembly to state agencies having jurisdiction and control
13 over land acquired by the board for the purposes stated herein; **in this section**, except that ~~such these~~
14 allocations and transfers ~~shall~~ **may** not be made in the acquisition of land which has been declared surplus
15 land of the state pursuant to statute.

16 (c) The board is hereby further authorized to acquire ~~said~~ **land for the purposes of this section** and
17 law enforcement academy buildings by gift, donation, bequest, devise, exchange, purchase, or eminent
18 domain, or other means. However, any money or proceeds from gifts, bequests, grants, or other donations
19 shall be deposited in a special donation fund, which is hereby **must be** established for the purposes
20 ~~outlined described~~ in this section, for the use of the board to accomplish ~~said~~ **the purposes of this**
21 **section**. No part of ~~said~~ **the** special donation fund ~~shall revert~~ **reverts** to the general fund of the state
22 unless specified by the donor as a condition to ~~his~~ **the donor's** gift. All land and academy buildings,
23 however acquired, ~~shall~~ become the property of the state.

24 (b) There is created a continuing fund which shall be known as the law enforcement training fund. The
25 fund consists of amounts deposited under IC 33-37-7-9. The board is further authorized to accept gifts
26 and grants of money, services, or property to supplement the law enforcement training fund and to use
27 the same for any purpose consistent with the authorized uses of said fund. This fund may be used by the
28 board for the following purposes:

29 (1) Building and grounds maintenance for the law enforcement academy.

30 (2) Training equipment and supplies necessary to operate the law enforcement academy.

31 (3) Aid to approved law enforcement training schools certified as having met or exceeded the
32 minimum standards established by the board.

33 (4) Personal services, as authorized by the board with the approval of the governor.

34 (5) Any other purpose necessary to carry out the provisions of this chapter, as determined by the
35 board.

36 SECTION 45. IC 5-2-1-15, AS AMENDED BY P.L.2-2007, SECTION 74, IS AMENDED TO READ
37 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) The facilities of the law enforcement academy
38 shall be available to any law enforcement agency of the state, or any of its political subdivisions, subject
39 to the rules of the board.

40 (b) Any law enforcement agency of the state, any of its political subdivisions, or any board certified
41 training center may conduct training:

42 (1) for the law enforcement agency of any political subdivision in Indiana; and

43 (2) in facilities other than those of the law enforcement academy;

44 if the minimum standards established by the board are met or exceeded.

45 (c) A law enforcement agency or a board certified training center conducting approved local training
46 under subsection (b) ~~shall~~ **may** be entitled to a per capita allowance from the law enforcement training
47 fund to defray such portions of the cost of basic training as shall be approved by the board. Such per

1 capita allowance shall be earmarked and expended only for law enforcement training.

2 (d) The facilities of the law enforcement academy shall be available for the training of railroad police,
3 prison and industrial plant guards, postsecondary educational institution safety and security personnel,
4 whether public or private, **for the training of any law enforcement agency from outside Indiana, and**
5 **for the training of** such other enforcement related groups as shall be approved by the board, upon terms
6 and conditions established by the board. Railroad police, **any law enforcement agency from outside**
7 **Indiana**, and nongovernmental enforcement related groups qualifying to use the facilities of the academy
8 under the rules of the board shall be required to reimburse the law enforcement training fund for the cost
9 of such training.

10 (e) The facilities of the law enforcement academy may be used for the training of firefighting personnel
11 where the subject matter of the training relates to duties which involve law enforcement related conduct.
12 Such training shall be conducted upon terms and conditions established by the board. However, no
13 volunteer firefighter is required to attend training at the academy.

14 (f) The cost of the mandatory basic training conducted by the board at the facilities of the law
15 enforcement academy ~~shall be paid out of the law enforcement training fund; if the trainees have been~~
16 ~~previously appointed and are on the payroll of a law enforcement department or agency; and~~ all other
17 training programs authorized by this chapter and conducted at the law enforcement training academy,
18 including the mandatory basic training course when attended by trainees who have been investigated and
19 approved but not yet hired by a law enforcement agency, are subject to fee schedules and charges for
20 tuition, lodging, meals, instructors, training materials, and any other items or services established by the
21 board, **including amounts needed to recoup corresponding marginal and fixed costs. The costs and**
22 **the fee schedule must be an annual schedule for the state fiscal year and must be approved by the**
23 **budget director.**

24 SECTION 46. IC 5-2-8-1, AS AMENDED BY P.L.164-2014, SECTION 2, IS AMENDED TO READ
25 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The following definitions apply in this section:

26 (1) "Abuse" means:

27 (A) conduct that causes bodily injury (as defined in IC 35-31.5-2-29) or damage to property; or

28 (B) a threat of conduct that would cause bodily injury (as defined in IC 35-31.5-2-29) or damage
29 to property.

30 (2) "County law enforcement agency" includes:

31 (A) postsecondary educational institution police officers appointed under IC 21-17-5 or
32 IC 21-39-4; and

33 (B) school corporation police officers appointed under IC 20-26-16.

34 (b) There is established in each county a county law enforcement continuing education program. The
35 program is funded by amounts appropriated under IC 33-37-8-4 or IC 33-37-8-6.

36 (c) A county law enforcement agency receiving amounts based upon claims for law enforcement
37 continuing education funds under IC 33-37-8-4 or IC 33-37-8-6 shall deposit each fee collected into the
38 county law enforcement continuing education fund.

39 (d) Distribution of money in the county law enforcement continuing education fund shall be made to
40 a county law enforcement agency without the necessity of first obtaining an appropriation from the county
41 fiscal body.

42 (e) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in a county law
43 enforcement continuing education fund for at least one (1) entire calendar year from the date of its deposit
44 shall, at the end of a county's fiscal year, be deposited by the county auditor in the law enforcement
45 **training academy** fund established under ~~IC 5-2-1-13(b)~~: **IC 5-2-1-13.**

46 (f) To make a claim under IC 33-37-8-6, a law enforcement agency shall submit to the fiscal body a
47 verified statement of cause numbers for fees collected that are attributable to the law enforcement efforts

1 of that agency.

2 (g) A law enforcement agency shall submit a claim for fees under this section in the same county fiscal
3 year in which the fees are collected under IC 33-37-4.

4 (h) A county law enforcement agency program shall provide to each law enforcement officer employed
5 by the county and may provide to each law enforcement officer employed by a city or town law
6 enforcement agency within the county continuing education concerning the following:

7 (1) Duties of a law enforcement officer in enforcing restraining orders, protective orders, temporary
8 injunctions, and permanent injunctions involving abuse.

9 (2) Guidelines for making felony and misdemeanor arrests in cases involving abuse.

10 (3) Techniques for handling incidents of abuse that:

11 (A) minimize the likelihood of injury to the law enforcement officer; and

12 (B) promote the safety of a victim.

13 (4) Information about the nature and extent of abuse.

14 (5) Information about the legal rights of and remedies available to victims of abuse, including the
15 U nonimmigrant visa created under the federal Victims of Trafficking and Violence Protection Act
16 of 2000 (P.L. 106-386).

17 (6) How to document and collect evidence in an abuse case.

18 (7) The legal consequences of abuse.

19 (8) The impact on children of law enforcement intervention in abuse cases.

20 (9) Services and facilities available to victims of abuse and abusers.

21 (10) Verification of restraining orders, protective orders, temporary injunctions, and permanent
22 injunctions.

23 (11) Policies concerning arrest or release of suspects in abuse cases.

24 (12) Emergency assistance to victims of abuse and criminal justice options for victims of abuse.

25 (13) Landlord-tenant concerns in abuse cases.

26 (14) The taking of an abused child into protective custody.

27 (15) Assessment of a situation in which a child may be seriously endangered if the child is left in
28 the child's home.

29 (16) Assessment of a situation involving an endangered adult (as defined in IC 12-10-3-2).

30 (17) Response to a sudden, unexpected infant death.

31 (18) Performing cardiopulmonary resuscitation and the Heimlich maneuver.

32 (19) Cultural diversity awareness that includes an understanding of cultural issues related to race,
33 religion, gender, age, domestic violence, national origin, and physical and mental disabilities.

34 (i) A county law enforcement agency may enter into an agreement with other law enforcement
35 agencies to provide the continuing education required by this section and section 2(f) of this chapter.

36 SECTION 47. IC 5-2-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
37 Sec. 5. (a) There is established the state police training fund. The fund consists of amounts collected
38 under IC 33-37-4-1(b)(4), IC 33-37-4-2(b)(3), and IC 33-37-4-3(b)(4) on behalf of the state police
39 department.

40 (b) If the state police department files a claim under IC 33-37-8-4 or IC 33-37-8-6 against a city or
41 town user fee fund or a county user fee fund, the fiscal officer of the city or town or the county auditor
42 shall deposit fees collected under the cause numbers submitted by the state police department into the
43 state police training fund established under this section.

44 (c) Claims against the state police training fund must be submitted in accordance with IC 5-11-10.

45 (d) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in the state
46 police training fund for at least one (1) entire calendar year from the date of its deposit shall, at the end
47 of the state's fiscal year, be deposited in the law enforcement **training academy** fund established under

1 ~~IC 5-2-1-13(b)~~; **IC 5-2-1-13.**

2 (e) As used in this subsection, "abuse" has the meaning set forth in section 1(a) of this chapter. As a
3 part of the state police department's in-service training, the department shall provide to each law
4 enforcement officer employed by the department continuing education concerning the following:

- 5 (1) Duties of a law enforcement officer in enforcing restraining orders, protective orders, temporary
6 injunctions, and permanent injunctions involving abuse.
- 7 (2) Guidelines for making felony and misdemeanor arrests in cases involving abuse.
- 8 (3) Techniques for handling incidents of abuse that:
 - 9 (A) minimize the likelihood of injury to the law enforcement officer; and
 - 10 (B) promote the safety of a victim.
- 11 (4) Information about the nature and extent of the abuse.
- 12 (5) Information about the legal rights of and remedies available to victims of abuse.
- 13 (6) How to document and collect evidence in an abuse case.
- 14 (7) The legal consequences of abuse.
- 15 (8) The impact on children of law enforcement intervention in abuse cases.
- 16 (9) Services and facilities available to victims of abuse and abusers.
- 17 (10) Verification of restraining orders, protective orders, temporary injunctions, and permanent
18 injunctions.
- 19 (11) Policies concerning arrest or release of suspects in abuse cases.
- 20 (12) Emergency assistance to victims of abuse and criminal justice options for victims of abuse.
- 21 (13) Landlord-tenant concerns in abuse cases.
- 22 (14) The taking of an abused child into protective custody.
- 23 (15) Assessment of a situation in which a child may be seriously endangered if the child is left in
24 the child's home.
- 25 (16) Assessment of a situation involving an endangered adult (as defined in IC 12-10-3-2).
- 26 (17) Response to a sudden, unexpected infant death.

27 The cost of providing continuing education under this subsection shall be paid from money in the state
28 police training fund.

29 SECTION 48. IC 5-2-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
30 Sec. 7. (a) There is established the conservation officers training fund. The department of natural
31 resources shall administer the fund. The fund consists of amounts collected under IC 33-37-4-1(b)(4),
32 IC 33-37-4-2(b)(3), and IC 33-37-4-3(b)(4) on behalf of the department of natural resources.

33 (b) If the department of natural resources files a claim under IC 33-37-8-4 or IC 33-37-8-6 against a
34 city or town user fee fund or a county user fee fund, the fiscal officer of the city or town or the county
35 auditor shall deposit fees collected under the cause numbers submitted by the department of natural
36 resources into the conservation officers training fund established under this section.

37 (c) Claims against the conservation officers training fund must be submitted in accordance with
38 IC 5-11-10.

39 (d) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in the
40 conservation officers' training fund for at least one (1) entire calendar year from the date of its deposit
41 shall, at the end of the state's fiscal year, be deposited in the law enforcement **training academy** fund
42 established under ~~IC 5-2-1-13(b)~~; **IC 5-2-1-13.**

43 SECTION 49. IC 5-2-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
44 Sec. 8. (a) There is established the alcoholic beverage enforcement officers' training fund. The alcohol
45 and tobacco commission shall administer the fund. The fund consists of amounts collected under
46 IC 33-37-4-1(b)(4), IC 33-37-4-2(b)(3), and IC 33-37-4-3(b)(4) on behalf of the alcohol and tobacco
47 commission.

1 (b) If the alcohol and tobacco commission files a claim under IC 33-37-8-4 or IC 33-37-8-6 against
2 a city or town user fee fund or a county user fee fund, the fiscal officer of the city or town or the county
3 auditor shall deposit fees collected under the cause numbers submitted by the alcohol and tobacco
4 commission into the alcoholic beverage enforcement officers' training fund established under this section.

5 (c) Claims against the alcoholic beverage enforcement officers' training fund must be submitted in
6 accordance with IC 5-11-10.

7 (d) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in the alcoholic
8 beverage enforcement officers' training fund for at least one (1) entire calendar year from the date of its
9 deposit shall, at the end of the state's fiscal year, be deposited in the law enforcement ~~training~~ **academy**
10 fund established under ~~IC 5-2-1-13(b)~~. **IC 5-2-1-13.**

11 SECTION 50. IC 5-10-0.5-1, AS AMENDED BY P.L.35-2012, SECTION 20, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The prohibitions of Article 11, Section
13 12 of the Constitution of the State of Indiana do not apply to:

- 14 (1) the public employees' retirement fund (IC 5-10.3);
- 15 (2) the Indiana state teachers' retirement fund (IC 5-10.4);
- 16 (3) the Indiana state police pre-1987 benefit system (IC 10-12-3);
- 17 (4) the Indiana state police 1987 benefit system (IC 10-12-4); ~~or~~
- 18 (5) any other public pension or employee retirement fund administered by the board of trustees of
19 the Indiana public retirement system; ~~or~~
- 20 **(6) any trust fund established for common and unified plans of self-insurance under**
21 **IC 5-10-8-6 and IC 5-10-8-7(i).**

22 (b) Investments of the funds listed in subsection (a) are subject to the following limitations and
23 regulations:

- 24 (1) Investments of the public employees' retirement fund and any other public pension or employee
25 retirement fund administered by the board of trustees of the Indiana public retirement system are
26 subject to IC 5-10.3-5-3, including P.L.37-1996, and IC 5-10.5-5.
- 27 (2) Investments of the Indiana state teachers' retirement fund are subject to IC 5-10.4-3-10 and
28 IC 5-10.5-5.
- 29 (3) Investments of the Indiana state police benefit system are subject to IC 10-12-2-2.
- 30 **(4) Investments of any trust fund established for common and unified plans of self-insurance**
31 **under IC 5-10-8-6 and IC 5-10-8-7(i) are subject to IC 5-10-8-6 and IC 5-10-8-7(i).**

32 SECTION 51. IC 5-10-1.1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
33 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4.5. (a) As used in this section, "next level
34 Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by
35 subsection (b).

36 (b) After December 31, 2017, the deferred compensation committee shall establish and maintain:

- 37 (1) an investment product for the state employees' deferred compensation plan; and
- 38 (2) a funding offering for the defined contribution plan established under section 1.5 of this
39 chapter;

40 named the next level Indiana innovation and entrepreneurial fund. The deferred compensation
41 committee shall consult with the board of trustees of the next level Indiana trust fund established
42 under IC 8-14-15.1 and the board of trustees of the Indiana public retirement system established
43 under IC 5-10.5-3-1 in establishing the investment objectives and policies for the next level Indiana
44 fund. Not more than twenty-five million dollars (\$25,000,000) of the assets of the next level Indiana
45 fund may be invested in any one (1) particular investment fund or investment firm.

46 (c) The following apply to a state employee who selects the next level Indiana fund:

- 47 (1) The state employee's initial transfer into the next level Indiana fund may not exceed twenty

1 percent (20%) of the balance in the state employee's account in the state employees' deferred
2 compensation plan, as of the day before the effective date of the state employee's selection of
3 the next level Indiana fund.

4 (2) After the state employee's initial transfer into the next level Indiana fund, contributions
5 made by the state employee, or on the state employee's behalf, into the next level Indiana fund
6 each year may not exceed twenty percent (20%) of the total contributions to the state
7 employee's account in the state employees' deferred compensation plan for that year.

8 (3) If a state employee:

9 (A) contributes not less than the amount the state employee initially designated to the next
10 level Indiana fund in the state employees' deferred compensation plan for at least thirty-six
11 (36) consecutive months; and

12 (B) maintains in the next level Indiana fund in the state employees' deferred compensation
13 plan the amounts transferred and contributed during that period;

14 the state shall contribute on the state employee's behalf to the next level Indiana fund offering
15 in the defined contribution plan established under section 1.5 of this chapter as a match ten
16 percent (10%) of the total amount contributed by the state employee or on the state employee's
17 behalf to the next level Indiana fund in the state employees' deferred compensation plan
18 during that thirty-six (36) month period.

19 (4) After the period described in subdivision (3), for each additional twelve (12) consecutive
20 months that a state employee:

21 (A) contributes not less than the amount the state employee initially designated to the next
22 level Indiana fund in the state employees' deferred compensation plan; and

23 (B) maintains in the next level Indiana fund in the state employees' deferred compensation
24 plan the amounts transferred and contributed during that period;

25 the state shall contribute on the state employees' behalf to the next level Indiana fund offering
26 in the defined contribution plan established under section 1.5 of this chapter as a match ten
27 percent (10%) of the total amount contributed by the state employee or on the state employee's
28 behalf to the next level Indiana fund in the state employees' deferred compensation plan
29 during that twelve (12) month period. In determining the state's match under this subdivision,
30 the total amount contributed by the state employee or on the state employee's behalf excludes
31 the amount of any state match under this subdivision or subdivision (3).

32 (d) The state match under this section shall be paid from the personal services contingency fund.

33 (e) The deferred compensation committee shall report to the budget committee every six (6)
34 months concerning the following:

35 (1) The number of state employees that have funds invested in the next level Indiana fund
36 under this section.

37 (2) The total amounts invested in the next level Indiana fund under this section, including the
38 amount of any state match under this section.

39 SECTION 52. IC 5-10-8-6, AS AMENDED BY P.L.138-2012, SECTION 2, IS AMENDED TO
40 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) The state police department,
41 conservation officers of the department of natural resources, and the state excise police may establish
42 common and unified plans of self-insurance for their employees, including retired employees, as separate
43 entities of state government. These plans may be administered by a private agency, business firm, limited
44 liability company, or corporation. Any modification to:

45 (1) eligibility requirements;

46 (2) required premiums; or

47 (3) change the benefits under the plan; or

1 (3) (4) any other plan provisions;
2 that increases the amount of the state's contribution to the plan or that increases the post-employment
3 liability under the plan may not be made unless the modification is approved by the budget agency **on or**
4 **before September 1 of each year**, with an annual review of the modifications by the budget committee.

5 (b) Except as provided in this section and IC 5-10-14, the state agencies listed in subsection (a) may
6 not pay as the employer part of benefits for any employee or retiree an amount greater than that paid for
7 other state employees for group insurance.

8 (c) This subsection applies to a health benefit plan for an individual described in subsection (a). After
9 June 30, 2011, at least one (1) time in each state fiscal year, the budget agency shall determine the average
10 amount of contributions made under IC 5-10-8.5-15 and IC 5-10-8.5-16 to participants in a health
11 reimbursement arrangement or other separate fund under IC 5-10-8.5 in the immediately preceding state
12 fiscal year. In the state fiscal year beginning July 1, 2011, the amount determined under this section must
13 exclude contributions made to persons described in IC 5-10-8.5-15(c) and IC 5-10-8.5-16(f). An amount
14 equal to the average amount determined under this subsection multiplied by the number of participants
15 (other than retired participants) in the plans described in subsection (a) shall be transferred to the plans
16 described in subsection (a). The amount transferred under this subsection shall be proportionally allocated
17 to each plan relative to the number of members in each plan. The amount allocated to a plan under this
18 subsection shall be allocated among the participants in the plan in the same manner as other employer
19 contributions. Funds shall be used only to reduce unfunded other post-employment benefit (OPEB)
20 liability and not to increase benefits or reduce premiums.

21 (d) Trust funds may be established to carry out the purposes of this section. A trust fund established
22 under this subsection is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be
23 transferred, assigned, or otherwise removed from a trust fund established under this subsection by the
24 state board of finance, the budget agency, or any other state agency. Money in a trust fund established
25 under this subsection does not revert to the state general fund at the end of any state fiscal year. A trust
26 fund established under this subsection consists of appropriations, revenues, or transfers to the trust fund
27 under IC 4-12-1. Contributions to a trust fund established under this subsection are irrevocable. A trust
28 fund established under this subsection must be limited to providing prefunding of annual required
29 contributions and to cover OPEB liability for covered individuals. Funds may be used only for these
30 purposes and not to increase benefits or reduce premiums. A trust fund established under this subsection
31 shall be established to comply with and be administered in a manner that satisfies the Internal Revenue
32 Code requirements concerning a trust fund for prefunding annual required contributions and for covering
33 OPEB liability for covered individuals. All assets in a trust fund established under this subsection:

34 (1) are dedicated exclusively to providing benefits to covered individuals and their beneficiaries
35 according to the terms of the health plan; and

36 (2) are exempt from levy, sale, garnishment, attachment, or other legal process.

37 A trust fund established under this subsection shall be administered by the agency employing the covered
38 individuals. The expenses of administering a trust fund established under this subsection shall be paid
39 from money in the trust fund. **Notwithstanding IC 5-13**, the treasurer of state shall invest the money in
40 a trust fund established under this subsection not currently needed to meet the obligations of the trust fund
41 in the same manner as ~~other public~~ money may be invested **by the public employees' retirement fund**
42 **under IC 5-10.3-5. However, the trustee may not invest the money in the trust in equity securities.**
43 **The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5. The trustee**
44 **may contract with investment management professionals, investment advisors, and legal counsel**
45 **to assist in the investment of the trust and may pay the state expenses incurred under those**
46 **contracts from the trust. Interest that accrues from these investments shall be deposited in the trust**
47 **fund.**

1 (e) On or before July 15 of each year, each state agency listed in subsection (a) shall submit to
2 the budget agency the current plan documents and any other related information for any common
3 and unified plan established under subsection (a) as well as any proposed modification to the plan
4 under subsection (a). The budget agency may request additional information from a state agency
5 listed in subsection (a) to analyze the impact of any proposed modification to the state's
6 contribution and post-employment liability under the plan. In addition, the budget agency may
7 enlist the assistance of the state personnel department and a third party, independent actuary to
8 analyze any information related to a proposed modification under this subsection and subsection
9 (a).

10 (f) If a state agency listed in subsection (a) fails to provide any information under subsection (e)
11 to the budget agency, the budget agency may recommend to the budget committee that the state
12 personnel department manage the state agency's common and unified plans established under
13 subsection (a) during the next succeeding calendar year.

14 SECTION 53. IC 5-10-8-7, AS AMENDED BY P.L.121-2016, SECTION 8, IS AMENDED TO
15 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) The state, excluding state educational
16 institutions, may not purchase or maintain a policy of group insurance, except:

17 (1) life insurance for the state's employees;

18 (2) long term care insurance under a long term care insurance policy (as defined in IC 27-8-12-5),
19 for the state's employees; or

20 (3) an insurance policy that provides coverage that supplements coverage provided under a United
21 States military health care plan.

22 (b) With the consent of the governor, the state personnel department may establish self-insurance
23 programs to provide group insurance other than life or long term care insurance for state employees and
24 retired state employees. The state personnel department may contract with a private agency, business firm,
25 limited liability company, or corporation for administrative services. A commission may not be paid for
26 the placement of the contract. The department may require, as part of a contract for administrative
27 services, that the provider of the administrative services offer to an employee terminating state
28 employment the option to purchase, without evidence of insurability, an individual policy of insurance.

29 (c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department
30 may contract for health services for state employees through one (1) or more prepaid health care delivery
31 plans.

32 (d) The state personnel department shall adopt rules under IC 4-22-2 to establish long term and short
33 term disability plans for state employees (except employees who hold elected offices (as defined by
34 IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department
35 considers necessary and proper and must:

36 (1) require participation in the plan by employees with six (6) months of continuous, full-time
37 service;

38 (2) require an employee to make a contribution to the plan in the form of a payroll deduction;

39 (3) require that an employee's benefits under the short term disability plan be subject to a thirty (30)
40 day elimination period and that benefits under the long term plan be subject to a six (6) month
41 elimination period;

42 (4) prohibit the termination of an employee who is eligible for benefits under the plan;

43 (5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages
44 for an employee disabled by injuries resulting from tortious acts, as distinguished from passive
45 negligence, that occur within the employee's scope of state employment;

46 (6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the
47 employee derives income from:

1 (A) Social Security;
2 (B) the public employees' retirement fund;
3 (C) the Indiana state teachers' retirement fund;
4 (D) pension disability;
5 (E) worker's compensation;
6 (F) benefits provided from another employer's group plan; or
7 (G) remuneration for employment entered into after the disability was incurred.
8 (The department of state revenue and the department of workforce development shall cooperate with
9 the state personnel department to confirm that an employee has disclosed complete and accurate
10 information necessary to administer **this** subdivision. ~~(6-)~~);
11 (7) provide that an employee will not receive benefits under the plan for a disability resulting from
12 causes specified in the rules; and
13 (8) provide that, if an employee refuses to:
14 (A) accept work assignments appropriate to the employee's medical condition;
15 (B) submit information necessary for claim administration; or
16 (C) submit to examinations by designated physicians;
17 the employee forfeits benefits under the plan.
18 (e) This section does not affect insurance for retirees under IC 5-10.3 or IC 5-10.4.
19 (f) The state may pay part of the cost of self-insurance or prepaid health care delivery plans for its
20 employees.
21 (g) A state agency may not provide any insurance benefits to its employees that are not generally
22 available to other state employees, unless specifically authorized by law.
23 (h) The state may pay a part of the cost of group medical and life coverage for its employees.
24 (i) To carry out the purposes of this section, a trust fund may be established. The trust fund established
25 under this subsection is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be
26 transferred, assigned, or otherwise removed from the trust fund established under this subsection by the
27 state board of finance, the budget agency, or any other state agency. Money in a trust fund established
28 under this subsection does not revert to the state general fund at the end of any state fiscal year. The trust
29 fund established under this subsection consists of appropriations, revenues, or transfers to the trust fund
30 under IC 4-12-1. Contributions to the trust fund are irrevocable. The trust fund must be limited to
31 providing prefunding of annual required contributions and to cover OPEB liability for covered
32 individuals. Funds may be used only for these purposes and not to increase benefits or reduce premiums.
33 The trust fund shall be established to comply with and be administered in a manner that satisfies the
34 Internal Revenue Code requirements concerning a trust fund for prefunding annual required contributions
35 and for covering OPEB liability for covered individuals. All assets in the trust fund established under this
36 subsection:
37 (1) are dedicated exclusively to providing benefits to covered individuals and their beneficiaries
38 according to the terms of the health plan; and
39 (2) are exempt from levy, sale, garnishment, attachment, or other legal process.
40 The trust fund established under this subsection shall be administered by the state personnel department.
41 The expenses of administering the trust fund shall be paid from money in the trust fund. **Notwithstanding**
42 **IC 5-13**, the treasurer of state shall invest the money in the trust fund not currently needed to meet the
43 obligations of the trust fund in the same manner as ~~other public~~ money may be invested **by the public**
44 **employees' retirement fund under IC 5-10.3-5. However, the trustee may not invest the money in**
45 **the trust in equity securities. The trustee shall also comply with the prudent investor rule set forth**
46 **in IC 30-4-3.5. The trustee may contract with investment management professionals, investment**
47 **advisors, and legal counsel to assist in the investment of the trust and may pay the state expenses**

1 incurred under those contracts from the trust. Interest that accrues from these investments shall
2 be deposited in the trust fund.

3 SECTION 54. IC 5-10.2-2-3, AS AMENDED BY P.L.193-2016, SECTION 3, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The annuity savings account consists of:

- 5 (1) the members' contributions; and
6 (2) the interest credits on these contributions in the guaranteed fund (before January 1, 2017), the
7 gain or loss in the balance of the member's account in the stable value fund (after December 31,
8 2016), or the gain or loss in market value on these contributions in the alternative investment
9 program, as specified in section 4 of this chapter.

10 Each member shall be credited individually with the amount of the member's contributions and interest
11 credits.

12 (b) The board shall maintain the investment program in effect on December 31, 1995, (referred to in
13 this chapter as the guaranteed program) within the annuity savings account until January 1, 2017. In
14 addition, the board shall establish and maintain a guaranteed program within the 1996 account until
15 January 1, 2017. After December 31, 2016, the board shall establish an investment fund (referred to in
16 this chapter as the stable value fund) that has preservation of capital as the primary investment objective.
17 The board may establish investment guidelines and limits on all types of investments (including, but not
18 limited to, stocks and bonds) and take other actions necessary to fulfill its duty as a fiduciary of the
19 annuity savings account, subject to the limitations and restrictions set forth in IC 5-10.3-5-3,
20 IC 5-10.4-3-10, and IC 5-10.5-5.

21 (c) The board shall establish alternative investment programs within the annuity savings account of
22 the public employees' retirement fund, the pre-1996 account, and the 1996 account, based on the
23 following requirements:

24 (1) The board shall maintain at least one (1) alternative investment program that is an indexed stock
25 fund and one (1) alternative investment program that is a bond fund. The board may maintain one
26 (1) or more alternative investment programs that:

27 (A) invest in one (1) or more commingled or pooled funds that consist in part or entirely of
28 mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6; or

29 (B) otherwise invest in mortgages that qualify as five star mortgages under the program
30 established by IC 24-5-23.6.

31 (2) The programs should represent a variety of investment objectives under IC 5-10.3-5-3.

32 (3) No program may permit a member to withdraw money from the member's account except as
33 provided in IC 5-10.2-3 and IC 5-10.2-4.

34 (4) All administrative costs of each alternative program shall be paid from the earnings on that
35 program or as may be determined by the rules of the board.

36 (5) Except as provided in section 4(e) of this chapter, a valuation of each member's account must
37 be completed as of:

38 (A) the last day of each quarter; or

39 (B) another time as the board may specify by rule.

40 **(6) The board shall maintain as an alternative investment program the fund described in**
41 **section 3.5 of this chapter.**

42 (d) The board must prepare, at least annually, an analysis of the guaranteed program (before January
43 1, 2017), the stable value fund (after December 31, 2016), and each alternative investment program. This
44 analysis must:

45 (1) include a description of the procedure for selecting an alternative investment program;

46 (2) be understandable by the majority of members; and

47 (3) include a description of prior investment performance.

1 (e) A member may direct the allocation of the amount credited to the member among the guaranteed
2 fund (before January 1, 2017), the stable value fund (after December 31, 2016), and any available
3 alternative investment funds, subject to the following conditions:

4 (1) A member may make a selection or change an existing selection under rules established by the
5 board. The board shall allow a member to make a selection or change any existing selection at least
6 once each quarter.

7 (2) The board shall implement the member's selection beginning on the first day of the next calendar
8 quarter that begins at least thirty (30) days after the selection is received by the board or on an
9 alternate date established by the rules of the board. This date is the effective date of the member's
10 selection.

11 (3) A member may select any combination of the guaranteed fund (before January 1, 2017), the
12 stable value fund (after December 31, 2016), or any available alternative investment funds, in ten
13 percent (10%) increments or smaller increments that may be established by the rules of the board.

14 (4) A member's selection remains in effect until a new selection is made.

15 (5) On the effective date of a member's selection, the board shall reallocate the member's existing
16 balance or balances in accordance with the member's direction, based on:

17 (A) for an alternative investment program balance, the market value on the effective date;

18 (B) for any guaranteed program balance, the account balance on the effective date; and

19 (C) for any stable value fund program balance, the balance of the member's account on the
20 effective date.

21 All contributions to the member's account shall be allocated as of the last day of that quarter or at
22 an alternate time established by the rules of the board in accordance with the member's most recent
23 effective direction. The board shall not reallocate the member's account at any other time.

24 (6) The provisions concerning the transition from the guaranteed program to the stable value fund
25 program are met, as set forth in section 24 of this chapter.

26 (f) When a member who participates in an alternative investment program transfers the amount
27 credited to the member from one (1) alternative investment program to another alternative investment
28 program, to the guaranteed program (before January 1, 2017), or to the stable value fund program (after
29 December 31, 2016), the amount credited to the member shall be valued at the market value of the
30 member's investment, as of the day before the effective date of the member's selection or at an alternate
31 time established by the rules of the board. When a member who participates in an alternative investment
32 program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the
33 amount credited to the member shall be the market value of the member's investment as of the last day
34 of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or
35 suspension and withdrawal, plus contributions received after that date or at an alternate time established
36 by the rules of the board.

37 (g) This subsection applies before January 1, 2017. When a member who participates in the guaranteed
38 program transfers the amount credited to the member to an alternative investment program, the amount
39 credited to the member in the guaranteed program is computed without regard to market value and is
40 based on the balance of the member's account in the guaranteed program as of the last day of the quarter
41 preceding the effective date of the transfer. However, the board may by rule provide for an alternate
42 valuation date. When a member who participates in the guaranteed program retires, becomes disabled,
43 dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be
44 computed without regard to market value and is based on the balance of the member's account in the
45 guaranteed program as of the last day of the quarter preceding the member's distribution or annuitization
46 at retirement, disability, death, or suspension and withdrawal, plus any contributions received since that
47 date plus interest since that date. However, the board may by rule provide for an alternate valuation date.

1 (h) This subsection applies after December 31, 2016. When a member who participates in the stable
2 value fund program transfers the amount credited to the member from the stable value fund program to
3 an alternative investment program, the amount credited to the member shall be the balance of the
4 member's account, as of the day before the effective date of the member's selection or at an alternate time
5 established by the rules of the board. When a member who participates in the stable value fund program
6 retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount
7 credited to the member shall be the balance of the member's account as of the last day of the quarter
8 preceding the member's distribution or annuitization at retirement, disability, death, or suspension and
9 withdrawal, plus contributions received after that date or at an alternate time established by the rules of
10 the board.

11 SECTION 55. IC 5-10.2-2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
12 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 3.5. (a) As used in this section, "next level**
13 **Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by**
14 **subsection (b).**

15 (b) After December 31, 2017, the board shall establish and maintain an alternative investment
16 program within the annuity savings account of the public employees' retirement fund, the pre-1996
17 account, and the 1996 account named the next level Indiana innovation and entrepreneurial fund.
18 The board shall consult with the board of trustees of the next level Indiana trust fund established
19 under IC 8-14-15.1 and the deferred compensation committee established under IC 5-10-1.1-4 in
20 establishing the investment objectives and policies for the next level Indiana fund.

21 (c) The following apply to a member who selects the next level Indiana fund:

22 (1) The member's initial transfer into the next level Indiana fund may not exceed twenty
23 percent (20%) of the balance in the member's account, as of the day before the effective date
24 of the member's selection of the next level Indiana fund.

25 (2) After the member's initial transfer into the next level Indiana fund, contributions made by
26 the member, or on the member's behalf, into the next level Indiana fund each year may not
27 exceed twenty percent (20%) of the total contributions to the member's account for that year.

28 (3) If a member:

29 (A) contributes not less than the amount the member initially designated to the next level
30 Indiana fund for at least thirty-six (36) consecutive months; and

31 (B) maintains in the next level Indiana fund the amounts transferred and contributed
32 during that period;

33 the state shall contribute on the member's behalf to the next level Indiana fund as a match ten
34 percent (10%) of the total amount contributed by or on the member's behalf to the next level
35 Indiana fund during that thirty-six (36) month period.

36 (4) After the period described in subdivision (3), for each additional twelve (12) consecutive
37 months that a member:

38 (A) contributes not less than the amount the member initially designated to the next level
39 Indiana fund; and

40 (B) maintains in the next level Indiana fund the amounts transferred and contributed
41 during that period;

42 the state shall contribute on the member's behalf to the next level Indiana fund as a match ten
43 percent (10%) of the total amount contributed by or on the member's behalf to the next level
44 Indiana fund during that twelve (12) month period. In determining the state's match under
45 this subdivision, the total amount contributed by or on the member's behalf excludes the
46 amount of any state match under this subdivision or subdivision (3).

47 (d) The state match under this section shall be paid from the personal services contingency fund.

1 SECTION 56. IC 5-10.2-2-11, AS AMENDED BY P.L.241-2015, SECTION 4, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. (a) Based on the actuarial investigation and
3 valuation in section 9 of this chapter, the board shall determine:

4 (1) the normal contribution for each contribution rate group, which is the amount necessary to fund
5 the pension portion of the retirement benefit;

6 (2) the rate of normal contribution;

7 (3) the unfunded accrued liability of the public employees' retirement fund, the pre-1996 account,
8 and the 1996 account, which is the excess of total accrued liability over the fund's or account's total
9 assets, respectively; and

10 (4) the period, which must be thirty (30) years or a shorter period, necessary to amortize the
11 unfunded accrued liability determined in subdivision (3).

12 (b) Based on the information in subsection (a), the board may determine, in its sole discretion,
13 contributions and contribution rates for individual employers or for a group of employers.

14 (c) The board shall require an employer to make a supplemental contribution to the fund in addition
15 to the amounts described in subsection (a)(3) and (a)(4) in an amount necessary to pay the employer's
16 share of the fund's actuarial unfunded liability that other employers would otherwise be required to pay
17 because the employer's employees are becoming members of the plan under IC 5-10.3-12 or **IC 5-10.4-8**
18 instead of the fund. The amount necessary to pay an employer's contribution under this subsection in full
19 must be made in a lump sum or in a series of payments determined by the board.

20 (d) The board's determinations under subsection (a):

21 (1) are subject to sections 1.5 and 11.5 of this chapter; and

22 (2) may not include an amount for a retired member for whom the employer may not make
23 contributions during the member's period of reemployment as provided under IC 5-10.2-4-8(e).

24 (e) If the board determines contributions and contribution rates for one (1) or more employers under
25 this section differ from the contributions and contribution rates determined by the actuarial investigation
26 under section 9 of this chapter, the board shall notify the interim study committee for pension
27 management oversight of this fact by reporting the board's action to the legislative services agency in an
28 electronic format under IC 5-14-6.

29 SECTION 57. IC 5-10.4-4-1, AS AMENDED BY P.L.119-2012, SECTION 14, IS AMENDED TO
30 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The members of the fund include:

31 (1) legally qualified and regularly employed teachers in the public schools;

32 (2) persons employed by a governing body, who were qualified before their election or appointment;

33 (3) legally qualified and regularly employed teachers at Ball State University, Indiana State
34 University, University of Southern Indiana, and Vincennes University;

35 (4) legally qualified and regularly employed teachers in a state educational institution whose
36 teachers devote their entire time to teaching;

37 (5) legally qualified and regularly employed teachers in state benevolent, charitable, or correctional
38 institutions;

39 (6) legally qualified and regularly employed teachers in an experimental school in a state university
40 who teach elementary or high school students;

41 (7) as determined by the board, certain instructors serving in a state educational institution extension
42 division not covered by a state retirement law;

43 (8) employees and officers of the department of education and of the fund who were qualified before
44 their election or appointment;

45 (9) a person who:

46 (A) is employed as a nurse appointed under IC 20-34-3-6 by a school corporation located in a city
47 having a population of more than eighty thousand (80,000) but less than eighty thousand four

1 hundred (80,400); and
2 (B) participated in the fund before December 31, 1991, in the position described in clause (A);
3 and
4 (10) persons who are employed by the fund.

5 (b) Teachers in any state institution who accept the benefits of a state supported retirement benefit
6 system comparable to the fund's benefits may not come under the fund unless permitted by law or the
7 rules of the board.

8 (c) The members of the fund do not include substitute teachers who have not obtained an associate
9 degree or a baccalaureate degree.

10 **(d) The members of the fund do not include individuals who participate in the teachers' defined**
11 **contribution plan under IC 5-10.4-8.**

12 SECTION 58. IC 5-10.4-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
13 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

14 **Chapter 8. Teachers' Defined Contribution Plan**

15 **Sec. 1. (a) Except as provided in subsection (b), this chapter applies after the effective date of the**
16 **plan to an individual who:**

17 (1) begins employment with a school corporation in a covered position that would otherwise
18 be eligible for membership in the fund under IC 5-10.4-4; and

19 (2) makes an election described in section 6 of this chapter to become a member of the plan.

20 **(b) This chapter does not apply to the following:**

21 (1) An individual who, before the effective date of the plan, is or was a member (as defined in
22 IC 5-10.4-1-9) of the fund.

23 (2) An individual who, on or after the effective date of the plan:

24 (A) begins employment with a school corporation that participates in the plan in a covered
25 position that would otherwise be eligible for membership in the fund under IC 5-10.4-4; and

26 (B) does not make the election described in section 6 of this chapter to become a member
27 of the plan.

28 **Sec. 2. The following definitions apply throughout this chapter:**

29 (1) "Account" means the plan account established for a member under section 7(b) of this
30 chapter.

31 (2) "Annuity savings account" means the annuity savings account of the 1996 account
32 maintained under IC 5-10.2-2-2(b)(2) and IC 5-10.2-2-2(c)(1).

33 (3) "Compensation" has the meaning set forth in IC 5-10.2-3-2(a).

34 (4) "Effective date" means the first day of the month that is six (6) months after the month in
35 which the board adopts provisions to implement the plan under section 4(b) of this chapter.

36 (5) "Employer" means a school corporation.

37 (6) "Employer contribution subaccount" means the subaccount in a member's plan account
38 established under section 7(b)(2) of this chapter.

39 (7) "Internal Revenue Code" has the meaning set forth in IC 5-10.2-1-3.5.

40 (8) "Member" means an individual described in section 1(a) of this chapter who is not
41 otherwise excluded from membership in the plan.

42 (9) "Member contribution subaccount" means the subaccount in a member's plan account
43 established under section 7(b)(1) of this chapter.

44 (10) "Normal retirement age" for a member means the member is at least sixty-two (62) years
45 of age with at least five (5) years of participation in the plan.

46 (11) "Plan" refers to the teachers' defined contribution plan established by section 4 of this
47 chapter.

1 (12) "Years of participation" means all periods of participation in the plan in a covered
2 position, plus any additional service for which this chapter provides years of participation
3 credit.

4 Sec. 3. Except as otherwise provided in this chapter or by federal law, and subject to the board
5 obtaining any approval from the Internal Revenue Service that the board considers necessary or
6 desirable, the provisions of this article that apply to the annuity savings account apply to an account
7 established under this chapter.

8 Sec. 4. (a) The teachers' defined contribution plan is established for the purpose of providing
9 amounts funded by an employer and a member for the use of the member or the member's
10 beneficiaries or survivors after the member's retirement.

11 (b) The board shall adopt provisions to implement the plan established under subsection (a) as
12 follows:

13 (1) The board shall initially offer the plan using the annuity savings account, subject to
14 obtaining any approval from the Internal Revenue Service that the board considers necessary
15 or desirable to preserve the qualified status of the plan and the fund. The plan as provided
16 under this subdivision is a component within the fund.

17 (2) If the approval of the Internal Revenue Service to offer the plan using the annuity savings
18 account cannot be obtained in a manner satisfactory to the board, the board shall offer the
19 plan as a separate fund under Section 401(a) or another applicable section of the Internal
20 Revenue Code.

21 (c) The board shall administer the plan.

22 (d) The board may adopt a plan document that it considers appropriate or necessary to
23 administer the plan.

24 Sec. 5. The board may request from the Internal Revenue Service any rulings or determination
25 letters that the board considers necessary or appropriate in order to implement or administer the
26 plan.

27 Sec. 6. (a) An individual who, on or after the effective date of the plan, begins employment with
28 a school corporation that participates in the plan in a covered position that would otherwise be
29 eligible for membership in the fund under IC 5-10.4-4 may elect to become a member of the plan.

30 (b) An election under this section:

31 (1) must be made in writing;

32 (2) must be filed with the board, on a form prescribed by the board; and

33 (3) is irrevocable.

34 (c) An individual who does not elect to become a member of the plan becomes a member (as
35 defined in IC 5-10.4-1-9) of the fund.

36 Sec. 7. (a) The plan consists of the following:

37 (1) Each member's contributions to the plan under section 9 of this chapter.

38 (2) Contributions made by an employer to the plan on behalf of each member under section
39 10 of this chapter.

40 (3) Rollovers to the plan by a member under section 15 of this chapter.

41 (4) All earnings on investments or deposits of the plan.

42 (5) All contributions or payments to the plan made in the manner provided by the general
43 assembly.

44 (b) The plan shall establish an account for each member. A member's account consists of two
45 (2) subaccounts credited individually as follows:

46 (1) The member contribution subaccount consists of:

47 (A) the member's contributions to the plan under section 9 of this chapter; and

1 (B) the net earnings on the contributions described in clause (A) as determined under
2 section 8 of this chapter.

3 (2) The employer contribution subaccount consists of:

4 (A) the employer's contributions made on behalf of the member to the plan under section
5 10 of this chapter; and

6 (B) the earnings on the contributions described in clause (A) as determined under section
7 8 of this chapter.

8 The board may combine the two (2) subaccounts established under this subsection into a single
9 account, if the board determines that a single account is administratively appropriate and
10 permissible under applicable law.

11 (c) If a member makes rollover contributions under section 15 of this chapter, the plan shall
12 establish a rollover account as a separate subaccount within the member's account.

13 Sec. 8. (a) Subject to the board obtaining any approval from the Internal Revenue Service that
14 the board considers necessary or desirable, the board shall establish alternative investment
15 programs (as described by IC 5-10.2-2-3) within the annuity savings account as the initial
16 alternative investment programs for the plan. If the board considers it necessary or appropriate,
17 the board may establish different or additional alternative investment programs for the plan, except
18 that the board shall maintain the stable value fund as described by IC 5-10.2-2-3(b).

19 (b) The requirements and rules that apply to the alternative investment programs within the
20 annuity savings account are the initial requirements and rules that apply to the alternative
21 investment programs within the plan, including the following:

22 (1) The board's investment guidelines and limits for the alternative investment programs.

23 (2) A member's selection of and changes to the member's investment options.

24 (3) The valuation of a member's account.

25 (4) The allocation and payment of administrative expenses for the alternative investment
26 programs.

27 (c) If the board considers it necessary or appropriate, the board may establish different or
28 additional requirements and rules that apply to the alternative investment programs within the
29 plan.

30 (d) The board shall determine the appropriate administrative fees to be charged to the member
31 accounts.

32 Sec. 9. (a) Each member's contribution to the plan is equal to three percent (3%) of the
33 member's compensation.

34 (b) An employer shall pay a member's contribution on behalf of the member.

35 (c) To the extent permitted by the Internal Revenue Code and applicable regulations, a member
36 of the plan may make contributions to the plan in addition to the contribution required under
37 subsection (a). IC 5-10.2-3-2(c) and IC 5-10.2-3-2(d) govern additional contributions made under
38 this subsection.

39 (d) Member contributions must be credited to the member's account as specified in IC 5-10.2-3.

40 (e) Although designated as employee contributions, the contributions made under subsection (b)
41 by an employer must be picked up and paid by the employer instead of the contributions being paid
42 by the employee in accordance with Section 414(h)(2) of the Internal Revenue Code.

43 (f) A member may not receive any amounts paid by an employer under this section directly
44 instead of having the amounts paid to the plan.

45 Sec. 10. (a) An employer shall make employer contributions to the plan based on the rate
46 determined under this section.

47 (b) The employer's contribution rate for the plan must be equal to the employer's contribution

1 rate for the fund as determined by the board under IC 5-10.2-2-11(b). The amount credited from
2 the employer's contribution rate to the member's account shall be the normal cost of the fund. Any
3 amount not credited to the member's account must be applied to the unfunded accrued liability of
4 the fund as determined under IC 5-10.2-2-11(c).

5 (c) Notwithstanding subsection (b), an employer's minimum contribution under this section is
6 equal to three percent (3%) of the compensation of all members of the plan.

7 (d) An employer shall submit the employer contributions determined under this section as
8 provided in IC 5-10.2-2-12.5.

9 Sec. 11. (a) Member contributions and net earnings on the member contributions in the member
10 contribution subaccount belong to the member at all times and do not belong to the employer.

11 (b) A member is vested in the employer contribution subaccount in accordance with the
12 following schedule:

13 Years of participation in the	Vested percentage of
14 plan	15 employer contributions
	16 and earnings
17 1	20%
18 2	40%
19 3	60%
20 4	80%
20 5	100%

21 For purposes of vesting in the employer contribution subaccount, only a member's full years of
22 participation in the plan may be counted.

23 (c) The amount that a member may withdraw from the member's account is limited to the vested
24 portion of the account.

25 (d) A member who attains normal retirement age is fully vested in all amounts in the member's
26 account.

27 (e) If a member separates from service with an employer before the member is fully vested in
28 the employer contribution subaccount, the amount in the employer contribution subaccount that
29 is not vested remains in the employer contribution subaccount as unvested employer contributions
30 until, and only to the extent that, the unvested employer contributions:

- 31 (1) become vested in accordance with subsection (b);
- 32 (2) are forfeited in accordance with subsection (f); or
- 33 (3) in some proportion, become vested under subdivision (1) and forfeited under subdivision
- 34 (2).

35 (f) A member forfeits unvested employer contributions in the member's employer contribution
36 account on the earliest of the following dates:

- 37 (1) The date of the member's death.
- 38 (2) The date that the member withdraws the member's money from the plan.
- 39 (3) The date that the plan is required to distribute the member's money from the plan.

40 (g) Amounts forfeited under subsection (f) must be used as determined by the board.

41 (h) A member may not earn creditable service (as defined in IC 5-10.2-3-1(a)) under the plan.

42 Sec. 12. (a) Subject to the provisions of the Internal Revenue Code applicable to qualified plan
43 distributions, a member who:

- 44 (1) terminates service in a covered position; and
- 45 (2) does not perform any service in a position covered by the fund for at least thirty (30) days
- 46 after the date on which the member terminates service;

47 is entitled to withdraw amounts in the member's account to the extent the member is vested in the

1 account. A member must make a required withdrawal from the member's account not later than
2 the required beginning date under the Internal Revenue Code.

3 (b) A member may elect to have withdrawals paid as:

4 (1) a lump sum;

5 (2) a direct rollover to another eligible retirement plan; or

6 (3) if the member has attained normal retirement age, a monthly annuity in accordance with
7 the rules of the board.

8 (c) The board may establish a minimum account balance or a minimum monthly payment
9 amount in order for a member to select the monthly annuity option. The board shall establish the
10 forms of annuity by rule, in consultation with the board's actuary. The board shall give members
11 information about these forms of payment and any information required by federal law to
12 accompany such distributions.

13 (d) Unless otherwise required by federal or state law, the requirements and rules that apply to
14 the distribution of the annuity savings account apply to distributions from a member's account.

15 Sec. 13. (a) If a member dies:

16 (1) while in service in a position covered by the plan; or

17 (2) after terminating service in a position covered by the plan but before withdrawing the
18 member's account;

19 to the extent that the member is vested, the member's account shall be paid to the beneficiary or
20 beneficiaries designated by the member on a form prescribed by the board. The amount paid must
21 be valued as provided in IC 5-10.2-2-3. The board shall invest the total amount in the member's
22 account in the stable value fund not later than thirty (30) days after receiving notification of a
23 member's death.

24 (b) If there is no properly designated beneficiary, or if no beneficiary survives the member, the
25 member's account shall be paid to:

26 (1) the surviving spouse of the member;

27 (2) if there is not a surviving spouse, the surviving dependent or dependents of the member in
28 equal shares; or

29 (3) if there is not a surviving spouse or dependent, the member's estate.

30 (c) The beneficiary or beneficiaries designated under subsection (a) or a survivor determined
31 under subsection (b) may elect to have the member's account paid as:

32 (1) a lump sum;

33 (2) a direct rollover to another eligible retirement plan; or

34 (3) a monthly annuity in accordance with rules of the board.

35 A monthly annuity is an option only on or after the date the beneficiary or survivor becomes
36 sixty-two (62) years of age. The board shall establish the forms of annuity by rule, in consultation
37 with the board's actuary. Further, the board may establish a minimum account balance or a
38 minimum monthly payment amount that is required in order for a beneficiary or survivor to select
39 the monthly annuity option.

40 Sec. 14. (a) All assets in the plan are exempt from levy, sale, garnishment, attachment, or other
41 legal process.

42 (b) A member, beneficiary, or survivor may not assign any payment under this chapter except
43 for the following:

44 (1) Premiums on a life, hospitalization, surgical, or medical group insurance plan maintained
45 in part by a state agency.

46 (2) Dues to an association that proves to the board's satisfaction that the association has as
47 members at least twenty percent (20%) of the retired members in the plan.

1 **Sec. 15. (a) To the extent permitted by the Internal Revenue Code and the applicable regulations**
2 **and guidance, the plan may accept, on behalf of any member who is employed in a covered position,**
3 **a rollover distribution from any of the following:**

4 **(1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue**
5 **Code.**

6 **(2) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.**

7 **(3) An eligible plan maintained by a state, a political subdivision of a state, or an agency or**
8 **instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal**
9 **Revenue Code.**

10 **(4) An individual retirement account or annuity described in Section 408(a) or Section 408(b)**
11 **of the Internal Revenue Code.**

12 **(b) Any amounts rolled over under subsection (a) must be accounted for in a rollover account**
13 **that is separate from the member's account in the plan. The member is fully vested in the member's**
14 **rollover account.**

15 **(c) A member may direct the investment of the member's rollover account into any alternative**
16 **investment option that the board may make available to the member's rollover account under**
17 **section 8 of this chapter.**

18 **(d) A member may withdraw the member's rollover account from the plan in a lump sum or**
19 **direct a rollover to an eligible retirement plan at any time. Upon attainment of normal retirement**
20 **age, in addition to these payment options, the member may withdraw the member's rollover**
21 **account as a monthly annuity as established by the board in accordance with the annuity options**
22 **that are available for the member's account in the plan. A member shall make a required**
23 **withdrawal from the member's account in the plan not later than the required beginning date under**
24 **the Internal Revenue Code.**

25 **Sec. 16. (a) If a member becomes disabled while in a covered position, subject to any federal law**
26 **limitations concerning qualified plan distributions and the member furnishing proof of the**
27 **member's qualification for Social Security disability benefits to the board, to the extent that the**
28 **member is vested, the member may make a withdrawal from the member's account.**

29 **(b) The member may elect to have the withdrawal paid as:**

30 **(1) a lump sum;**

31 **(2) a direct rollover to another eligible retirement plan; or**

32 **(3) a monthly annuity in accordance with the rules of the board.**

33 **(c) The board may establish a minimum account balance or a minimum monthly payment**
34 **amount in order for a member to select the monthly annuity option.**

35 **Sec. 17. (a) If a member of the plan separates from employment with the member's employer and**
36 **later returns to employment in a position covered by the plan:**

37 **(1) the individual resumes membership in the plan; and**

38 **(2) the member is entitled to receive credit for the member's years of participation in the plan**
39 **before the member's separation.**

40 **(b) An individual who elected under section 6 of this chapter to become a member of the plan**
41 **resumes membership in the plan upon the individual's return to employment covered by the plan.**

42 **(c) An individual who did not elect to become a member of the plan resumes membership in the**
43 **fund.**

44 **(d) An individual who returns to employment in a position covered by the plan having had an**
45 **opportunity to make an election under section 6 of this chapter during an earlier period of**
46 **employment is not entitled to a second opportunity to make an election under section 6 of this**
47 **chapter.**

1 SECTION 59. IC 5-10.4-9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
2 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

3 **Chapter 9. Participation by School Corporations in the Defined Contribution Plan**

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

5 (1) "Account" has the meaning set forth in IC 5-10.4-8-2(1).

6 (2) "Plan" has the meaning set forth in IC 5-10.4-8-2(11).

7 **Sec. 2. On the effective date of the plan, a school corporation becomes a participant in the plan.**

8 **Sec. 3. After a school corporation becomes a participant in the plan, its governing body may**
9 **make appropriations, make payments, and do all things required under IC 5-10.4-8.**

10 **Sec. 4. The board shall maintain separate accounts for each contribution rate group. Credits and**
11 **charges to these accounts shall be made as prescribed under IC 5-10.4-8.**

12 **Sec. 5. A school corporation shall make the appropriations and payments required under this**
13 **article and IC 5-10.2 from its general fund.**

14 **Sec. 6. If a school corporation fails to make payments required by this chapter, the amount**
15 **payable may be:**

16 (1) withheld by the auditor of state from money payable to the school corporation and
17 transferred to the plan; or

18 (2) recovered in a suit in the circuit or superior court of the county in which the school
19 corporation is located. The suit must be an action by the state on the relation of the board,
20 prosecuted by the attorney general.

21 SECTION 60. IC 5-10.5-4-1, AS AMENDED BY P.L.181-2015, SECTION 9, IS AMENDED TO
22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. The board shall do all of the following:

23 (1) Appoint and fix the salary of a director.

24 (2) Employ or contract with employees, auditors, technical experts, legal counsel, and other service
25 providers as the board considers necessary to transact the business of the fund without the approval
26 of any state officer, and fix the compensation of those persons.

27 (3) Establish a general office in Indianapolis for board meetings and for administrative personnel.

28 (4) Provide for the installation in the general office of a complete system of:

29 (A) books;

30 (B) accounts, including reserve accounts; and

31 (C) records;

32 to give effect to all the requirements of this article and to ensure the proper operation of the fund.

33 (5) Provide for a report at least annually to each member of the amount credited to the member in
34 the annuity savings account in each investment program under IC 5-10.2-2.

35 (6) With the advice of the actuary, adopt actuarial tables and compile data needed for actuarial
36 studies that are necessary for the fund's operation.

37 (7) Act on applications for benefits and claims of error filed by members.

38 (8) Have the accounts of the fund audited by the state board of accounts and if the board determines
39 that it is advisable, have the operation of a public pension or retirement fund of the system audited
40 by a certified public accountant.

41 (9) Publish for the members a synopsis of the fund's condition.

42 (10) Adopt a budget on a calendar year or fiscal year basis that is sufficient, as determined by the
43 board, to perform the board's duties and, as appropriate and reasonable, draw upon fund assets to
44 fund the budget.

45 (11) Expend money, including income from the fund's investments, for effectuating the fund's
46 purposes.

47 (12) Establish personnel programs and policies for the employees of the system.

1 (13) Submit a financial report before November 1 each year to the governor, the interim study
2 committee on pension management oversight established by IC 2-5-1.3-4 in an electronic format
3 under IC 5-14-6, and the budget committee. The report under this subdivision must set forth a
4 complete operating and financial statement covering its operations during the most recent fiscal year,
5 and include any other information requested by the chair of the interim study committee on pension
6 management oversight established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.

7 (14) Provide the necessary forms for administering the fund.

8 (15) Submit to the auditor of state or the treasurer of state vouchers or reports necessary to claim an
9 amount due from the state to the system.

10 **(16) Provide education to employers and members regarding retirement benefit options of all**
11 **applicable public pension and retirement funds of the system.**

12 SECTION 61. IC 5-23-4.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
13 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

14 **Chapter 4.5. Requests for Information**

15 **Sec. 1. A governmental body may issue a request for information for any of the following**
16 **purposes:**

17 (1) **To consider the factors involved in, the feasibility of, or the potential consequences of a**
18 **contemplated project involving a public facility.**

19 (2) **To prepare a request for proposals.**

20 (3) **To evaluate any aspect of an existing public-private agreement and an associated public**
21 **facility.**

22 **Sec. 2. Notice of a request for information shall be given in accordance with IC 5-3-1.**

23 **Sec. 3. A response to a request for information is confidential unless, and only to the extent that,**
24 **the person who submits the response waives confidentiality in writing. The identity of the person**
25 **submitting the response is a public record.**

26 **Sec. 4. A governmental body is not required to take any action after receiving a response to a**
27 **request for information.**

28 SECTION 62. IC 5-29-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
29 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

30 **Chapter 5. Indiana Tourism Task Force**

31 **Sec. 1. As used in this chapter, "task force" refers to the Indiana tourism task force established**
32 **by section 2 of this chapter.**

33 **Sec. 2. The Indiana tourism task force is established.**

34 **Sec. 3. The task force shall do the following:**

35 (1) **Study the operating structure of state tourism departments in other states, including the**
36 **following:**

37 (A) **Whether these tourism departments use public-private partnerships.**

38 (B) **The level of state funding provided to state tourism departments.**

39 (C) **The relationship between state funding of a state's tourism department and the**
40 **economic impact of tourism on the state.**

41 (2) **Submit, not later than August 15, 2018, to the council a report setting forth the task force's**
42 **findings and recommendations under subdivision (1). The council shall consider the report at**
43 **its next regularly scheduled meeting and take the actions necessary to finalize the report and**
44 **deliver it to the governor, the lieutenant governor, and the legislative council in an electronic**
45 **format under IC 5-14-6.**

46 **Sec. 4. (a) The membership of the task force consists of five (5) tourism marketing professionals**
47 **appointed by the lieutenant governor after considering the recommendation of the Indiana Tourism**

1 Council.

2 (b) Members shall be appointed by the lieutenant governor not later than October 1, 2017. Each
3 member appointed under subsection (a) serves at the pleasure of the lieutenant governor.

4 (c) At the first meeting of the task force, the members of the task force shall select a chairperson.

5 (d) The task force shall meet at least quarterly or at the call of the chairperson.

6 (e) The task force shall deliver a status report at each regularly scheduled meeting of the council
7 during the duration of the task force's existence.

8 Sec. 5. (a) A quorum of the task force consists of three (3) members.

9 (b) The affirmative vote of at least three (3) members of the task force is necessary for any action
10 to be taken, including the approval of a report under section 3(2) of this chapter.

11 Sec. 6. (a) The office of tourism development shall staff and provide administrative support to
12 the task force.

13 (b) Expenses of the task force include but are not limited to the purchase or licensing of data or
14 systems necessary to create the report. Members of the task force may not receive a salary for their
15 service on the task force.

16 (c) All state agencies shall fully cooperate with the task force and provide data and other
17 information to assist the task force in carrying out its responsibilities under this chapter.

18 Sec. 7. This chapter expires June 30, 2019.

19 SECTION 63. IC 6-1.1-20.3-5, AS AMENDED BY P.L.146-2008, SECTION 204, IS AMENDED TO
20 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The board may employ an
21 executive director who shall serve at the pleasure of the board and carry out the administrative
22 responsibilities assigned by the board.

23 (a) (b) The department of local government finance shall provide the board with the staff and
24 assistance that the board reasonably requires.

25 (b) (c) The department of local government finance shall provide from the department's budget funding
26 to support the board's duties under this chapter.

27 (c) (d) The board may contract with accountants, financial experts, and other advisors and consultants
28 as necessary to carry out the board's duties under this chapter.

29 SECTION 64. IC 6-3-2-4, AS AMENDED BY P.L.250-2015, SECTION 16, IS AMENDED TO
30 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018]: Sec. 4. (a) Each taxable year, an individual,
31 or the individual's surviving spouse, is entitled to **the following:**

32 (1) An adjusted gross income tax deduction for the first five thousand dollars (\$5,000) of income,
33 ~~including retirement or survivor's benefits, excluding adjusted gross income described in~~
34 **subdivision (2)**, received during the taxable year by the individual, or the individual's surviving
35 spouse, for the individual's service in an active or reserve component of the armed forces of the
36 United States, including the army, navy, air force, coast guard, marine corps, merchant marine,
37 Indiana army national guard, or Indiana air national guard. ~~However, a person who is less than sixty~~
38 ~~(60) years of age on the last day of the person's taxable year, is not, for that taxable year, entitled to~~
39 ~~a deduction under this section for retirement or survivor's benefits.~~

40 (2) An adjusted gross income tax deduction of six thousand two hundred fifty dollars (\$6,250)
41 for income from retirement or survivor's benefits received during the taxable year by the
42 individual, or the individual's surviving spouse, for the individual's service in an active or
43 reserve component of the armed forces of the United States, including the army, navy, air
44 force, coast guard, marine corps, merchant marine, Indiana army national guard, or Indiana
45 air national guard.

46 (b) An individual whose qualified military income is subtracted from the individual's federal adjusted
47 gross income under IC 6-3-1-3.5(a)(19) for Indiana individual income tax purposes is not, for that taxable

1 year, entitled to a deduction under this section for the ~~individual's~~ **same** qualified military income **that**
2 **is deducted under IC 6-3-1-3.5(a)(19).**

3 SECTION 65. IC 6-3-3-14.6, AS AMENDED BY P.L.181-2016, SECTION 26, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 14.6. (a) This section
5 applies only to taxable years beginning after December 31, 2015.

6 (b) As used in this section, "hospital" means an acute care hospital that:

7 (1) is licensed under IC 16-21-2;

8 (2) is operated on a for-profit basis;

9 (3) is subject to the adjusted gross income tax at the rate specified in IC 6-3-2-1(b);

10 (4) provides health care, accommodations, facilities, and equipment, in connection with the services
11 of a physician, to individuals who may need medical or surgical services; and

12 (5) is not primarily providing care and treatment of patients:

13 (A) with a cardiac condition;

14 (B) with an orthopedic condition; or

15 (C) receiving a surgical procedure.

16 (c) Each taxable year, a hospital is entitled to a credit against the hospital's adjusted gross income tax
17 liability for the taxable year equal to ~~ten~~ **twenty** percent (~~10%~~) (**20%**) of the property taxes paid in
18 Indiana **on real property** for the taxable year on property used as a hospital.

19 (d) The credit provided by this section may not exceed the amount of the taxpayer's adjusted gross
20 income tax liability for the taxable year, reduced by the sum of all credits for the taxable year that are
21 applied before the application of the credit provided by this section. The amount of any unused credit
22 under this section for a taxable year may be carried forward to a succeeding taxable year **or may be**
23 **claimed as a refundable tax credit.**

24 SECTION 66. IC 6-3.1-30.5-13, AS AMENDED BY P.L.213-2015, SECTION 86, IS AMENDED TO
25 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) ~~This subsection applies to a state fiscal~~
26 ~~year beginning before July 1, 2015. The total amount of tax credits awarded under this chapter may not~~
27 ~~exceed seven million five hundred thousand dollars (\$7,500,000) in a state fiscal year.~~

28 (b) ~~This subsection applies to the state fiscal year beginning July 1, 2015. The total amount of tax~~
29 ~~credits awarded under this chapter may not exceed eight million five hundred thousand dollars~~
30 ~~(\$8,500,000) in the state fiscal year.~~

31 (c) ~~This subsection applies to a state fiscal year beginning after June 30, 2016. (a) The total amount~~
32 ~~of tax credits awarded under this chapter may not exceed nine million five hundred thousand dollars~~
33 ~~(\$9,500,000) in a the state fiscal year **beginning July 1, 2016, and ending June 30, 2017.**~~

34 (b) ~~The total amount of tax credits awarded under this chapter in a state fiscal year may not~~
35 ~~exceed the following:~~

36 (1) ~~Twelve million five hundred thousand dollars (\$12,500,000) for the state fiscal year~~
37 ~~beginning July 1, 2017, and ending June 30, 2018.~~

38 (2) ~~Fourteen million dollars (\$14,000,000) for each state fiscal year beginning after June 30,~~
39 ~~2018.~~

40 SECTION 67. IC 6-3.6-9-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. **8.5. (a) The budget agency shall before**
42 **February 1, 2018, transfer to the state general fund from each county's trust account established**
43 **under IC 6-3.6 an amount equal to:**

44 (1) **the amount of the county's certified distribution under IC 6-3.6 that is allocated to certified**
45 **shares under IC 6-3.6-6 for calendar year 2017; multiplied by**

46 (2) **five-tenths of one percent (0.5%);**

47 **to reimburse the state general fund for expenditures related to the department's information**

1 technology modernization project.

2 (b) To the extent that the balance in a county's trust account is insufficient for the budget agency
3 to make the entire amount of the transfer required under subsection (a) before February 1, 2018,
4 the budget agency shall make any remaining part of the required transfer from the county's trust
5 account in subsequent years on a schedule determined by the budget agency until the entire amount
6 of the required transfer has been made.

7 SECTION 68. IC 8-14-15-4, AS ADDED BY P.L.47-2006, SECTION 6, IS AMENDED TO READ
8 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) The authority shall establish a next generation
9 trust fund to hold title to proceeds transferred to the trust under ~~IC 8-15.5-11~~ to be used exclusively for
10 the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of
11 those facilities: Notwithstanding any law to the contrary, title to any proceeds transferred to and
12 held in the trust as previously established under this chapter, including any money and investments
13 held in the trust and under any trust agreement entered into by the authority and the treasurer of
14 state under section 5 of this chapter as previously in effect before July 1, 2017, shall be transferred
15 to the next level Indiana trust fund established under IC 8-14-15.1.

16 (b) The trust shall be established as a charitable trust, separate from the state, but for the benevolent
17 public purpose provided in this section: Upon completion of the transfer to the next level Indiana trust
18 fund established under IC 8-14-15.1 as required by this section, the trust shall cease and be of no
19 further force or effect as a charitable trust or otherwise.

20 (c) The trust consists of the proceeds transferred to the trust under ~~IC 8-15.5-11~~ and any income that
21 accrues from the investment of these proceeds: All provisions of this chapter that are inconsistent with
22 this section are void and of no further force or effect.

23 (d) The officers, directors, and employees of the authority and the treasurer of state (whether
24 arising from the capacities of such positions or from having entered in any trust agreement under
25 this chapter as previously in effect before July 1, 2017) are immune from civil liability in connection
26 with any transfer to the next level Indiana trust fund under this section.

27 SECTION 69. IC 8-14-15.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
28 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

29 **Chapter 15.1. Next Level Indiana Trust Fund**

30 **Sec. 1.** As used in this chapter, "authority" refers to the Indiana finance authority.

31 **Sec. 2.** As used in this chapter, "board" refers to the next level Indiana fund investment board
32 established by section 7 of this chapter.

33 **Sec. 3.** As used in this chapter, "trust" refers to the next level Indiana trust fund established
34 under section 5 this chapter.

35 **Sec. 4.** As used in this chapter, "trustee" refers to the trustee of the trust designated under
36 sections 7 and 9 of this chapter.

37 **Sec. 5. (a)** The authority has established the next level Indiana trust fund to hold title to proceeds
38 transferred to the trust under IC 8-15.5-11, including as held in trust under IC 8-14-15-5 as
39 previously in effect before July 1, 2017, to be used exclusively for the provision of highways, roads,
40 and bridges for the benefit of the people of Indiana and the users of those facilities.

41 (b) The trust as established is a charitable trust, separate from the state, but for the benevolent
42 public purpose provided in this section.

43 (c) The trust consists of the proceeds transferred to the trust under IC 8-15.5-11, including as
44 held in trust under IC 8-14-15-5, and any income that accrues from the investment of these
45 proceeds.

46 **Sec. 6.** The chairman of the authority may enter into a trust agreement on behalf of the authority
47 with the board in furtherance of the purposes of this chapter. Any trust agreement must conform

1 with this chapter. Any provision of the trust agreement entered into under this section that is
2 inconsistent with the provisions or intent of this chapter is void and of no further force or effect.

3 **Sec. 7. (a) The next level Indiana fund investment board is established. The board consists of the**
4 **following members:**

5 (1) **The secretary of commerce or the secretary's designee, who shall serve as the chairperson**
6 **of the board.**

7 (2) **The director of the office of management and budget or the director's designee.**

8 (3) **Two (2) individuals appointed by the governor who have experience and knowledge in**
9 **investments.**

10 (4) **The treasurer of state or the treasurer's designee.**

11 (b) **The board shall serve as trustee of the trust and direct the investment of the trust.**

12 (c) **The board shall adopt an investment policy in conformance with section 8 of this chapter.**

13 (d) **The board shall hold regular meetings at least quarterly. The board may hold special**
14 **meetings at the call of the treasurer of state or with a written request signed by at least two (2)**
15 **members of the board.**

16 (e) **The board may hold its meetings at offices in Indiana that the chairperson or the requesting**
17 **members designate. All meetings must be open to the public in accordance with IC 5-14-1.5. The**
18 **board shall keep a record of its proceedings.**

19 (f) **Three (3) members of the board constitute a quorum for the transaction of business of the**
20 **board. Each member of the board is entitled to one (1) vote. A vote of at least three (3) members**
21 **of the board present is required for the board to adopt a resolution or take other action at a regular**
22 **or special meeting.**

23 **Sec. 8. (a) The board shall adopt an investment policy that includes all the following:**

24 (1) **For not more than fifty percent (50%) of the money in the trust, the policy may provide**
25 **that money in the trust may be invested in investments that:**

26 (A) **maximize risk appropriate returns, which may include the purchase of equity or debt**
27 **securities;**

28 (B) **make significant investments in Indiana funds and companies; and**

29 (C) **have such other investment parameters and procedures as the board determines are**
30 **prudent to ensure that investments are consistent with this chapter.**

31 (2) **For at least fifty percent (50%) of the money in the trust, the policy must provide that such**
32 **money in the trust shall be invested in the same manner as money invested by the Indiana**
33 **public retirement system as required by subsection (d). The investment policy adopted by the**
34 **board may not allow the treasurer of state to invest the money in the trust in equity securities**
35 **under this subdivision.**

36 (3) **Not more than twenty-five million dollars (\$25,000,000) may be invested in any one (1)**
37 **particular investment fund or investment firm.**

38 (4) **Such other investment parameters and procedures as the board determines are prudent**
39 **to ensure that investments are consistent with this chapter.**

40 (b) **The investment policy adopted by the board must give adequate time to change current**
41 **investments in a prudent manner.**

42 (c) **The board may contract with investment management professionals, investment advisers, and**
43 **legal counsel to assist in the investment of the fund and may pay the expenses incurred under those**
44 **contracts from the fund.**

45 (d) **The board has the powers, duties, restrictions, limitations, and penalties in connection with**
46 **the board's and the treasurer of state's investment and management of the assets of trust as if the**

1 following provisions pertaining to the public pension and retirement funds made reference to the
2 trust and the board:

3 (1) IC 5-10.2-2-2.5.

4 (2) IC 5-10.2-2-13.

5 (3) IC 5-10.3-5-3.

6 (4) IC 5-10.3-5-4.

7 (5) IC 5-10.3-5-5.

8 (6) IC 5-10.3-5-6.

9 (7) IC 5-10.4-3-10.

10 (8) IC 5-10.4-3-12.

11 (9) IC 5-10.4-3-13.

12 (10) IC 5-10.4-3-14.

13 (11) IC 5-10.4-3-15.

14 (12) IC 5-10.4-3-16.

15 (e) Compliance with the established investment policy is definitive evidence of compliance with
16 the applicable investment standards in subsection (d).

17 Sec. 9. The board established by section 7 of this chapter shall act as trustee of the trust.

18 Sec. 10. A trust established under this chapter may not be revoked or terminated by the
19 authority, the board, the treasurer of state, or any other person, nor may it be amended or altered
20 by the authority, the board, the treasurer of state, or any other person. However, the terms of the
21 trust provide that the trust terminates when no funds remain in the trust.

22 Sec. 11. (a) The treasurer of state shall:

23 (1) administer and manage the trust;

24 (2) invest the money in the trust at the direction of the trustee consistent with the investment
25 policies adopted by the board; and

26 (3) deposit in the trust:

27 (A) any accrued interest from the investment of money in the trust;

28 (B) proceeds from the sale of trust assets; and

29 (C) other income or returns from the investment of money in the trust.

30 (b) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the trust not
31 currently needed to meet the obligations of the trust under the investment policies adopted by the
32 board. The treasurer of state on behalf of the board may contract with investment management
33 professionals, investment advisers, and legal counsel to assist in the investment of the trust and may
34 pay the expenses incurred under those contracts from the trust.

35 (c) IC 4-9.1-1-8 and IC 4-9.1-1-9 do not apply to a trust established under this chapter.

36 (d) Money and investments in the trust at the end of the state fiscal year do not revert to the state
37 general fund.

38 Sec. 12. IC 30-2-12 and IC 30-4 do not apply to a trust established under this chapter.

39 Sec. 13. (a) The principal of the trust may not be distributed during the term of the trust.

40 (b) The income that accrues from the investment of the trust shall be deposited in the trust.

41 (c) On March 15 in years set forth in the investment policy adopted by the board, the treasurer
42 of state shall transfer all income accruing to the trust to the major moves construction fund.

43 Sec. 14. Any records, files, or documents relating to the trust may be examined by the state board
44 of accounts at a time selected by the state board of accounts. The trustee shall upon request of the
45 state board of accounts:

46 (1) produce and submit any records, files, or documents related to the trust; and

47 (2) assist in every way the state board of accounts in its work in making an examination.

1 **Sec. 15. (a) This section applies to the authority, the board, the treasurer of state, and any other**
2 **person that does any of the following with respect to the trust established under this chapter:**

- 3 **(1) Commits a breach of the trust.**
- 4 **(2) Violates the mandate of the trust or the trust agreement.**
- 5 **(3) Violates a duty imposed by this chapter or the trust agreement.**

6 **(b) The attorney general may petition a court to impose one (1) or more of the following**
7 **remedies for a breach or violation enumerated in subsection (a):**

- 8 **(1) Injunctive relief.**
- 9 **(2) Appointment of temporary receivers.**
- 10 **(3) Permanent removal of any person serving on the board.**
- 11 **(4) Appointment of a permanent replacement for any person serving on the board pending**
12 **approval of a replacement by the governor.**

13 **Any remedy under this subsection is in addition to any other remedy available at law or in equity.**

14 **Sec. 16. The trustee shall report to the budget committee every six (6) months concerning the**
15 **investment of trust assets, the returns on those investments, and other actions taken by the trustee**
16 **and the board.**

17 SECTION 70. IC 8-15.5-1-2, AS AMENDED BY P.L.181-2016, SECTION 33, IS AMENDED TO
18 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) This article contains full and complete
19 authority for public-private agreements between the authority, a private entity, and, where applicable, a
20 governmental entity. Except as provided in this article, no law, procedure, proceeding, publication, notice,
21 consent, approval, order, or act by the authority or any other officer, department, agency, or
22 instrumentality of the state or any political subdivision is required for the authority to enter into a
23 public-private agreement with a private entity under this article, or for a project that is the subject of a
24 public-private agreement to be constructed, acquired, maintained, repaired, operated, financed,
25 transferred, or conveyed.

26 (b) Before the authority or the department may issue a request for proposals for or enter into a
27 public-private agreement under this article that would authorize an operator to impose tolls for the
28 operation of motor vehicles on all or part of a toll road project, the general assembly must adopt a statute
29 authorizing the imposition of tolls. However, during the period beginning July 1, 2011, and ending June
30 30, 2021, and notwithstanding subsection (c), the general assembly is not required to enact a statute
31 authorizing the authority or the department to issue a request for proposals or enter into a public-private
32 agreement to authorize an operator to impose tolls for the operation of motor vehicles on all or part of the
33 following projects:

- 34 (1) A project on which construction begins after June 30, 2011, not including any part of Interstate
35 Highway 69 other than a part described in subdivision (4).
- 36 (2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other
37 facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or
38 facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.
- 39 (3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in
40 northwestern Indiana with an interstate highway in Illinois.
- 41 (4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and
42 that connects the state of Indiana with the commonwealth of Kentucky.

43 (c) Before the authority or an operator may carry out any of the following activities under this article,
44 the general assembly must enact a statute authorizing that activity:

- 45 (1) Imposing tolls on motor vehicles for use of Interstate Highway 69.

1 (2) Imposing tolls on motor vehicles for use of a nontolled highway, roadway, or other facility in
2 existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes,
3 and state routes.

4 (d) The general assembly is not required to enact a statute authorizing the authority or the department
5 to issue a request for proposals or enter into a public-private agreement for a freeway project.

6 (e) The authority may enter into a public-private agreement for a facility project if the general
7 assembly, by statute, authorizes the authority to enter into a public-private agreement for the facility
8 project.

9 (f) As permitted by subsection (e), the general assembly authorizes the authority to enter into
10 public-private agreements for the following facility projects:

11 (1) A state park inn and related improvements in an existing state park located in a county with a
12 population of more than two hundred thousand (200,000) and less than three hundred thousand
13 (300,000).

14 (2) Communications systems infrastructure, including:

15 (A) towers and associated land, improvements, foundations, access roads and rights-of-way,
16 structures, fencing, and equipment necessary, proper, or convenient to enable the towers to
17 function as part of the communications system;

18 (B) any equipment necessary, proper, or convenient to transmit and receive voice and data
19 communications; and

20 (C) any other necessary, proper, or convenient elements of the communications system.

21 (3) Larue D. Carter Memorial Hospital in Indianapolis.

22 (g) The following apply to a public-private agreement for communications systems infrastructure under
23 subsection (f)(2):

24 (1) The authority ~~may~~ **shall**

25 ~~(A) use the procedures set forth in IC 8-15.5-4. or~~

26 ~~(B) at the authority's option and in its sole discretion, negotiate an agreement with a single~~
27 ~~offeror.~~

28 ~~The authority must issue a request for information before entering into negotiations with a single~~
29 ~~offeror. If an agreement is negotiated with a single offeror, IC 8-15.5-4-11 and IC 8-15.5-4-12 are~~
30 ~~the only sections in IC 8-15.5-4 that apply.~~

31 (2) This article, and any other applicable laws with respect to establishing, charging, and collecting
32 user fees, including IC 8-15.5-7, do not apply, and the operator may establish, charge, and collect
33 user fees as set forth in the public-private agreement.

34 (3) Notwithstanding IC 8-15.5-5-2(2) providing that all improvements and real property must be
35 owned by the authority in the name of the state or by a governmental entity, or both, the
36 public-private agreement may provide that any improvements on any real property interests may be
37 owned by the authority, a governmental entity, an operator, or a private entity.

38 (4) The authority shall transfer money received from an operator under a public-private agreement
39 to the state bicentennial capital account established under IC 4-12-1-14.9.

40 SECTION 71. IC 8-15.5-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER** TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

42 **Chapter 3.5. Requests for Information**

43 **Sec. 1. The authority or the department, or both, may issue a request for information for any of**
44 **the following purposes:**

45 **(1) To consider the factors involved in, the feasibility of, or the potential consequences of a**
46 **contemplated project.**

47 **(2) To prepare a request for proposals.**

1 **(3) To evaluate any aspect of an existing public-private agreement and an associated project.**

2 **Sec. 2. Notice of a request for information shall be given in accordance with IC 5-3-1.**

3 **Sec. 3. A response to a request for information is confidential unless, and only to the extent that,**
4 **the person who submits the response waives confidentiality in writing. The identity of the person**
5 **submitting the response is a public record.**

6 **Sec. 4. An issuer of a request for information is not required to take any action after receiving**
7 **a response to a request for information.**

8 SECTION 72. IC 8-15.5-4-0.5 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 0-5: If a~~
9 ~~public-private agreement for communications systems infrastructure is negotiated with a single offeror~~
10 ~~under IC 8-15.5-1-2(g)(1)(B), the requirements of this chapter, except sections 11 and 12 of this chapter,~~
11 ~~do not apply.~~

12 SECTION 73. IC 8-15.7-3.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
13 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

14 **Chapter 3.5. Requests for Information**

15 **Sec. 1. The authority or the department, or both, may issue a request for information for any of**
16 **the following purposes:**

17 **(1) To consider the factors involved in, the feasibility of, or the potential consequences of a**
18 **contemplated project.**

19 **(2) To prepare a request for proposals.**

20 **(3) To evaluate any aspect of an existing public-private agreement and an associated project.**

21 **Sec. 2. Notice of a request for information shall be given in accordance with IC 5-3-1.**

22 **Sec. 3. A response to a request for information is confidential unless, and only to the extent that,**
23 **the person who submits the response waives confidentiality in writing. The identity of the person**
24 **submitting the response is a public record.**

25 **Sec. 4. An issuer of a request for information is not required to take any action after receiving**
26 **a response to a request for information.**

27 SECTION 74. IC 9-30-5-15, AS AMENDED BY P.L.74-2015, SECTION 1, IS AMENDED TO
28 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) In addition to any criminal penalty
29 imposed for an offense under this chapter, the court shall:

30 (1) order:

31 (A) that the person be imprisoned for at least five (5) days; or

32 (B) the person to perform at least ~~one hundred eighty (180)~~ **two hundred forty (240)** hours of
33 community restitution or service; and

34 (2) order the person to receive an assessment of the person's degree of alcohol and drug abuse and,
35 if appropriate, to successfully complete an alcohol or drug abuse treatment program, including an
36 alcohol deterrent program if the person suffers from alcohol abuse;

37 if the person has one (1) previous conviction of operating while intoxicated.

38 (b) In addition to any criminal penalty imposed for an offense under this chapter, the court shall:

39 (1) order:

40 (A) that the person be imprisoned for at least ten (10) days; or

41 (B) the person to perform at least ~~three hundred sixty (360)~~ **four hundred eighty (480)** hours of
42 community restitution or service; and

43 (2) order the person to receive an assessment of the person's degree of alcohol and drug abuse and,
44 if appropriate, to successfully complete an alcohol or drug abuse treatment program, including an
45 alcohol deterrent program if the person suffers from alcohol abuse;

46 if the person has at least two (2) previous convictions of operating while intoxicated.

1 (c) Notwithstanding IC 35-50-2-2.2 and IC 35-50-3-1, a sentence imposed under this section may not
2 be suspended. The court may require that the person serve the term of imprisonment in an appropriate
3 facility at whatever time or intervals (consecutive or intermittent) determined appropriate by the court.

4 However:

5 (1) at least forty-eight (48) hours of the sentence must be served consecutively; and

6 (2) the entire sentence must be served within six (6) months after the date of sentencing.

7 (d) Notwithstanding IC 35-50-6, a person does not earn good time credit (as defined in IC 35-50-6-0.5)
8 while serving a sentence imposed under this section.

9 SECTION 75. IC 10-17-13-3, AS AMENDED BY P.L.99-2016, SECTION 12, IS AMENDED TO
10 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The veterans' affairs trust fund is
11 established as a trust fund to provide a self-sustaining funding source for the military family relief fund
12 established by IC 10-17-12-8 **and for the purposes set forth in IC 10-17-13.5.**

13 (b) The fund consists of the following:

14 (1) Appropriations by the general assembly.

15 (2) Donations, gifts, grants, and bequests to the fund.

16 (3) Interest and dividends on assets of the funds.

17 (4) Money transferred to the fund from other funds.

18 (5) Money from any other source deposited in the fund.

19 (c) The fund is considered a trust fund for purposes of IC 4-9.1-1-7.

20 SECTION 76. IC 10-17-13.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
21 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

22 **Chapter 13.5. Grants for Veterans' Services**

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

25 **Sec. 2. As used in this chapter, "qualified entity" means an entity that provides services to**
26 **veterans and is exempt from taxation under Section 501 of the Internal Revenue Code.**

27 **Sec. 3. As used in this chapter, "veteran" means an individual residing in Indiana who:**

28 (1) has served in any branch of the armed forces of the United States or their reserves, in the
29 national guard, or in the Indiana National Guard; and

30 (2) has received a discharge from service under honorable conditions.

31 **Sec. 4. (a) The department may make grants to qualified entities to be used for the purpose of**
32 **providing services to veterans, including the following:**

33 (1) Programs focused on eliminating homelessness, preventing near term homelessness, and
34 providing safe and secure living conditions.

35 (2) Assisting veterans in moving from public housing assistance programs to:

36 (A) home ownership; or

37 (B) stable, long term rental status.

38 A grant under this chapter for the purpose specified in clause (B) may include up to nine (9)
39 months of rental assistance.

40 (3) Assisting veterans in finding and using available federal and state resources.

41 (4) Providing therapeutic services.

42 (5) Providing job training and job search assistance.

43 (b) The department may make grants to the provider chosen by the state department of health
44 under section 6 of this chapter to be used for the purpose of providing assistance to the provider
45 to provide diagnostic testing and hyperbaric oxygen treatment to veterans receiving treatment
46 under the pilot program established under section 6 of this chapter. However, a grant under this
47 chapter may not be awarded for the purposes specified in this subsection unless the state

1 department of health has adopted the rules required by section 5 of this chapter. In addition, a
2 grant may not be awarded for the purposes specified in this subsection after the expiration of the
3 pilot program established under section 6 of this chapter.

4 **Sec. 5. The department shall adopt rules under IC 4-22-2 for the provision of grants under this**
5 **chapter. The rules adopted under this section must address the following:**

6 (1) Application procedures.

7 (2) Eligibility criteria.

8 (3) Selection procedures.

9 (4) A consideration of the extent to which a qualified entity has used assistance available from
10 other assistance programs before assistance may be provided to the qualified entity from the
11 fund.

12 (5) Department oversight and verification of use of funds received by qualified entities.

13 (6) Other areas in which the department determines that rules are necessary to ensure the
14 uniform administration of the grant program under this chapter.

15 **Sec. 6. (a) As used in this section, "hyperbaric oxygen treatment" means treatment for traumatic**
16 **brain injury or posttraumatic stress disorder that is ordered by a health care provider and**
17 **delivered in a hyperbaric chamber.**

18 (b) The department shall establish a pilot program for the purpose of providing assistance for
19 the provider that has been approved by the state department of health to provide diagnostic testing
20 and hyperbaric oxygen treatment to veterans receiving treatment under section 4(b) of this chapter.

21 (c) The state department of health shall issue a request for proposals to select one (1) provider
22 that is eligible to offer the treatment described in section 4(b) of this chapter.

23 (d) An individual veteran is eligible to begin treatment if the service related event that caused
24 the traumatic brain injury or posttraumatic stress disorder happened within the past twelve (12)
25 months.

26 (e) An individual veteran must pay a co-pay equal to ten percent (10%) of the cost of treatment
27 billed to the department or the state department of health.

28 (f) A grant under the pilot program established under subsection (b) may be provided only to
29 the provider chosen by the state department of health to provide diagnostic testing and hyperbaric
30 oxygen treatment to veterans.

31 (g) The state department of health, after consulting with the department, shall adopt rules under
32 IC 4-22-2 to implement section 4(b) of this chapter, including standards for the following:

33 (1) Determination by the provider that an individual is a veteran eligible for participation in
34 the program.

35 (2) Determination by the state department of health that the provider is eligible to participate
36 in the program, including:

37 (A) a requirement that the provider must maintain compliance with applicable fire codes,
38 treatment protocols, and state department of health oversight; and

39 (B) other facility standards determined by the state department of health.

40 (3) Treatment plan requirements, including the following:

41 (A) A provider's submission to the state department of health, before providing hyperbaric
42 oxygen treatment to a veteran, of a treatment plan that includes:

43 (i) a health care provider's prescription for hyperbaric oxygen treatment;

44 (ii) verification by the provider that the veteran is eligible for participation in the
45 program and voluntarily accepts treatment through the program;

46 (iii) an estimate of the cost of the veteran's treatment; and

47 (iv) any other information required by the state department of health.

1 (B) A reasonable time frame for:

2 (i) approval or disapproval by the state department of health of a treatment plan
3 described in clause (A); and

4 (ii) notice to the provider of approval or disapproval of the treatment plan.

5 (C) Contingent on sufficient funding available in the fund, approval of each treatment plan
6 that meets the requirements established by the state department of health under this
7 section.

8 (D) The sources of funding for the estimated treatment cost for each veteran whose
9 treatment plan is approved under this section.

10 (4) Criteria for approval of payment for treatment that has been verified by the state
11 department of health to have been provided under a treatment plan approved under
12 subdivision (3), including:

13 (A) whether a drug or device used in the treatment plan has been approved for any purpose
14 by the federal Food and Drug Administration;

15 (B) health improvement of the veteran receiving the treatment, as demonstrated through:

16 (i) standardized, independent pretreatment and posttreatment neuropsychological
17 testing;

18 (ii) nationally accepted survey instruments;

19 (iii) neurological imaging; or

20 (iv) clinical examination; and

21 (C) receipt by the state department of health of pretreatment and posttreatment evaluation
22 documentation.

23 (5) Confidentiality of all individually identifiable patient information of a veteran. However,
24 subject to the requirements of the federal Health Insurance Portability and Accountability Act
25 and any other applicable medical record laws, all data and information from which the
26 identity of an individual veteran cannot be reasonably ascertained must be available to the
27 general assembly, participating institutional review boards, participating health care
28 providers, medical researchers, and other governmental agencies.

29 (h) This section expires June 30, 2019.

30 SECTION 77. IC 12-11-14-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
31 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 10.5.** The treasurer of state, as chairperson
32 of the board, shall administer, manage, and direct the affairs of the board under the policies and
33 direction of the board. In carrying out these duties, the chairperson may do the following:

34 (1) Approve all accounts for salaries and allowable expenses of the board, including:

35 (A) the employment of attorneys, consultants, employees, and agents that may be necessary
36 to assist the chairperson in carrying out the duties; and

37 (B) the setting of compensation of persons described in clause (A).

38 (2) Approve all expenses incidental to the operation of the authority.

39 (3) Perform those duties and functions that are delegated to the chairperson by the board or
40 that are necessary to carry out the duties of the chairperson under this chapter.

41 SECTION 78. IC 12-15-1.3-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
42 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18. (a)** The definitions set forth in 460
43 IAC 6-3 as of January 1, 2017, apply to the terms that are used in this section.

44 (b) The office of the secretary shall increase the reimbursement rate for services if the services
45 are provided as follows:

46 (1) The services are provided to an individual who receives services under a Medicaid waiver
47 under the federal home and community based services program.

1 (2) The individual is authorized under the Medicaid waiver described in subdivision (1) to
2 receive any of the following services:

3 (A) Adult day services.

4 (B) Prevocational services.

5 (C) Residential habilitation and support.

6 (D) Respite.

7 (E) Supported employment and extended services as defined in the family supports
8 Medicaid waiver.

9 (F) Community habilitation and participation services.

10 (G) Workplace assistance, as defined in the family supports Medicaid waiver and the
11 community integration habilitation Medicaid waiver.

12 (H) Facility habilitation.

13 (I) Residential habilitation and support (RHS daily).

14 (J) Transportation services.

15 (K) Participant assistance and care, as defined in the family supports Medicaid waiver.

16 (L) Facility based support, as defined in the family supports Medicaid waiver and the
17 community integration habilitation Medicaid waiver.

18 (3) The services are delivered to the individual by a direct care staff.

19 (c) The amount of the increase in the reimbursement rate described in subsection (b) for a state
20 fiscal year beginning July 1, 2017, or thereafter is the reimbursement rate in effect as of June 30,
21 2016, for the services listed in subsection (b)(2) multiplied by five percent (5%).

22 (d) An authorized service provider shall use at least seventy-five percent (75%) of the amount
23 of the increase in the reimbursement rate to increase the wages paid to direct care staff who:

24 (1) are employed by the authorized service provider to provide services in Indiana; and

25 (2) provide support services listed in subsection (b)(2).

26 (e) If a provider does not use at least seventy-five percent (75%) of the increase to increase wages
27 paid to direct care staff, the office shall recoup part or all of the increase in the reimbursement rate
28 that the provider receives as provided in subsection (g).

29 (f) An authorized service provider providing services in Indiana shall provide written and
30 electronic notification of its plan to increase wages to:

31 (1) direct care staff employed by the provider; and

32 (2) the office of the secretary;

33 within thirty (30) days after the office implements an increase in reimbursement rates.

34 (g) The office may recoup the difference between seventy-five percent (75%) of the amount
35 received by a provider as a result of increased reimbursement rates and the amount of the increase
36 that is actually used by the provider to pay an increase in wages to direct care staff. The remaining
37 twenty-five percent (25%) may be retained by the provider to cover the other employer related
38 costs of providing direct care services, including payroll taxes, benefits, and paid time for nondirect
39 services such as paid time off and training.

40 (h) Providers shall maintain all books, documents, papers, accounting records, and other
41 evidence required to support the reporting of payroll information for increased wages to direct care
42 staff. Wages are defined as total compensation less overtime and shift differential for direct care
43 staff providing services to individuals receiving the services described in subsection (b)(2) as
44 reported on the provider's payroll records. Providers shall make these materials available at their
45 respective offices at all reasonable times and for three (3) years from the date of final payment for
46 the services listed in subsection (b)(2) for inspection by the state or its authorized designees.
47 Providers shall furnish copies at no cost to the state if requested.

1 (i) The office or its designee may recoup all or a part of the amount paid using the increased
2 reimbursement rates based upon an audit or review of the supporting documentation required to
3 be maintained under subsection (h) if the provider cannot provide adequate documentation to
4 support the increased wages to direct care staff.

5 (j) If required, the office shall file Medicaid waiver amendments for the family supports
6 Medicaid waiver and the community integration and habilitation Medicaid waiver related to rate
7 increases and Medicaid waiver caps only on or before September 30, 2017, with the earliest possible
8 effective date allowed by the federal Centers for Medicare and Medicaid Services. If the federal
9 Centers for Medicare and Medicaid Services deny the Medicaid waiver amendments, the office may
10 modify the waiver amendment request. If a waiver amendment is not approved, rate increases may
11 not be granted under this section.

12 (k) This section may not be construed as creating an employment relationship of any kind
13 between office staff and direct care staff of an authorized service provider.

14 SECTION 79. IC 12-15-34-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
15 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. (a) This section is effective**
16 **beginning July 1, 2017.**

17 (b) The office of the secretary may not reduce reimbursement for home health services.

18 (c) 405 IAC 1-4.2-4(l) and any successor rule concerning reducing home health services
19 reimbursement are void and may not be renewed or otherwise implemented.

20 SECTION 80. IC 14-22-7-4, AS AMENDED BY P.L.289-2013, SECTION 6, IS AMENDED TO
21 READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]: Sec. 4. (a) An electronically generated stamp shall
22 be issued to each hunting license applicant or holder upon request and the payment of a fee of six dollars
23 and seventy-five cents (\$6.75). Each stamp expires on March 31 of the year following issuance.

24 (b) The department may set a license fee to hunt a migratory waterfowl above the fee established under
25 subsection (a).

26 (c) The fees collected shall be deposited in the fish and wildlife fund and credited to a special
27 account to be used as provided in section 5 of this chapter. However, the fees collected do not have
28 to be credited to the special account if the budget agency finds that it would reduce the balance in
29 the fish and wildlife fund to less than three million dollars (\$3,000,000) at the end of the state fiscal
30 year.

31 SECTION 81. IC 14-22-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]:
32 Sec. 5. (a) The department shall contract annually with an appropriate nonprofit organization to use fifty
33 percent (50%) of the revenue collected credited to the special account under section 4 of this chapter
34 for development of waterfowl propagation areas. Before paying the revenue to a nonprofit corporation
35 developing waterfowl areas, the department must obtain evidence that the project is acceptable to the
36 appropriate agency having jurisdiction over the land and water affected by the project.

37 (b) The department shall spend fifty percent (50%) of the revenue collected credited to the special
38 account under section 4 of this chapter:

39 (1) for the acquisition or development of wetlands in Indiana; or

40 (2) to participate in the joint funding of North American waterfowl management plans.

41 SECTION 82. IC 14-22-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]:
42 Sec. 6. (a) The game bird habitat restoration fund is established as a dedicated fund.

43 (b) The department shall administer the fund. The director may expend the money in the fund
44 exclusively for the purpose of restoring the habitat of the various game birds in Indiana.

45 (c) The proceeds from the sale of stamps shall be deposited in and transferred from the fish and
46 wildlife fund to the fund. However, a transfer is not required if the budget agency finds that it would

1 **reduce the balance in the fish and wildlife fund to less than three million dollars (\$3,000,000) at the**
2 **end of the state fiscal year.**

3 (d) Money in the fund does not revert to the state general fund at the end of a state fiscal year. If the
4 fund is abolished, the contents revert to the fish and wildlife fund.

5 SECTION 83. IC 14-22-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]:

6 Sec. 3. The department shall deposit in the ~~deer research and management~~ **fish and wildlife** fund twenty
7 dollars (\$20) from the cost of every nonresident license to hunt deer for any time in any manner. **The**
8 **department shall transfer the revenue deposited under this section from the fish and wildlife fund**
9 **to the deer research and management fund. However, a transfer is not required if the budget**
10 **agency finds that it would reduce the balance in the fish and wildlife fund to less than three million**
11 **dollars (\$3,000,000) at the end of the state fiscal year.**

12 SECTION 84. IC 15-19-2-10, AS ADDED BY P.L.2-2008, SECTION 10, IS AMENDED TO READ
13 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. (a) The standardbred horse fund is established.

14 (b) The money received by the Indiana horse racing commission under this chapter shall be deposited
15 in the standardbred horse fund. ~~The standardbred horse fund is a nonbudgetary fund.~~ Money remaining
16 in the standardbred horse fund at the end of a state fiscal year does not revert to the state general fund.

17 (c) After considering the recommendations of the advisory board, the Indiana horse racing commission
18 may disburse money from the standardbred horse fund for any purpose described in section 8 of this
19 chapter.

20 (d) The Indiana horse racing commission shall pay any expense incurred in administering this chapter
21 from the standardbred horse fund.

22 **(e) Money in the fund is continuously appropriated to the Indiana horse racing commission to**
23 **carry out the purposes of this chapter.**

24 SECTION 85. IC 16-21-10-21, AS ADDED BY P.L.205-2013, SECTION 214, IS AMENDED TO
25 READ AS FOLLOWS [EFFECTIVE JUNE 15, 2017]: Sec. 21. This chapter expires June 30, ~~2017~~ **2019**.

26 SECTION 86. IC 16-28-2.5-4, AS ADDED BY P.L.257-2015, SECTION 4, IS AMENDED TO READ
27 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. As used in this chapter, "replacement facility"
28 means a new comprehensive care health facility licensed under or subject to this article after July 1, 2015,
29 that:

30 (1) is constructed to take the place of an existing comprehensive care health facility that is licensed
31 before ~~July 2, 2015~~; **July 1, 2017**;

32 (2) is constructed within the same county as the existing comprehensive care health facility licensed
33 before ~~July 2, 2015~~; **July 1, 2017**; and

34 (3) contains no more comprehensive care beds than the existing comprehensive care health facility
35 licensed before ~~July 2, 2015~~; **July 1, 2017**.

36 SECTION 87. IC 16-28-2.5-6, AS ADDED BY P.L.257-2015, SECTION 4, IS AMENDED TO READ
37 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) Except as provided in subsection (b), the state
38 department may not approve the following:

39 (1) The licensure of:

40 (A) comprehensive care health facilities; or

41 (B) new or converted comprehensive care beds.

42 (2) The certification of new or converted comprehensive care beds for participation in the state
43 Medicaid program unless the statewide comprehensive care bed occupancy rate is more than
44 ninety-five percent (95%), as calculated annually on January 1 by the state department.

45 (3) Transfer between any comprehensive care facilities of licensed comprehensive care beds or
46 comprehensive care bed certifications for participation in the state Medicaid program.

1 Beds in a health facility that provides residential nursing care under IC 16-28 may not be converted to
2 comprehensive care beds.

3 (b) This section does not apply to the following:

4 (1) A comprehensive care health facility that:

5 (A) is licensed under;

6 (B) is to be licensed under;

7 (C) is subject to; or

8 (D) will be subject to;

9 this article and that is under development as of July 1, 2015.

10 (2) A small house health facility approved under section 7 of this chapter.

11 (3) A replacement facility, whether or not the replacement facility is under development before July
12 2, 2015. The existing comprehensive care health facility that is being replaced by the replacement
13 facility:

14 (A) must no longer be licensed as a comprehensive care health facility sixty (60) days after the
15 replacement facility obtains its license from the state department; and

16 (B) may transfer any of the comprehensive care beds to the replacement facility: **comprehensive**
17 **care health facility that meets the conditions set forth in section 6.5 of this chapter.**

18 (4) A continuing care retirement community that was registered under IC 23-2 before July 2, 2015,
19 and that continuously maintains its registration under IC 23-2. If a continuing care retirement
20 community fails to maintain registration under IC 23-2 after July 1, 2015, the comprehensive care
21 beds, including beds certified for use in the state Medicaid program or the Medicare program, that
22 the continuing care retirement community previously operated are not forfeited as long as the
23 continuing care retirement community continues to comply with the licensure and certification
24 requirements of this article.

25 (5) A comprehensive care health facility or a comprehensive care bed that is to be added or certified
26 in the state Medicaid program in a county where the county's comprehensive care bed occupancy
27 rate exceeds ninety percent (90%), as calculated by the state department on January 1 and July 1 of
28 each year. The number of comprehensive care beds allowed under this subdivision may not exceed
29 either:

30 (A) the number of beds that would cause the county occupancy rate to fall below the statewide
31 average; or

32 (B) seventy (70) comprehensive care beds per applicant.

33 (6) A comprehensive care health facility that undergoes a change of ownership for purposes of:

34 (A) the granting of a license by the state department to operate the comprehensive care health
35 facility; and

36 (B) the maintenance for any of the beds in the comprehensive care health facility, including
37 Medicaid certified beds, by the entity granted a license by the state department.

38 However, after the change of ownership, the comprehensive care health facility is subject to
39 subsection (a) unless the comprehensive care health facility meets the requirements under another
40 subdivision under this subsection.

41 (c) The state department shall make the final determination concerning whether an entity has met or
42 is meeting the requirements of this chapter concerning being under development.

43 SECTION 88. IC 16-28-2.5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
44 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 6.5. A person may qualify for an exemption**
45 **under section 6(b)(3) of this chapter, and the state department may approve a construction permit,**
46 **a new or amended license to operate, or Medicaid certification for a comprehensive care health**
47 **facility, if any of the following are met:**

1 (1) The applicant is a replacement facility, and the comprehensive care health facility that is
2 being replaced by the replacement facility:

3 (A) will no longer be licensed as a comprehensive care health facility sixty (60) days after
4 the replacement facility obtains a license from the state department; and

5 (B) transfers any of the comprehensive care beds, including the certification status of the
6 beds, to the replacement facility.

7 (2) The applicant is currently licensed to operate at least one (1) existing comprehensive care
8 health facility, and the applicant has identified at least one (1) comprehensive care health
9 facility that has agreed to transfer any of the comprehensive care health facility's
10 comprehensive care beds, including the certification status of the beds to the applicant. A
11 comprehensive care health facility transferring the licensure and certification of any
12 comprehensive care beds to the applicant under this subdivision will no longer be licensed as
13 a comprehensive care health facility sixty (60) days after the applicant obtains a license from
14 the state department for additional comprehensive care beds.

15 (3) The applicant will be constructing at least one (1) comprehensive care health facility and
16 meets the following criteria:

17 (A) The applicant has identified at least two (2) comprehensive care health facilities that
18 have agreed to transfer any of the comprehensive care health facilities' beds, including the
19 certification status of the comprehensive care beds, to the applicant's new comprehensive
20 care health facility.

21 (B) The number of comprehensive care health facilities seeking to transfer comprehensive
22 care beds to an applicant exceeds the number of new comprehensive care health facilities
23 being constructed by the applicant.

24 (C) Unless granted an exception by both the state department and the office of Medicaid
25 policy and planning, if a comprehensive care health facility seeking to transfer
26 comprehensive care beds is located in a medically underserved area, as designated by the
27 federal Health Resources & Services Administration, at least one (1) of the new
28 comprehensive care health facilities must be constructed within five (5) minutes drive time
29 or five (5) miles of the comprehensive care health facility that is located in the medically
30 underserved area.

31 (D) The comprehensive care health facility transferring a comprehensive care bed,
32 including the certified status of the comprehensive care bed, is no longer licensed as a
33 comprehensive care health facility sixty (60) days after the applicant obtains a license from
34 the state department.

35 SECTION 89. IC 16-28-2.5-8, AS ADDED BY P.L.257-2015, SECTION 4, IS AMENDED TO READ
36 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. This chapter expires June 30, ~~2018~~: **2019**.

37 SECTION 90. IC 16-28-15-14, AS AMENDED BY P.L.205-2013, SECTION 217, IS AMENDED TO
38 READ AS FOLLOWS [EFFECTIVE JUNE 15, 2017]: Sec. 14. This chapter expires June 30, ~~2017~~: **2019**.

39 SECTION 91. IC 20-18-2-2, AS AMENDED BY P.L.205-2013, SECTION 220, IS AMENDED TO
40 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. "ADM", except as otherwise provided by
41 law, refers to the fall count of eligible pupils under IC ~~20-43-4-3~~ conducted in current ADM under
42 IC ~~20-43-4~~ for the school year ending in the current calendar year.

43 SECTION 92. IC 20-18-2-4.5, AS ADDED BY P.L.205-2013, SECTION 222, IS AMENDED TO
44 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4.5. "Fall count" has the meaning set forth in
45 IC 20-43-1-12.3 (before its repeal on July 1, 2017).

1 SECTION 93. IC 20-18-2-18.5, AS ADDED BY P.L.205-2013, SECTION 223, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18.5. "Spring count" ~~has the meaning set forth~~
3 ~~in IC 20-43-1-24.5.~~ **refers to the informational spring count of eligible pupils under IC 20-43-4.**

4 SECTION 94. IC 20-18-2-22, AS AMENDED BY P.L.213-2015, SECTION 151, AND AS
5 AMENDED BY P.L.219-2015, SECTION 1, IS CORRECTED AND AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 22. (a) "Teacher" means a professional person whose
7 position in a school corporation requires certain educational preparation and licensing and whose primary
8 responsibility is the instruction of students.

9 (b) For purposes of IC 20-28, the term includes the following:

10 (1) A superintendent who holds a license under IC 20-28-5.

11 (2) A principal.

12 (3) A teacher.

13 (4) A librarian.

14 (5) A school counselor.

15 (6) *A school psychologist.*

16 (c) ~~For purposes of IC 20-43-10-3,~~ **IC 20-43-10-3.5**, the term means a professional person whose
17 position with a:

18 (1) *school corporation;*

19 (2) *special education cooperative established under IC 20-35-5;*

20 (3) *cooperative career and technical education program;*

21 (4) *special education program established by an interlocal agreement under IC 36-1-7;*

22 (5) *joint program agreement established under IC 20-26-10; or*

23 (6) *charter school;*

24 *requires a license (as defined in IC 20-28-1-7) and whose primary responsibility is the instruction of*
25 **students in the classroom or virtual classroom.**

26 SECTION 95. IC 20-19-6-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
27 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 10. This chapter expires July 1, 2018.**

28 SECTION 96. IC 20-20-13-17, AS AMENDED BY P.L.205-2013, SECTION 225, IS AMENDED TO
29 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 17. The total technology plan grant amount
30 to a qualifying school corporation is the amount determined by the department multiplied by the school
31 corporation's ~~current ADM~~, as determined:

32 (1) ~~for a calendar year ending before January 1, 2014, in the fall count of students in the school year~~
33 ~~ending in the current calendar year; and~~

34 (2) ~~for a calendar year ending after December 31, 2013, in the spring fall count of students under~~
35 **IC 20-43-4** in the school year ending in the current calendar year.

36 The amount is one hundred dollars (\$100). However, for the purposes of determining the current ADM
37 of a school corporation, students who are transferred under IC 20-33-4 or IC 20-26-11 shall be counted
38 as students having legal settlement in the transferee corporation and not having legal settlement in the
39 transferor corporation.

40 SECTION 97. IC 20-24-7-13, AS AMENDED BY P.L.213-2015, SECTION 160, IS AMENDED TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) As used in this section, "virtual charter
42 school" means any charter school, including a conversion charter school, that provides for the delivery
43 of more than fifty percent (50%) of instruction to students through:

44 (1) virtual distance learning;

45 (2) online technologies; or

46 (3) computer based instruction.

1 (b) A virtual charter school may apply for authorization with any statewide authorizer in accordance
2 with the authorizer's guidelines.

3 (c) For **each** state fiscal ~~years beginning after June 30, 2013, year,~~ a virtual charter school is entitled
4 to receive funding in a month from the state in an amount equal to the sum of:

5 (1) the product of:

6 (A) the number of students included in the virtual charter school's current ADM; multiplied by

7 (B) the result of:

8 (i) ninety percent (90%) of the school's foundation amount determined under ~~IC 20-43-5-4;~~

9 **IC 20-43-3-8;** divided by

10 (ii) twelve (12); plus

11 (2) the total of any:

12 (A) special education grants under IC 20-43-7;

13 (B) career and technical education grants under IC 20-43-8;

14 (C) honor grants under IC 20-43-10; and

15 (D) complexity grants under IC 20-43-13;

16 to which the virtual charter school is entitled for the month.

17 For **each** state fiscal ~~years beginning after June 30, 2013, year,~~ a virtual charter school is entitled to
18 receive special education grants under IC 20-43-7 calculated in the same manner as special education
19 grants are calculated for other school corporations.

20 (d) The state board shall adopt rules under IC 4-22-2 to govern the operation of virtual charter schools.

21 (e) The department, with the approval of the state board, shall before December 1 of each year submit
22 an annual report to the budget committee concerning the program under this section.

23 (f) Each school year, at least sixty percent (60%) of the students who are enrolled in virtual charter
24 schools under this section for the first time must have been included in the state's fall count of ADM
25 conducted in the previous school year.

26 **(g) Each virtual charter school shall report annually to the department concerning the following,**
27 **on a schedule determined by the department:**

28 **(1) Classroom size.**

29 **(2) The ratio of teachers per classroom.**

30 **(3) The number of student-teacher meetings conducted in person or by video conference.**

31 **(4) Any other information determined by the department.**

32 **The department shall provide this information annually to the state board of education and the**
33 **legislative council in an electronic format under IC 5-14-6.**

34 SECTION 98. IC 20-24-7-13.5, AS AMENDED BY P.L.213-2015, SECTION 161, IS AMENDED
35 TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: Sec. 13.5. (a) This section applies to the
36 following charter schools:

37 (1) The Excel Centers for Adult Learners.

38 (2) The Christel House ~~Academy~~ ~~DOR center:~~ **DORS centers.**

39 (3) The Gary Middle College charter ~~school:~~ **schools.**

40 (b) Notwithstanding any other law, for a state fiscal ~~years beginning after June 30, 2015, year,~~ a
41 charter school described in subsection (a) is entitled to receive funding from the state in an amount equal
42 to the product of:

43 (1) the charter school's number of students who are Indiana residents (expressed as full-time
44 equivalents); multiplied by

45 (2) six thousand ~~six~~ **seven** hundred **fifty** dollars (~~\$6,600~~): **(\$6,750) beginning July 1, 2017.**

46 **(c) However, in the case of the charter school described in subsection (a)(3), the funding under this**
47 **section applies only for those students who are twenty-two (22) years of age and older. In addition, the**

- 1 total number of students (expressed as full-time equivalents) of all adult learners in charter schools
 2 covered by this section may not exceed the following:
- 3 ~~(1)~~ **(1)** For the 2015-2016 state fiscal year:
- 4 (A) For the Christel House Academy DOR center, four hundred forty (440) adult learner
 5 students.
- 6 (B) For the Gary Middle College charter school, one hundred fifty (150) adult learner students.
- 7 (C) For the Excel Centers for Adult Learners, three thousand eight hundred sixty-five (3,865)
 8 adult learner students.
- 9 ~~(2)~~ **(1)** For the 2016-2017 state fiscal year:
- 10 (A) For the Christel House Academy DOR center, four hundred forty (440) adult learner
 11 students.
- 12 (B) For the Gary Middle College charter school, one hundred fifty (150) adult learner students.
- 13 (C) For the Excel Centers for Adult Learners, five thousand five (5,005) adult learner students.
- 14 **(2)** For the 2017-2018 state fiscal year:
- 15 (A) For the Christel House DORS centers, six hundred seventy-five (675) adult learner
 16 students.
- 17 (B) For the Gary Middle College charter schools, two hundred (200) adult learner students.
- 18 (C) For the Excel Centers for Adult Learners, four thousand two hundred fifty (4,250) adult
 19 learner students.
- 20 **(3)** For the 2018-2019 state fiscal year:
- 21 (A) For the Christel House DORS centers, eight hundred twenty-five (825) adult learner
 22 students.
- 23 (B) For the Gary Middle College charter schools, two hundred (200) adult learner students.
- 24 (C) For the Excel Centers for Adult Learners, four thousand seven hundred (4,700) adult
 25 learner students.
- 26 ~~(e)~~ **(d)** A charter school described in subsection (a) is entitled to receive federal special education
 27 funding.
- 28 ~~(f)~~ **(e)** The state funding under this section shall be paid each state fiscal year under a schedule set by
 29 the budget agency and approved by the governor. However, the schedule shall provide for at least twelve
 30 (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the
 31 payments in each state fiscal year shall equal the amount required under this section. However, if the
 32 appropriations for this purpose are insufficient, the distributions to each recipient shall be reduced
 33 proportionately.
- 34 ~~(g)~~ **(f)** A charter school that receives funding as provided in this section must report the following
 35 information annually to the state board and (in an electronic format under IC 5-14-6) to the legislative
 36 council, on a schedule specified by the state board:
- 37 (1) The number of adult learners enrolled in the charter school during the preceding year.
- 38 (2) The demographics of the adult learners enrolled in the charter school during the preceding year
 39 (in a format requested by the state board).
- 40 (3) The graduation rates of the adult learners enrolled in the charter school during the preceding
 41 year.
- 42 (4) The outcomes for adult learners enrolled in the charter school, as of graduation and as of two (2)
 43 years after graduation. A charter school must include information concerning students' job placement
 44 outcomes, information concerning students' matriculation into higher education, and any other
 45 information concerning outcomes required by the state board.
- 46 ~~(h)~~ **(g)** This section expires June 30, ~~2017~~. **2019**.

1 SECTION 99. IC 20-26-7-1, AS AMENDED BY P.L.5-2015, SECTION 47, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:Sec. 1. (a) As used in this section, "charter
3 school" has the meaning set forth in IC 20-24-1-4 and includes a group or entity seeking approval from
4 an authorizer to operate a charter school under IC 20-24-3.

5 (b) Except as otherwise provided in this section, if a governing body of a school corporation
6 determines that any real or personal property:

7 (1) is no longer needed for school purposes; or

8 (2) should, in the interests of the school corporation, be exchanged for other property;
9 the governing body may sell or exchange the property in accordance with IC 36-1-11.

10 (c) Money derived from the sale or exchange of property under this section shall be placed in any
11 school fund:

12 (1) established under applicable law; and

13 (2) that the governing body considers appropriate.

14 (d) A governing body may not make a covenant that prohibits the sale of real property to another
15 educational institution.

16 (e) This subsection does not apply to a school building that on July 1, 2011, is leased or loaned by the
17 school corporation that owns the school building to another entity, if the entity is not a building
18 corporation or other entity that is related in any way to, or created by, the school corporation or the
19 governing body. Except as provided in subsections (k) through ~~(n)~~; **(o)**, a governing body shall make
20 available for lease or purchase to any charter school any school building owned by the school corporation
21 or any other entity that is related in any way to, or created by, the school corporation or the governing
22 body, including but not limited to a building corporation, that:

23 (1) either:

24 (A) is not used in whole or in part for classroom instruction at the time the charter school seeks
25 to lease the building; or

26 (B) appears on the list compiled by the department under subsection (f); and

27 (2) was previously used for classroom instruction;
28 in order for the charter school to conduct classroom instruction.

29 (f) Not later than August 1 each calendar year, each governing body shall inform the department if a
30 school building that was previously used for classroom instruction is closed, unused, or unoccupied. The
31 department shall maintain a list of closed, unused, or unoccupied school buildings and make the list
32 available on the department's Internet web site. Each school corporation shall provide a list of closed,
33 unused, or unoccupied buildings to the department by the date set by the department. The department
34 must update the list not later than fifteen (15) days after being notified of a closed, unused, or unoccupied
35 building.

36 (g) A school building that appears for the first time on the department's list under subsection (f) shall
37 be designated as "Unavailable until (a date two (2) years after the school building first appears on the
38 list)" if the governing body of the school corporation that owns the school building indicates to the
39 department, on a form prescribed by the department, that the school building may be reclaimed during
40 that period for classroom instruction. If a governing body does not indicate that a school building may be
41 reclaimed, the governing body shall designate the school building as "Available" on the department's list.
42 The governing body may change the designation of a building from unavailable to available at any time.
43 **If the designation of a school building is "Available" on the department's list, the governing body**
44 **of the school corporation that owns the school building may reclaim the school building for**
45 **classroom instruction at any time before the submission of a letter of intent by a charter school**
46 **under subsection (h) by indicating to the department, on a form prescribed by the department, that**
47 **the school desires to reclaim the building for classroom instruction. The department shall remove**

1 **the school building from the department's list under subsection (f).** If a school building that is
2 **designated as unavailable on the department's list** remains unused for classroom instruction one (1) year
3 after being reclaimed under this subsection, the governing body shall designate the school building as
4 "Available" on the department's list. A governing body may reclaim a school building only one (1) time
5 under this subsection.

6 (h) If a charter school wishes to use a school building on the list created under subsection (f), the
7 charter school shall send a letter of intent to the department. Within thirty (30) days after receiving a letter
8 from a charter school, the department shall notify the school corporation of the charter school's intent,
9 and, within thirty (30) days after receiving notification from the department, the school corporation that
10 owns the school building shall lease the school building to the charter school for one dollar (\$1) per year
11 for as long as the charter school uses the school building for classroom instruction or for a term at the
12 charter school's discretion, or sell the school building to the charter school for one dollar (\$1). The charter
13 school must begin to use the school building for classroom instruction not later than two (2) years after
14 acquiring the school building. If the school building is not used for classroom instruction within two (2)
15 years after acquiring the school building, the school building shall be placed on the department's list under
16 subsection (f). If during the term of the lease the charter school closes or ceases using the school building
17 for classroom instruction, the school building shall be placed on the department's list under subsection
18 (f). If a school building is sold to a charter school under this subsection and the charter school or any
19 entity related to the charter school subsequently sells or transfers the school building to a third party, the
20 charter school or related entity must transfer an amount equal to the gain in the property minus the
21 adjusted basis (including costs of improvements to the school building) to the school corporation that
22 initially sold the vacant school building to the charter school. Gain and adjusted basis shall be determined
23 in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service
24 regulations and guidelines.

25 (i) During the term of a lease under subsection (h), the charter school is responsible for the direct
26 expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and
27 remodeling. The school corporation is responsible for any debt incurred for or liens that attached to the
28 school building before the charter school leased the school building.

29 (j) ~~Notwithstanding anything to the contrary in this section, and~~ With the ~~sole~~ exception of a waiver
30 provided in ~~subsection (n); this section,~~ when a school building is designated as "Available" under
31 subsection (g), the school building must remain designated as "Available", **unless it is reclaimed under**
32 **subsection (g),** and may not be sold or otherwise disposed of for at least two (2) years. When the two (2)
33 year period has elapsed, the school corporation may sell or otherwise dispose of the school building in
34 accordance with IC 36-1-11.

35 (k) Notwithstanding subsection (e), a governing body may request a waiver from the department from
36 the requirements of subsection (e). In order for a governing body to receive a waiver under subsection (n),
37 the governing body must apply to the department, on a form prescribed by the department, for the waiver.
38 The application must include a statement that the governing body believes that a charter school would
39 not be interested in leasing or purchasing the vacant or unused school building.

40 (l) If the department receives a waiver request under subsection (k), the department, within five (5)
41 days after receiving the waiver request under subsection (k), shall notify each charter school authorizer
42 and statewide organization representing charter schools in Indiana by certified mail of the waiver request
43 received under subsection (k). The notice must include a copy of the governing body's waiver request.

44 (m) Not later than thirty (30) days after a charter school authorizer or statewide organization
45 representing charter schools in Indiana receives a notice described in subsection (l), the charter school
46 authorizer or a statewide organization representing charter schools may submit a qualified objection to
47 the governing body's request for a waiver under subsection (k). The qualified objection must be submitted

1 to the department in writing. In order for an objection to be considered a qualified objection by the
2 department, the objection must include:

3 (1) the name of the charter school that is interested in leasing or purchasing the vacant or unused
4 school building; and

5 (2) a time frame, which may not exceed one (1) year from the date of the objection, in which the
6 charter school intends to begin providing classroom instruction in the vacant or unused school
7 building.

8 (n) If the department receives a qualified objection under subsection (m), the vacant or unused school
9 building shall remain on the department's list under subsection (f) with the designation with which the
10 building is listed under subsection (g) at the time the department receives the waiver request. If the
11 department does not receive a qualified objection, the department shall grant the governing body's request
12 for a waiver. A governing body that receives a waiver under this subsection may sell or otherwise dispose
13 of the unused or vacant school building in accordance with IC 36-1-11.

14 **(o) The governing body of the School City of East Chicago school corporation may request a**
15 **waiver from the department from the requirements of subsection (e) for the Carrie Gosch**
16 **Elementary School building. If requested, the department shall grant the waiver. To receive the**
17 **waiver, the governing body must apply to the department on a form prescribed by the department.**

18 SECTION 100. IC 20-29-6-4, AS AMENDED BY P.L.213-2015, SECTION 186, IS AMENDED TO
19 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) A school employer shall bargain
20 collectively with the exclusive representative on the following:

21 (1) Salary.

22 (2) Wages.

23 (3) Salary and wage related fringe benefits, including accident, sickness, health, dental, vision, life,
24 disability, retirement benefits, and paid time off as permitted to be bargained under IC 20-28-9-11.

25 (b) Salary and wages include the amounts of pay increases available to employees under the
26 compensation plan adopted under IC 20-28-9-1.5, but do not include the teacher evaluation procedures
27 and criteria, any components of the teacher evaluation plan, rubric, or tool, or any performance stipend
28 or addition to base salary based on a ~~performance~~ stipend to an individual teacher under ~~IC 20-43-10-3.~~
29 **IC 20-43-10-3.5.**

30 SECTION 101. IC 20-29-6-4.5, AS AMENDED BY P.L.213-2015, SECTION 187, IS AMENDED
31 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4.5. (a) For a contract entered into after
32 June 30, 2011, a school employer may not bargain collectively with the exclusive representative on the
33 following:

34 (1) The school calendar.

35 (2) Teacher dismissal procedures and criteria.

36 (3) Restructuring options available to a school employer under federal or state statutes, regulations,
37 or rules because of the failure of the school corporation or a school to meet federal or state
38 accountability standards.

39 (4) The ability of a school employer to contract, partner, or operate jointly with an educational entity
40 that provides postsecondary credits to students of the school employer or dual credits from the
41 school employer and the educational entity.

42 (5) Any subject not expressly listed in section 4 of this chapter.

43 (b) For a contract entered into after January 1, 2015, for a school year beginning after June 30, 2015,
44 a school employer may not bargain collectively with the exclusive representative for the following:

45 (1) A matter described in subsection (a).

46 (2) A matter that another statute specifies is not subject to collective bargaining, including
47 IC 20-28-9-1.5 and ~~IC 20-43-10-3.~~ **IC 20-43-10-3.5.**

1 (c) A subject set forth in subsection (a) or (b) that may not be bargained collectively may not be
2 included in an agreement entered into under this article.

3 SECTION 102. IC 20-29-6-7, AS AMENDED BY P.L.106-2016, SECTION 11, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. A school employer shall discuss with the
5 exclusive representative of certificated employees the following items:

- 6 (1) Curriculum development and revision.
- 7 (2) Selection of curricular materials.
- 8 (3) Teaching methods.
- 9 (4) Hiring, evaluation, promotion, demotion, transfer, assignment, and retention of certificated
10 employees.
- 11 (5) Student discipline.
- 12 (6) Expulsion or supervision of students.
- 13 (7) Pupil/teacher ratio.
- 14 (8) Class size or budget appropriations.
- 15 (9) Safety issues for students and employees in the workplace, except those items required to be kept
16 confidential by state or federal law.
- 17 (10) Hours.
- 18 (11) Funding for a plan for a remediation program for any subset of students enrolled in kindergarten
19 through grade 12.
- 20 (12) The following nonbargainable items under ~~IC 20-43-10-3~~: **IC 20-43-10-3.5**:
 - 21 (A) ~~Performance~~ **Teacher appreciation** grants.
 - 22 (B) Individual ~~performance teacher appreciation grant~~ stipends to teachers.
 - 23 (C) Additions to base salary based on ~~performance teacher appreciation grant~~ stipends.
- 24 (13) The pre-evaluation planning session required under IC 20-28-11.5-4.
- 25 (14) The superintendent's report to the governing body concerning staff performance evaluations
26 required under IC 20-28-11.5-9.
- 27 (15) A career pathways and mentorship plan established under IC 20-20-42.2.

28 SECTION 103. IC 20-29-6-16, AS AMENDED BY SEA 409-2017, SECTION 4, IS AMENDED TO
29 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 16. (a) If an agreement has not been reached
30 on the items to be bargained collectively by November 1, as provided in IC 6-1.1-17-5, the parties shall
31 continue the terms of the current contract that is in effect, and the school employer may issue tentative
32 individual contracts and prepare its budget on that basis. During this period, in order to allow the
33 successful resolution of the dispute, the school employer may not unilaterally change the terms or
34 conditions of employment that are issues in dispute.

35 (b) Upon the expiration of the current contract that is in effect, except for ~~performance teacher~~
36 **appreciation grant** stipends and additions to base salary provided under ~~IC 20-43-10-3~~; **IC 20-43-10-3.5**,
37 the school employer shall continue under the terms of the current contract that is in effect, with no
38 increase or increment in salary, wages, or benefits for any bargaining unit employee until a new contract
39 is executed.

40 (c) The only parts of the contract that must continue under this section are the items contained in the
41 contract and listed in section 4 of this chapter.

42 (d) This section may not be construed as relieving the school employer or the school employee
43 organization from the duty to bargain collectively until a mutual agreement has been reached and a
44 contract entered as called for in this chapter.

45 SECTION 104. IC 20-31-8-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
46 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 4.6. (a) If a school corporation or a charter**
47 **school enters into an agreement with an eligible school (as defined in IC 20-51-1-4.7) to provide**

1 dropout recovery educational services for an at-risk student who is enrolled at a public school, the
2 student may not be included in the calculation of the public school's category or designation of
3 school performance.

4 (b) The state board shall adopt rules under IC 4-22-2 and any guidelines necessary to carry out
5 this section.

6 SECTION 105. IC 20-33-8.5-5, AS AMENDED BY P.L.182-2009(ss), SECTION 321, IS AMENDED
7 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. The agreement must provide how the
8 expenses of supervising a student who has been suspended or expelled are funded. A school corporation
9 may not be required to expend more than the transition to foundation amount (as determined under
10 ~~IC 20-43-5-6~~) defined by IC 20-43-3-8) for each student referred under the agreement.

11 SECTION 106. IC 20-43-1-1, AS AMENDED BY P.L.213-2015, SECTION 203, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: Sec. 1. This article expires June 30, ~~2017~~: 2019.

13 SECTION 107. IC 20-43-1-6, AS AMENDED BY P.L.205-2013, SECTION 260, IS AMENDED TO
14 READ AS FOLLOWS [EFFECTIVE JULY 1, 2016 (RETROACTIVE)]: Sec. 6. "ADM" refers to the
15 following:

16 (1) Except as provided in subdivision (2), the average daily membership determined under
17 IC 20-43-4.

18 (2) For the School City of East Chicago school corporation, the average daily membership
19 determined under IC 20-43-4-10. This subdivision expires June 30, 2018.

20 SECTION 108. IC 20-43-1-7, AS AMENDED BY P.L.205-2013, SECTION 261, IS AMENDED TO
21 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. "ADM of the previous year" means

- 22 (1) for previous state fiscal years ending before July 1, 2013, the fall count of ADM;
23 (2) for previous state fiscal years ending after June 30, 2013, and before July 1, 2014, the average
24 of the fall 2012 adjusted ADM count and the fall 2013 adjusted ADM count; and
25 (3) for previous state fiscal years ending after June 30, 2014, the average of the previous year's fall
26 and spring year adjusted ADM counts: count.

27 SECTION 109. IC 20-43-1-10, AS AMENDED BY P.L.213-2015, SECTION 206, IS AMENDED TO
28 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. "Current ADM" means the

- 29 (1) spring count of ADM for distributions in the months of January through June of the calendar year
30 in which the spring count is taken; and
31 (2) fall count of ADM for distributions in the months of July through December of the calendar year
32 in which the fall count is taken under IC 20-43-4.

33 SECTION 110. IC 20-43-1-12.3 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec: ~~12.3~~: "Fall count"
34 refers to the first count of ADM in a school year under IC 20-43-4-3; as finally adjusted under
35 IC 20-43-4-2.

36 SECTION 111. IC 20-43-1-13, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
37 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. "Foundation amount" refers to the amount
38 determined under ~~IC 20-43-5-4~~: IC 20-43-3-8.

39 SECTION 112. IC 20-43-1-20 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec: ~~20~~: "Previous year
40 revenue foundation amount" refers to the amount determined under IC 20-43-5-5.

41 SECTION 113. IC 20-43-1-24.5 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec: ~~24.5~~: "Spring
42 count" refers to the second count of ADM in a school year under IC 20-43-4-3; as subsequently adjusted
43 under IC 20-43-4-2.

44 SECTION 114. IC 20-43-1-28 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec: ~~28~~: "Transition to
45 foundation amount" refers to the amount determined under IC 20-43-5-6.

46 SECTION 115. IC 20-43-1-29 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec: ~~29~~: "Transition to
47 foundation revenue" refers to the amount determined under IC 20-43-5-7.

1 SECTION 116. IC 20-43-1-29.3 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 29.3. "Transition~~
2 ~~to foundation revenue per adjusted ADM" refers to the amount determined under IC 20-43-5-9.~~

3 SECTION 117. IC 20-43-2-7.5, AS AMENDED BY P.L.186-2016, SECTION 1, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: Sec. 7.5. (a) Before July 1 of each year, the budget
5 agency, with the assistance of the department, shall estimate the amount of the distributions that will be
6 made for choice scholarships for the following state fiscal year.

7 (b) ~~In the state fiscal year beginning July 1, 2015, the budget agency may transfer money from the state~~
8 ~~tuition reserve account to the state general fund if the budget director, after review by the budget~~
9 ~~committee, makes a determination that the amount of the distribution for that state fiscal year for basic~~
10 ~~tuition support has been reduced under section 3 of this chapter because the amount of the distributions~~
11 ~~for choice scholarships for the state fiscal year exceeds the latest estimate prepared by the legislative~~
12 ~~services agency and provided to members of the general assembly before May 1, 2015, concerning the~~
13 ~~amount of the distributions for choice scholarships for the state fiscal year beginning July 1, 2015. The~~
14 ~~maximum amount that may be transferred to the state general fund under this subsection for the state~~
15 ~~fiscal year may not exceed the lesser of:~~

16 (1) ~~the amount of the reduction in basic tuition support distributions described in this subsection;~~

17 ~~or~~

18 ~~(2) twenty-five million dollars (\$25,000,000).~~

19 ~~Any amounts transferred under this subsection shall be used to augment the appropriation for state tuition~~
20 ~~support for the state fiscal year and shall be distributed to school corporations to restore the distributions~~
21 ~~for basic tuition support that are reduced under section 3 of this chapter.~~

22 (c) ~~(b) In the a state fiscal year beginning July 1, after June 30, 2016, the budget agency may transfer~~
23 ~~money from the state tuition reserve account to the state general fund if the budget director, after review~~
24 ~~by the budget committee, makes a determination that the amount of the distribution for that state fiscal~~
25 ~~year for basic tuition support has been reduced under section 3 of this chapter because the amount of the~~
26 ~~distributions for choice scholarships for the state fiscal year exceeds the latest estimate prepared by the~~
27 ~~legislative services agency and provided to members of the general assembly before May 1 2015, of the~~
28 ~~most recent odd-numbered year concerning the amount of the distributions for choice scholarships for~~
29 ~~the state fiscal year beginning July 1 2016. of the particular state fiscal year. The maximum amount~~
30 ~~that may be transferred to the state general fund under this subsection for the state fiscal year may not~~
31 ~~exceed the lesser of:~~

32 (1) ~~the amount of the reduction in basic tuition support distributions described in this subsection;~~

33 ~~or~~

34 ~~(2) twenty-five million dollars (\$25,000,000).~~

35 ~~Any amounts transferred under this subsection shall be used to augment the appropriation for state tuition~~
36 ~~support for the state fiscal year and shall be distributed to school corporations to restore the distributions~~
37 ~~for basic tuition support that are reduced under section 3 of this chapter.~~

38 (d) ~~(c) Transfers under this section are in addition to any transfers made from the state tuition reserve~~
39 ~~account under IC 4-12-1-15.7 or any other law.~~

40 (e) ~~(d) This section expires June 30, 2017. 2019.~~

41 SECTION 118. IC 20-43-3-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
42 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 8. A school corporation's foundation amount**
43 **is the following:**

44 (1) **Five thousand two hundred seventy-three dollars (\$5,273) for the state fiscal year beginning**
45 **July 1, 2017.**

46 (2) **Five thousand three hundred fifty-two dollars (\$5,352) for the state fiscal year beginning**
47 **July 1, 2018.**

1 SECTION 119. IC 20-43-4-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO**
2 **READ AS FOLLOWS [EFFECTIVE JULY 1, 2016 (RETROACTIVE)]: Sec. 0.5. This chapter, except**
3 **for section 10 of this chapter, does not apply to the School City of East Chicago school corporation.**
4 **This section expires June 30, 2018.**

5 SECTION 120. IC 20-43-4-2, AS AMENDED BY P.L.186-2016, SECTION 3, IS AMENDED TO
6 **READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) A school corporation's ADM is the**
7 **number of eligible pupils enrolled in:**

- 8 (1) the school corporation; or
- 9 (2) a transferee corporation;

10 on the ~~days day~~ fixed in September ~~and in February~~ by the state board for a count of students under
11 section 3 of this chapter and as subsequently adjusted not later than the date specified under the rules
12 adopted by the state board. The state board may adjust the school's count of eligible pupils if the state
13 board determines that the count is unrepresentative of the school corporation's enrollment. In addition,
14 a school corporation may petition the state board to make an adjusted count of students enrolled in the
15 school corporation if the corporation has reason to believe that the count is unrepresentative of the school
16 corporation's enrollment. **In addition, a school corporation shall determine the number of eligible**
17 **pupils enrolled in:**

- 18 (1) the school corporation; or
- 19 (2) a transferee corporation;

20 **on the day fixed in February by the state board for a spring count of students to be used only for**
21 **informational purposes under this article. Except as specifically provided by law, the spring count**
22 **shall not be used for determining school funding under this article.**

23 (b) Each school corporation shall, before April 1 of each year, provide to the department an estimate
24 of the school corporation's ADM that will result from the count of eligible pupils in the following
25 September. The department may update and adjust the estimate as determined appropriate by the
26 department. In each odd-numbered year, the department shall provide the updated and adjusted estimate
27 of the school corporation's ADM to the legislative services agency before April 10 of that year.

28 (c) A new charter school shall submit an enrollment estimate to the department before April 1 of the
29 year the new charter school will be open for enrollment. The department shall use the new charter school's
30 enrollment estimate as the basis for the new charter school's distribution beginning in July and until actual
31 ADM is available, subject to section 9 of this chapter. However, if the new charter school's enrollment
32 estimate is greater than eighty percent (80%) of the new charter school's authorized enrollment cap, the
33 department may use that enrollment estimate if the department has requested and reviewed other
34 enrollment data that support that enrollment estimate. However, if the enrollment data requested and
35 reviewed by the department does not support the enrollment estimate submitted by the new charter school,
36 the department shall determine the estimated ADM based on the enrollment data requested and reviewed
37 by the department. In each odd-numbered year, the department shall provide the new charter school's
38 estimated ADM to the legislative services agency before April 10 of that year.

39 SECTION 121. IC 20-43-4-3, AS AMENDED BY P.L.144-2012, SECTION 6, IS AMENDED TO
40 **READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) Subject to subsection (b), the state board**
41 **shall make an ADM count of the eligible pupils enrolled in each school corporation two (2) times each**
42 **school year, with one (1) count date occurring in each of the following periods:**

- 43 (1) The fall count of ADM shall be made on a day during September fixed by the state board.
- 44 (2) The **informational** spring count of ADM shall be made on a day during February fixed by the
- 45 state board.

46 (b) However, if extreme patterns of:

- 47 (1) student in-migration;

1 (2) illness;
2 (3) natural disaster; or
3 (4) other unusual conditions in a particular school corporation's enrollment;
4 on either a count day fixed by the state board or the subsequent adjustment date cause the enrollment to
5 be unrepresentative of the school corporation's enrollment, the state board may designate another day for
6 determining the school corporation's enrollment.

7 SECTION 122. IC 20-43-4-4, AS AMENDED BY P.L.205-2013, SECTION 276, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) The state board shall monitor changes
9 that occur after the fall count of ADM in the number of students enrolled in programs for children with
10 disabilities. The state board shall:

11 (1) before December 2 of that same year; and
12 (2) before April 2 of the following calendar year;
13 make an adjusted count of students enrolled in programs for children with disabilities. The state
14 superintendent shall certify the December adjusted count to the budget committee before February 5 of
15 the following year and the April adjusted count not later than May 31 immediately after the date of the
16 April adjusted count. The state board may adjust the school's count of students enrolled in programs for
17 children with disabilities if the state board determines that the count is unrepresentative of the school
18 corporation's enrollment.

19 (b) The department shall distribute special education grants under IC 20-43-7 using only the count
20 specified in IC 20-43-7-1.

21 SECTION 123. IC 20-43-4-9, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF
22 THE 2017 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
23 2017]: Sec. 9. (a) Subject to subsections (b) and (c), this subsection applies to the calculation of state
24 tuition support distributions that are based on the current ADM of a school corporation. The fall count
25 of ADM, as adjusted by the state board under section 2 of this chapter, shall be used to compute state
26 tuition support distributions. ~~made in the first six (6) months of the current state fiscal year; and the spring~~
27 ~~count of ADM; as adjusted by the state board under section 2 of this chapter; shall be used to compute~~
28 ~~state tuition support distributions made in the second six (6) months of the state fiscal year.~~

29 (b) This subsection applies to a school corporation that does not provide the estimates required by
30 section ~~2(b)(2)~~ 2(b) of this chapter before the deadline. For monthly state tuition support distributions
31 made before the fall count of ADM is finalized, the department shall determine the distribution amount
32 for such a school corporation for a state fiscal year of the biennium, using data that were used by the
33 general assembly in determining the state tuition support appropriation for the budget act for that state
34 fiscal year. The department may adjust the data used under this subsection for errors.

35 (c) If the state board adjusts a count of ADM after a distribution is made under this article, the adjusted
36 count retroactively applies to the amount of state tuition support distributed to a school corporation
37 affected by the adjusted count. The department shall settle any overpayment or underpayment of state
38 tuition support resulting from an adjusted count of ADM on the schedule determined by the department
39 and approved by the budget agency.

40 SECTION 124. IC 20-43-4-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2016 (RETROACTIVE)]: **Sec. 10. (a) For the school year**
42 **beginning after June 30, 2016, and ending before July 1, 2017, the ADM for the School City of East**
43 **Chicago school corporation for fall and spring is the spring count ADM of the school year beginning**
44 **after June 30, 2015, and ending before July 1, 2016.**

45 (b) **For the school year beginning after June 30, 2017, and ending before July 1, 2018, the ADM**
46 **for the School City of East Chicago school corporation is the result determined under STEP**
47 **THREE of the following formula:**

1 **STEP ONE: Determine the result of:**

2 (A) the ADM determined under subsection (a); minus

3 (B) the ADM determined in accordance with sections 1 through 8 of this chapter for the
4 School City of East Chicago school corporation without regard to this section.

5 **STEP TWO: Divide the result in STEP ONE by three (3), rounded up to the nearest whole
6 number.**

7 **STEP THREE: The School City of East Chicago school corporation's ADM is the following:**

8 (A) The ADM determined in accordance with sections 1 through 8 of this chapter if the
9 result in STEP ONE is less than zero (0).

10 (B) The result of:

11 (i) the ADM determined under subsection (a); minus

12 (ii) the amount determined in STEP TWO;

13 if the result in STEP ONE is greater than zero (0).

14 (c) The ADM under this section must be used to compute state tuition support distributions in
15 the same manner as described in section 9(a) of this chapter.

16 (d) This section expires June 30, 2018.

17 SECTION 125. IC 20-43-5 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Determination of
18 Complexity Index and Transition to Foundation Revenue Per ADM).

19 SECTION 126. IC 20-43-6-3, AS AMENDED BY P.L.205-2013, SECTION 289, IS AMENDED TO
20 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) A school corporation's basic tuition
21 support for a state fiscal year is the amount determined under the applicable provision of this section.

22 (b) The school corporation's basic tuition support for a state fiscal year is equal to the **foundation
23 amount multiplied by the school corporation's transition to foundation revenue current ADM** for the
24 year.

25 (c) This subsection applies to students of a virtual charter school. A virtual charter school's basic
26 tuition support for a state fiscal year for those students is the amount determined under IC 20-24-7-13.

27 SECTION 127. IC 20-43-7-1, AS AMENDED BY P.L.106-2016, SECTION 12, IS AMENDED TO
28 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) In addition to the amount a school
29 corporation is entitled to receive in basic tuition support, each school corporation is entitled to receive
30 a grant for special education programs for the state fiscal year. Subject to subsections (b) and (c), the
31 amount of the special education grant is based on the count of eligible pupils enrolled in special education
32 programs on December 1 of the preceding state fiscal year in:

33 (1) the school corporation; or

34 (2) a transferee corporation.

35 (b) Before February 1 of each calendar year, the department shall determine the result of:

36 (1) the total amount of the special education grant that would have been received by the school
37 corporation during the months of July, August, September, October, November, and December of
38 the preceding calendar year and January of the current calendar year if the grant had been based on
39 the count of students with disabilities that was made on the immediately preceding December 1;
40 minus

41 (2) the total amount of the special education grant received by the school corporation during the
42 months of July, August, September, October, November, and December of the preceding calendar
43 year and January of the current calendar year.

44 If the result determined under this subsection is positive, the school corporation shall receive an additional
45 special education grant distribution in February equal to the result determined under this subsection. If
46 the result determined under this subsection is negative, the special education grant distributions that

1 otherwise would be received by the school corporation in February, March, April, and May shall be
2 proportionately reduced so that the total reduction is equal to the result determined under this subsection.

3 (c) The special education grant distributions made in February, March, April, May, and June of a
4 calendar year shall be based on the count of students with disabilities that was made on the immediately
5 preceding December 1.

6 (d) ~~After June 30, 2016~~; In addition to the December 1 count, a second count of eligible pupils enrolled
7 in special education programs shall be conducted. The count must be in the spring semester on a date
8 fixed by the state board. The spring count of eligible students shall be used for informational purposes
9 and is not used to calculate grant amounts under this chapter.

10 SECTION 128. IC 20-43-7-5, AS AMENDED BY P.L.106-2016, SECTION 13, IS AMENDED TO
11 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) In a school corporation's cumulative
12 count of pupils in homebound programs, a school corporation shall count each pupil who received
13 homebound instruction up to and including December 1 of the current year plus each pupil who received
14 homebound instruction after December 1 of the prior school year.

15 (b) ~~This subsection applies to a state fiscal year starting after June 30, 2016~~: In addition to the
16 cumulative count described in subsection (a), a school corporation shall conduct a cumulative count of
17 pupils in homebound programs for informational purposes and is not used to calculate grants under this
18 chapter. In a school corporation's informational cumulative count of pupils in homebound programs, a
19 school corporation shall count each pupil who received homebound instruction:

20 (1) for the December 1 count, up to and including the December 1 count date of the current year plus
21 each pupil who received homebound instruction after the spring count date of the prior school year;
22 and

23 (2) for the spring count, up to and including the spring count date of the current year plus each pupil
24 who received homebound instruction after the December 1 count date of the current school year.

25 (c) A school corporation may include a pupil in the school corporation's cumulative count of pupils
26 in homebound programs even if the pupil also is included in the school corporation's:

27 (1) nonduplicated count of pupils in programs for severe disabilities;

28 (2) nonduplicated count of pupils in programs for mild and moderate disabilities; or

29 (3) duplicated count of pupils in programs for communication disorders.

30 SECTION 129. IC 20-43-7-6, AS AMENDED BY P.L.213-2015, SECTION 220, IS AMENDED TO
31 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. A school corporation's special education
32 grant for a state fiscal year is equal to the sum of the following:

33 (1) The nonduplicated count of pupils in programs for severe disabilities multiplied by ~~eight~~
34 ~~thousand eight hundred dollars (\$8,800)~~; **the following:**

35 **(A) Eight thousand nine hundred seventy-six dollars (\$8,976) for the state fiscal year**
36 **beginning July 1, 2017.**

37 **(B) Nine thousand one hundred fifty-six dollars (\$9,156) for the state fiscal year beginning**
38 **July 1, 2018.**

39 (2) The nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by
40 two thousand three hundred dollars (\$2,300).

41 (3) The duplicated count of pupils in programs for communication disorders multiplied by five
42 hundred dollars (\$500).

43 (4) The cumulative count of pupils in homebound programs multiplied by five hundred dollars
44 (\$500).

45 (5) The nonduplicated count of pupils in special preschool education programs multiplied by two
46 thousand seven hundred fifty dollars (\$2,750).

1 SECTION 130. IC 20-43-10-2, AS AMENDED BY P.L.213-2015, SECTION 225, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) A school corporation's honors diploma
3 award for a state fiscal year is the amount determined using the following formula:

4 STEP ONE: Determine the number of the school corporation's eligible pupils who:

5 (A) successfully completed an academic honors diploma program; and

6 (B) were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary
7 Assistance for Needy Families (TANF) benefits, or foster care services;

8 in the school year ending in the previous state fiscal year.

9 STEP TWO: Determine the result of:

10 (A) the number of the school corporation's eligible pupils who:

11 (i) successfully completed a Core 40 diploma with technical honors program; and

12 (ii) were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary
13 Assistance for Needy Families (TANF) benefits, or foster care services;

14 in the school year ending in the previous state fiscal year; minus

15 (B) the number of eligible pupils who would otherwise be double counted under both clause (A)
16 and STEP ONE.

17 STEP THREE: Determine the sum of the number of eligible students determined under STEP ONE
18 and the number of eligible students determined under STEP TWO.

19 STEP FOUR: Multiply the STEP THREE amount by one thousand ~~four~~ **five** hundred dollars
20 ~~(\$1,400)~~: **(\$1,500)**.

21 STEP FIVE: Determine the result of:

22 (A) the number of the school corporation's eligible pupils who successfully completed an
23 academic honors diploma program in the school year ending in the previous state fiscal year;
24 minus

25 (B) the STEP ONE amount.

26 STEP SIX: Determine the result of:

27 (A) the number of the school corporation's eligible pupils who successfully completed a Core 40
28 diploma with technical honors program in the school year ending in the previous state fiscal year;
29 minus

30 (B) the number of the school corporation's eligible pupils who are counted under both clause (A)
31 and STEP FIVE (A).

32 STEP SEVEN: Determine the result of the STEP SIX amount minus the STEP TWO amount.

33 STEP EIGHT: Determine the result of:

34 (A) the STEP FIVE amount; plus

35 (B) the STEP SEVEN amount.

36 STEP NINE: Determine the result of:

37 (A) the STEP EIGHT amount; multiplied by

38 (B) one thousand **one hundred** dollars ~~(\$1,000)~~: **(\$1,100)**.

39 STEP TEN: Determine the sum of:

40 (A) the STEP FOUR amount; plus

41 (B) the STEP NINE amount.

42 (b) An amount received by a school corporation as an honors diploma award may be used only for:

43 (1) any:

44 (A) staff training;

45 (B) program development;

46 (C) equipment and supply expenditures; or

47 (D) other expenses;

- 1 directly related to the school corporation's honors diploma program; and
2 (2) the school corporation's program for high ability students.
3 (c) A governing body that does not comply with this section for a school year is not eligible to receive
4 an honors diploma award for the following school year.

5 SECTION 131. IC 20-43-10-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
6 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 3.5. (a) As used in this section, "school"**
7 **means a school corporation, charter school, and a virtual charter school.**

8 **(b) Subject to the requirements of this section, a school qualifies for a teacher appreciation grant**
9 **as provided in this section for a state fiscal year if one (1) or more licensed teachers:**

- 10 (1) employed in the classroom by the school; or
11 (2) directly providing virtual education;

12 were rated as effective or as highly effective, using the most recently completed teacher ratings.

13 **(c) A school may not receive a teacher appreciation grant under this section unless:**

14 **(1) the school has in the state fiscal year in which the teacher appreciation grants are made**
15 **under this section:**

16 **(A) adopted an annual policy concerning the distribution of teacher appreciation grants;**
17 **and**

18 **(B) submitted the policy to the department for approval; and**

19 **(2) the department has approved the policy.**

20 **The department shall specify the date by which a policy described in subdivision (1) must be**
21 **submitted to the department.**

22 **(d) The amount of a teacher appreciation grant for a qualifying school corporation or virtual**
23 **charter school is equal to:**

- 24 **(1) thirty dollars (\$30); multiplied by**
25 **(2) the school's current ADM.**

26 **However, the grant amount for a virtual charter school may not exceed the statewide average grant**
27 **amount.**

28 **(e) The following apply to the distribution of teacher appreciation grants:**

29 **(1) If the total amount to be distributed as teacher appreciation grants for a particular state**
30 **fiscal year exceeds the amount appropriated by the general assembly for teacher appreciation**
31 **grants for that state fiscal year, the total amount to be distributed as teacher appreciation**
32 **grants to schools shall be proportionately reduced so that the total reduction equals the**
33 **amount of the excess. The amount of the reduction for a particular school is equal to the total**
34 **amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of**
35 **the teacher appreciation grant that the school would have received if a reduction were not**
36 **made under this section. The denominator of the fraction is the total amount that would be**
37 **distributed as teacher appreciation grants to all schools if a reduction were not made under**
38 **this section.**

39 **(2) If the total amount to be distributed as teacher appreciation grants for a particular state**
40 **fiscal year is less than the amount appropriated by the general assembly for teacher**
41 **appreciation grants for that state fiscal year, the total amount to be distributed as teacher**
42 **appreciation grants to schools for that particular state fiscal year shall be proportionately**
43 **increased so that the total amount to be distributed equals the amount of the appropriation**
44 **for that particular state fiscal year.**

45 **(f) The annual teacher appreciation grant to which a school is entitled for a state fiscal year shall**
46 **be distributed to the school before December 5 of that state fiscal year.**

1 (g) The following apply to a school's policy under subsection (c) concerning the distribution of
2 teacher appreciation grants:

3 (1) The governing body shall differentiate between a teacher rated as a highly effective teacher
4 and a teacher rated as an effective teacher. The policy must provide that the amount of a
5 stipend awarded to a teacher rated as a highly effective teacher must be at least twenty-five
6 percent (25%) more than the amount of a stipend awarded to a teacher rated as an effective
7 teacher.

8 (2) The governing body of a school may differentiate between school buildings.

9 (3) A stipend to an individual teacher in a particular year is not subject to collective
10 bargaining, but is discussable, and is in addition to the minimum salary or increases in salary
11 set under IC 20-28-9-1.5. The governing body may provide that an amount not exceeding fifty
12 percent (50%) of the amount of a stipend to an individual teacher in a particular state fiscal
13 year becomes a permanent part of and increases the base salary of the teacher receiving the
14 stipend for school years beginning after the state fiscal year in which the stipend is received.

15 The addition to base salary is not subject to collective bargaining, but is discussable.

16 (h) A teacher appreciation grant received by a school shall be allocated among and used only to
17 pay cash stipends to all licensed teachers employed in the classroom who are rated as effective or
18 as highly effective and employed by the school as of December 1.

19 (i) The lead school corporation or interlocal cooperative administering a cooperative or other
20 special education program or administering a career and technical education program, including
21 programs managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award teacher
22 appreciation grant stipends to and carry out the other responsibilities of an employing school
23 corporation under this section for the teachers in the special education program or career and
24 technical education program.

25 (j) A school shall distribute all stipends from a teacher appreciation grant to individual teachers
26 within twenty (20) business days of the date the department distributes the teacher appreciation
27 grant to the school. Any part of the teacher appreciation grant not distributed as stipends to
28 teachers before February must be returned to the department on the earlier of the date set by the
29 department or June 30 of that state fiscal year.

30 (k) The department, after review by the budget committee, may waive the December 5 deadline
31 under subsection (e) to distribute an annual teacher appreciation grant to the school under this
32 section for that state fiscal year and approve an extension of that deadline to a later date within that
33 state fiscal year, if the department determines that a waiver and extension of the deadline is in the
34 public interest.

35 (l) The state board may adopt rules under IC 4-22-2, including emergency rules in the manner
36 provided in IC 4-22-2-37.1, as necessary to implement this section.

37 (m) This section expires June 30, 2019.

38 SECTION 132. IC 20-43-13-3, AS AMENDED BY P.L.213-2015, SECTION 228, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. The total amount to be distributed under this
40 chapter to a school corporation or charter school for a state fiscal year beginning after June 30, 2015, is
41 the amount determined in STEP FIVE of using the following formula:

42 STEP ONE: Determine the percentage of the school corporation's students who were receiving
43 Supplemental Nutrition Assistance Program (SNAP) benefits; Temporary Assistance for Needy
44 Families (TANF) benefits; or foster care services as of October 1 in the school year ending in the
45 later of:

46 (A) 2015; or

47 (B) the first year of operation of the school corporation.

1 For a conversion charter school, the percentage determined under this STEP is the percentage of the
2 sponsor school corporation:

3 STEP TWO: Determine:

4 (A) for a charter school in the first year of operation, the STEP ONE amount; or

5 (B) for all other school corporations, the result of:

6 (i) the STEP ONE amount; minus

7 the school corporation's prior year complexity index; divided by

8 (ii) three (3) for the state fiscal year beginning July 1, 2015; or two (2) for the state fiscal year
9 beginning July 1, 2016.

10 STEP THREE: Determine the sum of:

11 (A) the prior year complexity index; plus

12 (B) the STEP TWO result; plus

13 (C) for a school corporation that is not a charter school:

14 (i) with at least twenty-five percent (25%) of its ADM eligible for the English language
15 learners program; and

16 (ii) that has a STEP TWO (B)(i) amount that is less than negative one-tenth (-0.1);

17 the absolute value of the STEP TWO (B)(i) amount divided by four (4).

18 STEP FOUR: ONE: Determine the product of:

19 (A) the STEP THREE result; school corporation's complexity index determined under section
20 4 of this chapter; multiplied by

21 (B) three thousand four hundred eighty-nine dollars (\$3,489) for the state fiscal year beginning
22 July 1, 2015; and three thousand five hundred thirty-nine dollars (\$3,539). for the state fiscal year
23 beginning July 1, 2016.

24 STEP FIVE: TWO: Determine the product of:

25 (A) the STEP FOUR ONE result; multiplied by

26 (B) the school corporation's current ADM.

27 **STEP THREE: This STEP applies only to a school corporation that has more than eighteen**
28 **percent (18%) of its ADM eligible for the English language learners program and that**
29 **experienced a percentage decrease of more than forty-five percent (45%) in the percentage of**
30 **the school corporation's students who were receiving Supplemental Nutrition Assistance**
31 **Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or**
32 **foster care services from October 1 in the school year ending in 2015 to October 1 in the school**
33 **year ending in 2017. Determine the result of:**

34 (A) the STEP TWO amount; plus

35 (B) the result of:

36 (i) the school corporation's current ADM; multiplied by

37 (ii) one hundred twenty-eight dollars (\$128).

38 SECTION 133. IC 20-43-13-4, AS AMENDED BY P.L.213-2015, SECTION 229, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. The complexity index is the result
40 determined under STEP THREE in section 3 of this chapter for a state fiscal year beginning after June
41 30, 2015; using the following formula:

42 **STEP ONE: Determine the percentage of the school corporation's students who were receiving**
43 **Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for**
44 **Needy Families (TANF) benefits, or foster care services as of October 1 in the school year**
45 **ending in the later of:**

46 (A) 2017; or

47 (B) the first year of operation of the school corporation.

1 For a conversion charter school, the percentage determined under this STEP is the percentage
2 of the sponsor school corporation.

3 **STEP TWO: Determine:**

4 (A) for a charter school in the first year of operation, the STEP ONE amount; or

5 (B) for all other school corporations, the result of:

6 (i) the STEP ONE amount; minus

7 (ii) the school corporation's prior year complexity index.

8 **STEP THREE: Determine the sum of:**

9 (A) the prior year complexity index; plus

10 (B) the STEP TWO result.

11 SECTION 134. IC 20-45-7-19, AS AMENDED BY P.L.205-2013, SECTION 303, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 19. Before July 11 of each year, the state
13 superintendent shall certify to the county auditor:

14 (1) the consolidated ADA ratio of the qualified school corporations;

15 (2) the number of pupils in the ~~current~~ **ADM fall count under IC 20-43-4** of each qualified school
16 corporation for the ~~immediately preceding~~ school year, as determined:

17 (A) for a calendar year ending before January 1, 2013, in the fall count of ADM for the school
18 year ending in the calendar year; and

19 (B) for a calendar year ending after December 31, 2012, in the spring count of ADM for the
20 school year ending in the calendar year; and

21 (3) an estimate of these statistics for the succeeding school year.

22 SECTION 135. IC 20-45-8-18, AS AMENDED BY P.L.205-2013, SECTION 305, IS AMENDED TO
23 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18. (a) Before July 11 of each year, the state
24 superintendent shall deliver to the county auditor a certified statement of

25 (1) for a calendar year ending before January 1, 2013, the fall count of ADM in grades 1 through 12
26 residing in each qualified school corporation for the school year ending in the calendar year; and

27 (2) for a calendar year ending after December 31, 2012, the ~~spring~~ **fall** count of ADM **pupils under**
28 **IC 20-43-4** in grades 1 through 12 residing in each qualified school corporation for the school year
29 ending in the calendar year.

30 (b) Upon the receipt of the information, the county auditor shall compute the amount to be distributed
31 to each of the qualified school corporations from the receipts of the tax levy, based on the formula set
32 forth in this chapter.

33 (c) The county auditor shall annually issue a warrant to the county treasurer ordering the payment to
34 the respective qualified school corporations the various amounts in the fund at each semiannual tax
35 settlement period during the year in which the tax has been collected.

36 (d) The qualified school corporations and the proper officials and employees of the qualified school
37 corporations shall receive the receipts distributed by the county treasurer in the same manner as other tax
38 receipts are received.

39 SECTION 136. IC 20-45-8-22, AS AMENDED BY P.L.205-2013, SECTION 306, IS AMENDED TO
40 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 22. (a) The amount to be raised by the tax shall
41 be determined in any calendar year by the county auditor and certified to by the board of county
42 commissioners before the time for making the county budgets in the year.

43 (b) The amount is the total of the entitlements of all qualified school corporations.

44 (c) The entitlement of each qualified school corporation calculated in a calendar year is an amount
45 equal to the result determined under STEP TWO of the following formula:

46 STEP ONE: Calculate the quotient of:

1 (A) the total amount deposited in the fund in calendar year 1979 or the first year in which a
2 deposit was made, whichever is later; divided by

3 (B) for:

4 (i) a calendar year ending before January 1, 2013; the total ADM of the immediately preceding
5 school year of qualified school corporations that received money from the fund in 1979, as
6 determined in the fall count of ADM for the school year ending in the immediately preceding
7 calendar year; and

8 (ii) a calendar year beginning after December 31, 2012; the total ADM count of pupils of the
9 immediately preceding school year of qualified school corporations that received money from
10 the fund in 1979, as determined in the ~~spring~~ fall count of ADM pupils under IC 20-43-4 for
11 the school year ending in the immediately preceding calendar year.

12 STEP TWO: Calculate the product of:

13 (A) the STEP ONE result; multiplied by

14 (B) for:

15 (i) a calendar year ending before January 1, 2013; the ADM of the immediately preceding
16 school year of the qualified school corporation that received money from the fund in 1979; as
17 determined in the fall count of ADM for the school year ending in the immediately preceding
18 calendar year; and

19 (ii) a calendar year beginning after December 31, 2012; the total ADM count of pupils of the
20 immediately preceding school year of qualified school corporations that received money from
21 the fund in 1979, as determined in the **informational** spring count of ADM pupils under
22 **IC 20-43-4** for the school year ending in the immediately preceding calendar year.

23 SECTION 137. IC 20-49-1-3 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 3: ~~"Transition to~~
24 ~~foundation amount" refers to the amount determined under IC 20-43-5-6.~~

25 SECTION 138. IC 20-49-4-23, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO
26 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 23. (a) Upon request of the ~~state board; acting~~
27 ~~upon the advice of the department; treasurer of state~~, the state board of finance may periodically sell,
28 transfer, or liquidate agreements, in whole or in part, including without limitation the sale, transfer, or
29 liquidation of all or any part of the principal or interest to be received at any time under one (1) or more
30 agreements that evidence the right of the state to make deductions from state tuition support to pay
31 advances under this chapter under the terms and conditions that the state board of finance considers
32 necessary and appropriate.

33 (b) Each sale, transfer, or liquidation under this section is subject to the following conditions:

34 (1) Each sale, transfer, or liquidation may be made only to a department, an agency, a commission,
35 an instrumentality, or a public body of the state, including the Indiana bond bank.

36 (2) Each sale, transfer, or liquidation of agreements may be made only for cash.

37 (3) Payments under the sale, transfer, or liquidation must be made to the treasurer of state for the
38 fund and reported to the state board of finance.

39 (4) The total amount of cash received by the fund from the sale may not be less than the outstanding
40 principal amount of all or a part of the agreements sold plus accrued interest owed.

41 (5) If necessary to facilitate a sale, transfer, or liquidation, the state board or the state board of
42 finance may agree to act on behalf of an entity described in subdivision (1) by collecting payment
43 on advances that are:

44 (A) received directly from a school corporation, if any direct payments are received; or

45 (B) deducted from amounts appropriated and made available for state tuition support.

1 An agreement by the state board or the state board of finance under this subdivision is a valid and
2 enforceable contractual obligation but is not a debt of the state within the meaning of the limitation
3 against indebtedness under the Constitution of the State of Indiana.

4 (6) Each proposed sale, transfer, or liquidation must be reviewed by the budget committee and
5 approved by the budget agency.

6 **(c) The state board of finance shall notify the state board and the department of any action that**
7 **the state board of finance takes under this section.**

8 SECTION 139. IC 20-51-4-7, AS AMENDED BY P.L.106-2016, SECTION 22, IS AMENDED TO
9 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) The department shall administer this
10 chapter.

11 (b) The department shall approve an application for an eligible school within fifteen (15) days after
12 the date the school requests to participate in the choice scholarship program.

13 (c) The department shall approve an application for a choice scholarship student within fifteen (15)
14 days after the date the student requests to participate in the choice scholarship program.

15 (d) Each year, at a minimum, the department shall accept applications from March 1 through
16 September 1 for eligible schools for the upcoming school year.

17 (e) Each year, ~~at a minimum~~, the department shall accept applications for choice scholarship students
18 from

19 ~~(1) March 1 through September 1 for the upcoming school year. and~~

20 ~~(2) September 2 through January 15 for the spring semester of the current school year.~~

21 (f) This chapter may not be construed in a manner that would impose additional requirements for
22 approving an application for an eligible school placed in a "null" or "no letter grade" category established
23 under IC 20-31-8-3(b).

24 (g) The department shall adopt rules under IC 4-22-2 to implement this chapter.

25 (h) The department may adopt emergency rules under IC 4-22-2-37.1 to implement this chapter.

26 SECTION 140. IC 21-7-13-6, AS AMENDED BY P.L.13-2013, SECTION 58, IS AMENDED TO
27 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) "Approved postsecondary
28 educational institution", for purposes of this title (except section 15 of this chapter, IC 21-12-6, and
29 IC 21-13-1-4) means the following:

30 (1) A postsecondary educational institution that operates in Indiana and:

31 (A) provides an organized two (2) year or longer program of collegiate grade directly creditable
32 toward a baccalaureate degree;

33 (B) is either operated by the state or operated nonprofit; and

34 (C) is accredited by a recognized regional accrediting agency, including:

35 (i) Ancilla College;

36 (ii) Anderson University;

37 (iii) Bethel College;

38 (iv) Butler University;

39 (v) Calumet College of St. Joseph;

40 (vi) DePauw University;

41 (vii) Earlham College;

42 (viii) Franklin College;

43 (ix) Goshen College;

44 (x) Grace College and Seminary;

45 (xi) Hanover College;

46 (xii) Holy Cross College;

47 (xiii) Huntington University;

- 1 (xiv) Indiana Institute of Technology;
2 (xv) Indiana Wesleyan University;
3 (xvi) Manchester College;
4 (xvii) Marian University;
5 (xviii) Martin University;
6 (xix) Oakland City University;
7 (xx) Rose-Hulman Institute of Technology;
8 (xxi) Saint Joseph's College;
9 (xxii) Saint Mary-of-the-Woods College;
10 (xxiii) Saint Mary's College;
11 (xxiv) Taylor University;
12 (xxv) Trine University;
13 (xxvi) University of Evansville;
14 (xxvii) University of Indianapolis;
15 (xxviii) University of Notre Dame;
16 (xxix) University of Saint Francis;
17 (xxx) Valparaiso University; and
18 (xxxi) Wabash College;
19 or is accredited by the board for proprietary education under IC 21-18.5-6 or an accrediting
20 agency recognized by the United States Department of Education.
21 (2) Ivy Tech Community College.
22 (3) A hospital that operates a nursing diploma program that is accredited by the Indiana state board
23 of nursing.
24 (4) A postsecondary credit bearing proprietary educational institution that meets the following
25 requirements:
26 (A) Is incorporated in Indiana, or is registered as a foreign corporation doing business in Indiana.
27 (B) Is fully accredited by and is in good standing with the board for proprietary education under
28 IC 21-18.5-6.
29 (C) Is accredited by and is in good standing with a regional or national accrediting agency.
30 (D) Offers a course of study that is at least eighteen (18) consecutive months in duration (or an
31 equivalent to be determined by the board for proprietary education under IC 21-18.5-6) and that
32 leads to an associate or a baccalaureate degree recognized by the board for proprietary education
33 under IC 21-18.5-6.
34 (E) Is certified by the board for proprietary education as meeting the requirements of this
35 subdivision.
36 **(5) A postsecondary SEI affiliated educational institution.**
37 (b) "Approved postsecondary educational institution" for purposes of section 15 of this chapter,
38 IC 21-12-6, and IC 21-13-1-4, means the following:
39 (1) A state educational institution.
40 (2) A nonprofit college or university.
41 (3) A postsecondary credit bearing proprietary educational institution that is accredited by an
42 accrediting agency recognized by the United States Department of Education.
43 **(4) A postsecondary SEI affiliated educational institution.**
44 SECTION 141. IC 21-7-13-26.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
45 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 26.5. (a) "Postsecondary SEI affiliated**
46 **educational institution" means a degree granting and credit bearing institution that:**

- 1 (1) is organized as a public benefit corporation (as described in IC 23-17-2-23) and controlled
- 2 by a state educational institution;
- 3 (2) is authorized under procedures approved by the executive officer of the commission under
- 4 IC 21-18-12.4 to provide instructional or educational services or training in Indiana using
- 5 onsite, online, or any combination of these or other instructional modalities;
- 6 (3) is accredited by a recognized regional accrediting agency or is seeking or progressing
- 7 toward accreditation by a recognized regional accrediting agency; and
- 8 (4) has its debts and liabilities backed by the controlling state educational institution described
- 9 in subdivision (1) in the form of a contribution, bond, or other surety consisting solely of
- 10 eligible property (as defined in IC 21-27-10-4).

11 (b) The term does not include the following:

- 12 (1) A state educational institution.
- 13 (2) A postsecondary credit bearing proprietary educational institution approved or regulated
- 14 by the board for proprietary education under IC 21-18.5-6.
- 15 (3) Any educational institution or educational training that:
- 16 (A) is maintained or provided by an employer or employers at no charge for employees or
- 17 potential employees;
- 18 (B) is maintained or provided by a labor organization at no charge for its members or
- 19 apprentices; or
- 20 (C) offers instruction that is exclusively focused on self-improvement or exclusively
- 21 intended to be motivational or avocational, including instruction in dance, music,
- 22 self-defense, and private tutoring.
- 23 (4) A public or nonprofit degree granting institution organized or incorporated in a
- 24 jurisdiction other than Indiana that offers instructional or educational services or training in
- 25 Indiana.
- 26 (5) A religious institution that offers educational instruction or an educational program of a
- 27 clearly religious nature.

28 SECTION 142. IC 21-13-9-3, AS AMENDED BY HEA 1281-2017, SECTION 6, IS AMENDED TO
29 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The commission, in coordination with
30 the Marian University College of Osteopathic Medicine, shall administer a student scholarship program
31 to increase the availability of primary care for residents in ~~primary care shortage areas of Indiana~~ by
32 providing incentives to medical students who agree to provide primary care in a ~~shortage area~~ **Indiana**
33 immediately after becoming a licensed physician.

34 (b) A scholarship awarded under this chapter must be used to provide supplemental support to a
35 medical student enrolled at the Marian University College of Osteopathic Medicine and may not be used
36 to reduce any other financial aid, grant, or scholarship the student may otherwise receive.

37 SECTION 143. IC 21-13-9-4, AS AMENDED BY HEA 1281-2017, SECTION 7, IS AMENDED TO
38 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. Before providing a scholarship to a student,
39 the commission, in coordination with the Marian University College of Osteopathic Medicine, must find
40 that the applicant satisfies all the following conditions:

- 41 (1) The applicant is and remains an Indiana resident **or the applicant is a nonresident of Indiana**
- 42 **who intends to remain in Indiana. The commission shall give a preference to Indiana residents**
- 43 **when awarding a scholarship.**
- 44 (2) The applicant is enrolled ~~full time in the first year class~~ at the Marian University College of
- 45 Osteopathic Medicine in a program that will prepare the applicant to provide primary care as a
- 46 licensed physician.

1 (3) If the applicant is receiving a scholarship for the second through fourth year of the program, the
2 applicant successfully completed the academic work required for the previous school year.

3 (4) The applicant remains in good standing with the Marian University College of Osteopathic
4 Medicine program.

5 (5) The applicant agrees to execute a written primary care practice agreement with the commission
6 as required by section 6 of this chapter.

7 SECTION 144. IC 21-13-9-5, AS AMENDED BY HEA 1281-2017, SECTION 8, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) The commission, in coordination with
9 the Marian University College of Osteopathic Medicine, shall select from among the qualified students
10 who will receive a scholarship under this chapter. The commission may not create or use a waiting list
11 for scholarships under this chapter.

12 (b) The amount of the scholarship that may be awarded to a qualified student for a particular school
13 year shall be determined by the commission, in coordination with the Marian University College of
14 Osteopathic Medicine, and may not exceed ~~ten thousand dollars (\$10,000)~~: **the following:**

15 **(1) If the scholarship is awarded in the first class year, a maximum of ten thousand dollars**
16 **(\$10,000) per year for four (4) class years.**

17 **(2) If the scholarship is awarded in the second class year:**

18 **(A) a maximum of seven thousand five hundred dollars (\$7,500) for the first class year; and**

19 **(B) a maximum of ten thousand dollars (\$10,000) per year for the second through fourth**
20 **class years.**

21 **(3) If the scholarship is awarded in the third class year:**

22 **(A) a maximum of five thousand dollars (\$5,000) for the first class year;**

23 **(B) a maximum of seven thousand five hundred dollars (\$7,500) for the second class year;**
24 **and**

25 **(C) a maximum of ten thousand dollars (\$10,000) per year for the third and fourth class**
26 **years.**

27 **(4) If the scholarship is awarded in the fourth class year:**

28 **(A) a maximum of two thousand five hundred dollars (\$2,500) for the first class year;**

29 **(B) a maximum of five thousand dollars (\$5,000) for the second class year;**

30 **(C) a maximum of seven thousand five hundred dollars (\$7,500) for the third class year;**
31 **and**

32 **(D) a maximum of ten thousand dollars (\$10,000) for the fourth class year.**

33 **(c) A qualified student may not qualify for a scholarship for more than four (4) school years.**

34 SECTION 145. IC 21-13-9-6, AS AMENDED BY HEA 1281-2017, SECTION 9, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. A scholarship recipient must execute a
36 written primary care practice agreement with the commission, with the terms and conditions and in the
37 form and manner required by the commission. The agreement must provide that the scholarship recipient
38 shall do at least the following:

39 (1) Continually satisfy the requirements of section 4 of this chapter during the school year.

40 (2) Complete the requirements of the Marian University College of Osteopathic Medicine program
41 by the end of the fourth year after receiving the first scholarship under this chapter.

42 (3) Will practice primary care in a **primary care shortage area Indiana** for four (4) years. This
43 requirement includes the time spent in any residency program that is located in a **primary care**
44 **shortage area Indiana.**

45 (4) Return the amount specified in the agreement, not to exceed the total of all scholarships received,
46 to the commission if the scholarship recipient fails to comply with all the terms and conditions of
47 the agreement. If the noncompliance is because the scholarship recipient did not comply with

1 subdivision (3), the minimum amount that must be returned is the highest scholarship amount
2 received for a school year multiplied by the number of years the scholarship recipient did not comply
3 with subdivision (3).

4 SECTION 146. IC 21-18-12.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
5 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

6 **Chapter 12.4. Postsecondary SEI Affiliated Educational Institutions Authorization**

7 **Sec. 1. All postsecondary SEI affiliated educational institutions seeking to offer instructional or**
8 **educational services, and the instructional or educational programs, including degree programs,**
9 **offered by these institutions, whether onsite, online, or through any combination of these or other**
10 **instructional modalities, must be authorized by the executive officer of the commission and**
11 **approved by the commission. The executive officer of the commission may:**

12 (1) **develop procedures for authorizing such institutions to offer such instructional programs**
13 **in Indiana to the extent required by the United States Department of Education; and**

14 (2) **enter into interstate reciprocity agreements for purposes of this chapter.**

15 SECTION 147. IC 21-27-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
16 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

17 **Chapter 10. Postsecondary SEI Affiliated Educational Institutions**

18 **Sec. 1. The general assembly recognizes that:**

19 (1) **Article 11, Section 12 of the Constitution of the State of Indiana provides that the state may**
20 **not become a stockholder in a corporation;**

21 (2) **online, onsite, and hybrid online/onsite instructional, educational, and training programs**
22 **serve an important public interest by expanding access to learning opportunities, thereby**
23 **enhancing the state's ability to promote workforce and economic development; and**

24 (3) **a state educational institution may more effectively advance its educational mission and**
25 **achieve its public or charitable purposes by being affiliated with a postsecondary degree**
26 **granting and credit bearing institution that provides these alternative types of instructional,**
27 **educational, or training offerings, whether onsite, online, or through any combination of these**
28 **or other instructional modalities, to better reach adult learners and other nontraditional**
29 **students.**

30 **The general assembly declares that a state educational institution's controlling and being a member**
31 **of a postsecondary SEI affiliated educational institution, as permitted in this section, complies with**
32 **Article 11, Section 12 of the Constitution of the State of Indiana.**

33 **Sec. 2. This chapter applies only to a state educational institution.**

34 **Sec. 3. As used in this chapter, "commission" refers to the commission for higher education of**
35 **the state of Indiana established under IC 21-18-2.**

36 **Sec. 4. As used in this chapter, "eligible property" means any property received by the board**
37 **of trustees of a state educational institution, other than:**

38 (1) **state appropriations; or**

39 (2) **other public money received through another state educational institution, a state agency,**
40 **or a local government entity.**

41 **Sec. 5. A state educational institution may be a member of a postsecondary SEI affiliated**
42 **educational institution if:**

43 (1) **the postsecondary SEI affiliated educational institution is a public benefit corporation (as**
44 **defined in IC 23-17-2-23);**

45 (2) **the postsecondary SEI affiliated educational institution is controlled by the state**
46 **educational institution;**

1 (3) in the judgment of the board of trustees, it is in the best interest and consistent with the
2 mission of the state educational institution; and

3 (4) any contributions or other financial support made to the postsecondary SEI affiliated
4 educational institution by the state educational institution consist solely of eligible property.

5 **Sec. 6. Notwithstanding any other law, a postsecondary SEI affiliated educational institution is**
6 **not subject to the following:**

7 (1) IC 5-14-1.5.

8 (2) IC 5-14-3.

9 (3) IC 5-11-1-9.

10 **Sec. 7. The commission may require a postsecondary SEI affiliated educational institution to**
11 **provide information concerning the:**

12 (1) financial position of the postsecondary SEI affiliated educational institution;

13 (2) academic programs and instruction offered by the postsecondary SEI affiliated educational
14 institution; and

15 (3) student outcomes;

16 **and make the information publicly available.**

17 **Sec. 8. For purposes of United States Department of Education regulations, a postsecondary SEI**
18 **affiliated educational institution is considered to be subject to the administrative supervision and**
19 **control of the executive branch by virtue of appointment by the governor of all or a majority of the**
20 **trustees of a controlling state educational institution.**

21 **Sec. 9. A state educational institution that:**

22 (1) exists as an instrumentality of the state in the form of a body corporate, body politic, or
23 body corporate and body politic; and

24 (2) controls a postsecondary SEI affiliated educational institution;

25 **is considered to be a governmental entity equivalent to the state for purposes of United States**
26 **Department of Education regulations.**

27 **Sec. 10. The executive director of the commission may issue a confirmation of the status of a**
28 **postsecondary SEI affiliated educational institution as a public school for purposes of United States**
29 **Department of Education regulations.**

30 SECTION 148. IC 21-36-3-6, AS ADDED BY P.L.2-2007, SECTION 277, IS AMENDED TO READ
31 AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) Except as provided in subsection (b) and
32 section 7 of this chapter, the value of the real estate to be sold and conveyed under this chapter shall be
33 determined by three (3) disinterested appraisers appointed by the governor. Real estate may not be sold
34 or conveyed for less than the appraised value.

35 **(b) Subsection (a) does not apply to Ivy Tech Community College through December 31, 2017.**
36 **This subsection expires June 30, 2018.**

37 SECTION 149. IC 21-41-5-12, AS ADDED BY P.L.141-2016, SECTION 9, IS AMENDED TO
38 READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 12. (a) Not later than ninety (90) days after
39 receiving the data provided under IC 22-4.1-4-13, Ivy Tech Community College shall report to the
40 department of workforce development the following information for the statewide system and each region
41 established under IC 21-22-6-1 for the immediately preceding academic year:

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

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

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

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

46 (A) successfully completed a certificate program sequence; and

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

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

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

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

10 (A) insufficient student demand;

11 (B) insufficient employer demand; or

12 (C) insufficient graduation or transfer rates;

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

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

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

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

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

24 (c) This section expires July 1, 2020.

25 SECTION 150. IC 21-41-5-13, AS ADDED BY P.L.141-2016, SECTION 10, IS AMENDED TO
26 READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 13. (a) The president of Ivy Tech Community
27 College shall, before October 1 of each year, report to the governor, the budget committee, and the
28 legislative council (in an electronic format under IC 5-14-6) concerning progress in the efforts to align
29 career and technical education courses and programs and certification courses and programs with the
30 workforce needs and educational requirements within each region designated under IC 20-19-6-3 **(before**
31 **its expiration)**.

32 (b) This section expires July 1, 2020.

33 SECTION 151. IC 22-4.1-4-10, AS ADDED BY P.L.141-2016, SECTION 14, IS AMENDED TO
34 READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 10. (a) The department shall prepare an
35 occupational demand report regarding:

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

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

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

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

42 (1) The commission for higher education.

43 (2) Ivy Tech Community College.

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

45 ~~(4) (3) Employers and employer organizations.~~

46 ~~(5) (4) Labor organizations.~~

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

6 (d) This section expires July 1, 2020.

7 SECTION 152. IC 22-4.5-9-4, AS AMENDED BY P.L.178-2016, SECTION 27, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4. (a) The council shall do all of the following:

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

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

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

19 (A) state and local agencies; and

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

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

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

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

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

35 (C) Proposed changes to address both:

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

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

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

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

43 (i) the use of the programs; and

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

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

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

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

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

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

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

9 (1) Indiana employers and employer organizations.

10 (2) Public and private institutions of higher education.

11 (3) Regional and local economic development organizations.

12 (4) Indiana labor organizations.

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

14 (6) Military and veterans organizations.

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

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

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

20 SECTION 153. IC 24-3-2-2, AS AMENDED BY P.L.213-2015, SECTION 251, IS AMENDED TO
21 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. Unless the context in this chapter requires
22 otherwise, the term:

23 (a) "Cigarette" shall mean and include any roll for smoking made wholly or in part of tobacco,
24 irrespective of size or shape and irrespective of tobacco being flavored, adulterated, or mixed with any
25 other ingredient, where such roll has a wrapper or cover made of paper or any other material; provided
26 the definition in this paragraph shall not be construed to include cigars.

27 (b) "Person" or the term "company", used in this chapter interchangeably, means and includes any
28 individual, assignee, receiver, commissioner, fiduciary, trustee, executor, administrator, institution, bank,
29 consignee, firm, partnership, limited liability company, joint vendor, pool, syndicate, bureau, association,
30 cooperative association, society, club, fraternity, sorority, lodge, corporation, municipal corporation, or
31 other political subdivision of the state engaged in private or proprietary activities or business, estate, trust,
32 or any other group or combination acting as a unit, and the plural as well as the singular number, unless
33 the intention to give a more limited meaning is disclosed by the context.

34 (c) "Distributor" shall mean and include every person who sells, barter, exchanges, or distributes
35 cigarettes in the state of Indiana to retail dealers for the purpose of resale, or who purchases for resale
36 cigarettes from a manufacturer of cigarettes or from a wholesaler, jobber, or distributor outside the state
37 of Indiana who is not a distributor holding a registration certificate issued under the provisions of
38 IC 6-7-1.

39 (d) "Retailer" shall mean every person, other than a distributor, who purchases, sells, offers for sale,
40 or distributes cigarettes to consumers or to any person for any purpose other than resale, irrespective of
41 quantity or amount or the number of sales.

42 (e) "Sell at retail", "sale at retail", and "retail sales" shall mean and include any transfer of title to
43 cigarettes for a valuable consideration made in the ordinary course of trade or usual conduct of the seller's
44 business to the purchaser for consummation or use.

45 (f) "Sell at wholesale", "sale at wholesale", and "wholesale sales" shall mean and include any transfer
46 of title to cigarettes for a valuable consideration made in the ordinary course of trade or usual conduct of
47 a distributor's business.

1 (g) "Basic cost of cigarettes" shall mean the invoice cost of cigarettes to the retailer or distributor, as
2 the case may be, or the replacement cost of cigarettes to the retailer or distributor, as the case may be,
3 within thirty (30) days prior to the date of sale, in the quantity last purchased, whichever is the lower, less
4 all trade discounts and customary discounts for cash, plus the cost at full face value of any stamps which
5 may be required by IC 6-7-1, if not included by the manufacturer in his selling price to the distributor.

6 (h) "Department" shall mean the alcohol and tobacco commission or its duly authorized assistants and
7 employees.

8 (i) "Cost to the retailer" shall mean the basic cost of cigarettes to the retailer, plus the cost of doing
9 business by the retailer as evidenced by the standards and methods of accounting regularly employed by
10 him in his allocation of overhead costs and expenses paid or incurred and must include without limitation
11 labor (including salaries of executives and officers), rent, depreciation, selling costs, maintenance of
12 equipment, delivery costs, all types of licenses, taxes, insurance, and advertising; however, any retailer
13 who, in connection with the retailer's purchase, receives not only the discounts ordinarily allowed upon
14 purchases by a retailer, but also, in whole or in part, discounts ordinarily allowed on purchases by a
15 distributor shall, in determining costs to the retailer pursuant to this section, add the cost to the distributor,
16 as defined in paragraph (j), to the basic cost of cigarettes to said retailer as well as the cost of doing
17 business by the retailer. In the absence of proof of a lesser or higher cost of doing business:

18 (1) by the retailer making the sale, the cost of doing business by the retailer shall be presumed to be
19 ~~twelve percent (12%)~~ **the following percent** of the basic cost of cigarettes to the retailer: ~~in the~~
20 ~~absence of proof of a lesser or higher cost of doing business, the cost of doing business~~

21 (A) **Until January 1, 2018, twelve percent (12%).**

22 (B) **During 2018, twelve and twenty-five hundredths percent (12.25%).**

23 (C) **During 2019, twelve and five tenths percent (12.5%).**

24 (D) **During 2020, twelve and seventy-five hundredths percent (12.75%).**

25 (E) **During 2021, thirteen percent (13%).**

26 (F) **During 2022, thirteen and twenty-five hundredths percent (13.25%).**

27 (G) **During 2023, thirteen and five tenths percent (13.5%).**

28 (H) **During 2024, thirteen and seventy-five hundredths percent (13.75%).**

29 (I) **After 2024, fourteen percent (14%).**

30 (2) by the retailer, who in connection with the retailer's purchase receives not only the discounts
31 ordinarily allowed upon purchases by a retailer, but also, in whole or in part, the discounts ordinarily
32 allowed upon purchases by a distributor, shall be presumed to be ~~twelve percent (12%)~~ **the**
33 **following percent** of the sum of the basic cost of cigarettes plus the cost of doing business by the
34 distributor:

35 (A) **Until January 1, 2018, twelve percent (12%).**

36 (B) **During 2018, twelve and twenty-five hundredths percent (12.25%).**

37 (C) **During 2019, twelve and five tenths percent (12.5%).**

38 (D) **During 2020, twelve and seventy-five hundredths percent (12.75%).**

39 (E) **During 2021, thirteen percent (13%).**

40 (F) **During 2022, thirteen and twenty-five hundredths percent (13.25%).**

41 (G) **During 2023, thirteen and five tenths percent (13.5%).**

42 (H) **During 2024, thirteen and seventy-five hundredths percent (13.75%).**

43 (I) **After 2024, fourteen percent (14%).**

44 (j) "Cost to the distributor" shall mean the basic cost of cigarettes to the distributor, plus the cost of
45 doing business by the distributor as evidenced by the standards and methods of accounting regularly
46 employed by him in his allocation of overhead costs and expenses, paid or incurred, and must include
47 without limitation labor costs (including salaries of executives and officers), rent, depreciation, selling

1 costs, maintenance of equipment, delivery costs, all types of licenses, taxes, insurance, and advertising.
2 In the absence of proof of a lesser or higher cost of doing business by the distributor making the sale, the
3 cost of doing business by the wholesaler shall be presumed to be four percent (4%) of the basic cost of
4 cigarettes to the distributor, plus cartage to the retail outlet, if performed or paid for by the distributor,
5 which cartage cost, in the absence of proof of a lesser or higher cost, shall be deemed to be one-half of
6 one percent (0.5%) of the basic cost of cigarettes to the distributor.

7 (k) "Registration certificate" refers to the registration certificate issued to cigarette distributors by the
8 department of state revenue under IC 6-7-1-16.

9 SECTION 154. IC 33-37-5-21, AS AMENDED BY P.L.213-2015, SECTION 258, IS AMENDED TO
10 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 21. (a) This section applies to all civil,
11 criminal, infraction, and ordinance violation actions.

- 12 (b) The clerk shall collect an automated record keeping fee of:
13 (1) ~~nineteen twenty~~ **dollars (\$19) (\$20)** after June 30, 2015; ~~and before July 1, 2017, 2017,~~ in all
14 actions except actions described in subdivision (2); **and**
15 (2) five dollars (\$5) ~~after June 30, 2015; and before July 1, 2017;~~ with respect to actions resulting
16 in the accused person entering into a:
17 (A) pretrial diversion program agreement under IC 33-39-1-8; or
18 (B) deferral program agreement under IC 34-28-5-1. ~~and~~
19 ~~(3) five dollars (\$5) after June 30, 2017.~~

20 SECTION 155. IC 33-37-7-9, AS AMENDED BY SEA 322-2017, SECTION 7, IS AMENDED TO
21 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. (a) On June 30 and on December 31 of each
22 year, the auditor of state shall transfer to the treasurer of state nine million four hundred ninety-two
23 thousand twenty-three dollars (\$9,492,023) for distribution under subsection (b).

- 24 (b) On June 30 and on December 31 of each year, the treasurer of state shall deposit into:
25 (1) the family violence and victim assistance fund established by IC 5-2-6.8-3 an amount equal to
26 seven and eighty-five hundredths percent (7.85%);
27 (2) the Indiana judges' retirement fund established by IC 33-38-6-12 an amount equal to thirty-seven
28 and sixty-eight hundredths percent (37.68%);
29 ~~(3) the law enforcement academy building fund established by IC 5-2-1-13 an amount equal to two~~
30 ~~and fifty-one hundredths percent (2.51%);~~
31 ~~(4) (3) the law enforcement training academy fund established by IC 5-2-1-13 an amount equal to~~
32 ~~ten and four hundredths percent (10.04%);~~ **twelve and fifty-five hundredths percent 12.55%.**
33 ~~(5) (4) the violent crime victims compensation fund established by IC 5-2-6.1-40 an amount equal~~
34 ~~to eleven and sixty-six hundredths percent (11.66%);~~
35 ~~(6) (5) the motor vehicle highway account an amount equal to nineteen and five hundredths percent~~
36 ~~(19.05%);~~
37 ~~(7) (6) the fish and wildlife fund established by IC 14-22-3-2 an amount equal to twenty-five~~
38 ~~hundredths percent (0.25%);~~
39 ~~(8) (7) the Indiana judicial center drug and alcohol programs fund established by IC 12-23-14-17~~
40 ~~for the administration, certification, and support of alcohol and drug services programs under~~
41 ~~IC 12-23-14 an amount equal to one and six-tenths percent (1.6%); and~~
42 ~~(9) (8) the DNA sample processing fund established under IC 10-13-6-9.5 for the funding of the~~
43 ~~collection, shipment, analysis, and preservation of DNA samples and the conduct of a DNA data~~
44 ~~base program under IC 10-13-6 an amount equal to nine and thirty-six hundredths percent (9.36%);~~
45 of the amount transferred by the auditor of state under subsection (a).

1 (c) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of
2 state for deposit into the public defense fund established under IC 33-40-6-1 three million seven hundred
3 thousand dollars (\$3,700,000).

4 SECTION 156. IC 34-30-2-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
5 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 24.5. IC 8-14-15-4(d) (Concerning officers,
6 directors, and employees of the Indiana finance authority and the treasurer of state for transfers
7 made from the next generation trust fund to the next level Indiana trust and trust fund).**

8 SECTION 157. IC 35-38-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
9 PASSAGE]: Sec. 1. (a) The punishment of death shall be inflicted by intravenous injection of a lethal
10 substance or substances into the convicted person:

11 (1) in a quantity sufficient to cause the death of the convicted person; and

12 (2) until the convicted person is dead.

13 (b) The death penalty shall be inflicted before the hour of sunrise on a date fixed by the sentencing
14 court. However, the execution must not occur until at least one hundred (100) days after the conviction.

15 (c) The superintendent of the state prison, or persons designated by the superintendent, shall designate
16 the person who is to serve as the executioner.

17 (d) The department of correction may adopt rules under IC 4-22-2 necessary to implement subsection
18 (a).

19 (e) **The department of correction may make and enter into a contract with an outsourcing
20 facility, a wholesale drug distributor (as defined in IC 25-26-14-12), a pharmacy (as defined in
21 IC 25-26-13-2), or a pharmacist (as defined in IC 25-26-13-2) for the issuance or compounding of
22 a lethal substance necessary to carry out an execution by lethal injection. A lethal substance
23 provided to the department of correction under this subsection may be used only for the purpose
24 of carrying out an execution by lethal injection. The issuance or compounding of a lethal substance
25 under this subsection:**

26 (1) **does not constitute the practice of pharmacy (as defined in IC 25-26-13-2);**

27 (2) **is not subject to the jurisdiction of the Indiana board of pharmacy, the medical licensing
28 board of Indiana, the Indiana state department of health, or the Indiana professional licensing
29 agency; and**

30 (3) **is exempt from the provisions of IC 25.**

31 **A pharmacist, a pharmacy, a wholesale drug distributor, or an outsourcing facility that provides
32 a lethal substance to the department of correction under this subsection shall label the lethal
33 substance with the name of the lethal substance, its dosage, a projected expiration date, and a
34 statement that the lethal substance shall be used only by the department of correction for the
35 purpose of carrying out an execution by lethal injection.**

36 (f) **The following are confidential, are not subject to discovery, and may not be introduced as
37 evidence in any civil or criminal proceeding:**

38 (1) **The identity of a person described in subsection (e) that enters into a contract with the
39 department of correction under subsection (e) for the issuance or compounding of lethal
40 substances necessary to carry out an execution by lethal injection.**

41 (2) **The identity of an officer, an employee, or a contractor of a person described in subdivision
42 (1).**

43 (3) **The identity of a person contracted by a person described in subdivision (1) to obtain
44 equipment or a substance to facilitate the compounding of a lethal substance described in
45 subsection (e).**

46 (4) **Information reasonably calculated to lead to the identity of a person described in this
47 subsection, including a:**

- 1 (A) name;
- 2 (B) residential or business address;
- 3 (C) residential or office telephone number; and
- 4 (D) Social Security number or tax identification number.

5 This subsection applies retroactively to any request for information, discovery request, or
6 proceeding, no matter when made or initiated.

7 SECTION 158. IC 36-1.5-3-5, AS AMENDED BY P.L.255-2013, SECTION 7, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) **This subsection applies to the plan**
9 **of reorganization of a political subdivision other than a school corporation.** The plan of
10 reorganization must specify the amount (if any) of the decrease that the department of local
11 government finance shall make to the maximum permissible property tax levies, maximum permissible
12 property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political
13 subdivision to:

- 14 (1) eliminate double taxation for services or goods provided by the reorganized political
15 subdivision; or
- 16 (2) eliminate any excess by which the amount of property taxes imposed by the reorganized
17 political subdivision exceeds the amount necessary to pay for services or goods provided under
18 this article.

19 **(b) This subsection applies to a plan of reorganization for a school corporation. The plan of**
20 **reorganization must specify the adjustments that the department of local government finance**
21 **shall make to the maximum permissible property tax levies, maximum permissible property tax**
22 **rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized school corporation.**
23 **The following apply to a school corporation reorganized under this article:**

- 24 (1) **The new maximum permissible tax levy under IC 20-46-4 (transportation fund) and**
25 **IC 20-46-5 (school bus replacement) for the first calendar year in which the reorganization**
26 **is effective equals the following:**

27 **STEP ONE: Determine for each school corporation that is part of the reorganization the**
28 **sum of the maximum levies under IC 20-46-4 and IC 20-46-5 for the ensuing calendar**
29 **year, including the assessed value growth quotient (IC 6-1.1-18.5-2) adjustment for the**
30 **ensuing calendar year.**

31 **STEP TWO: Determine the sum of the STEP ONE amounts.**

32 **STEP THREE: Multiply the STEP TWO amount by one hundred three percent (103%).**

- 33 (2) **The new maximum capital projects fund rate under IC 20-46-6 for the first calendar**
34 **year in which the reorganization is effective equals the following:**

35 **STEP ONE: Determine for each school corporation that is part of the reorganization the**
36 **maximum amount that could have been levied using the school corporation's maximum**
37 **capital projects fund tax rate for the calendar year.**

38 **STEP TWO: Determine the sum of the STEP ONE amounts.**

39 **STEP THREE: Determine the sum of the certified net assessed values for all the school**
40 **corporations that are part of the reorganization.**

41 **STEP FOUR: Divide the STEP TWO amount by the STEP THREE amount.**

42 **STEP FIVE: Determine the product (rounded to the nearest ten-thousandth (0.0001))**
43 **of:**

- 44 (i) **the STEP FOUR amount; multiplied by**
- 45 (ii) **one hundred (100).**

1 (3) The new debt service levy under IC 20-46-7 for the first calendar year in which the
2 reorganization is effective equals the sum of the debt service fund levies for each school
3 corporation that is part of the reorganization that would have been permitted under
4 IC 20-46-7 in the calendar year.

5 ~~(b)~~ (c) The fiscal body of the reorganized political subdivision shall determine and certify to the
6 department of local government finance the amount of the adjustment (if any) under subsection (a).

7 ~~(c)~~ (d) The amount of the adjustment (if any) under subsection (a) or (b) must comply with the
8 reorganization agreement under which the political subdivision or school corporation is reorganized
9 under this article.

10 SECTION 159. IC 36-1.5-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ
11 AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

12 **Chapter 6. School Corporation Efficiency Incentive Grants**

13 **Sec. 1.** As used in this chapter, "ADM" means average daily membership (as defined in
14 IC 20-18-2-2).

15 **Sec. 2.** A school corporation that is formed from a reorganization of two (2) or more school
16 corporations under IC 36-1.5-4 after June 30, 2017, is eligible for a one (1) time school corporation
17 efficiency incentive grant under this chapter after satisfying all the requirements of IC 36-1.5-4.

18 (b) The grant program shall be administered by the department of education. Grants made
19 under this chapter shall be paid from money appropriated to the department of education from the
20 general assembly for that purpose.

21 (c) The state board of education may adopt rules under IC 4-22-2 necessary to administer the
22 grant program.

23 **Sec. 3.** The grant amount is:

24 (1) two hundred fifty dollars (\$250); multiplied by

25 (2) the sum of the most recent ADMs of the reorganized school corporations.

26 **Sec. 4.** A reorganized school corporation that receives a grant under this chapter may use the
27 grant for one (1) or more of the following purposes:

28 (1) Payment of expenses associated with the reorganization, including professional service fees,
29 legal costs, and necessary capital expenditures.

30 (2) Providing salary bonuses to teachers. A bonus provided under this chapter is not subject
31 to collective bargaining under IC 20-29-6, but a discussion of the bonus must be held.

32 SECTION 160. IC 36-4-3-11.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
33 READ AS FOLLOWS [EFFECTIVE APRIL 30, 2017 (RETROACTIVE)]: **Sec. 11.8.** (a) This section
34 does not apply to an annexation that meets both of the following requirements:

35 (1) The annexation is an annexation under section 4(a)(2), 4(a)(3), 4(b), 4(h), 5, or 5.1 of this
36 chapter.

37 (2) No parcel within the annexation territory is subject to a waiver of remonstrance.

38 (b) This section does not apply to an annexation and annexation ordinance that is adopted and
39 effective before April 30, 2017.

40 (c) This section applies to property that meets both of the following requirements:

41 (1) Is in an unincorporated area on January 1, 2017.

42 (2) Is within the boundaries of a territory proposed to be annexed in an annexation ordinance
43 that was introduced after December 31, 2016, and before July 1, 2017.

44 (d) An annexation ordinance that is introduced after December 31, 2016, and before July 1, 2017,
45 that proposes to annex property to which this section applies is void and the annexation action is
46 terminated. A municipality may not take any further action to annex any of the property to which
47 this section applies until after June 30, 2022, including introducing another annexation ordinance

1 covering some or all of the property covered by this section after June 30, 2017, and before July 1,
2 2022.

3 SECTION 161. [EFFECTIVE JULY 1, 2017] (a) The budget agency and the Indiana department
4 of administration shall use the remaining balance of five million dollars (\$5,000,000) appropriated
5 for the budget agency for the health and safety contingency fund by HEA 1001-2013, SECTION 33,
6 to rehabilitate and improve the building located at 777 North Meridian Street in the city of
7 Indianapolis so that the building may be used to provide services to Indiana's veterans.

8 (b) The budget agency may not allot the money to the Indiana department of administration until
9 after review by the budget committee.

10 (c) This SECTION expires June 30, 2019.

11 SECTION 162. [EFFECTIVE UPON PASSAGE] (a) The budget agency shall transfer from the
12 state general fund to the state bicentennial capital account the amount needed to cover obligations
13 incurred before July 1, 2017. However, the amount transferred may not exceed five million five
14 hundred thousand dollars (\$5,500,000).

15 (b) There is appropriated from the state general fund for the budget agency to make the transfer
16 to the state bicentennial capital account the amount needed to cover the transfer.

17 (c) This SECTION expires June 30, 2019.

18 SECTION 163. P.L.213-2015, SECTION 268, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JUNE 29, 2017]: SECTION 268. (a) The definitions of "vacation leave", "sick leave", and
20 other types of leave used on July 1, 2010, by the department apply to this SECTION.

21 (b) As used in this SECTION, "department" refers to the state personnel department established by
22 IC 4-15-2.2-13.

23 (c) As used in this SECTION, "pilot program" refers to the pilot program reestablished under
24 subsection (d).

25 (d) The personnel committee of the legislative council for the legislative branch of state government
26 or the Indiana supreme court for the judicial branch of state government, or both, may reestablish the pilot
27 program established by P.L.220-2005, SECTION 8 (before its expiration), and P.L.220-2005, SECTION
28 10 (before its expiration), including provisions adopted by:

29 (1) the deferred compensation committee (established by IC 5-10-1.1-4) to govern the pilot program;

30 (2) the department under LSA Document #06-488(E) (before its expiration), filed with the publisher
31 of the Indiana Register on October 16, 2006, to govern the pilot program; or

32 (3) the auditor of state to administer the pilot program.

33 (e) Subject to the Internal Revenue Code and applicable regulations, the personnel committee of the
34 legislative council or the Indiana supreme court, or both, may adopt procedures to implement and
35 administer the pilot program, including provisions established or reestablished under subsection (d).

36 (f) The auditor of state shall provide for the administration of the pilot program.

37 (g) This SECTION expires June 30, ~~2017~~. 2019.

38 SECTION 164. P.L.234-2007, SECTION 180, IS REPEALED [EFFECTIVE JULY 1, 2017].
39 SECTION 180: (a) The trustees of the following institution may issue and sell bonds under IC 21-34;
40 subject to the approvals required by IC 21-33-3, for the following project if the sum of principal costs of
41 any bond issued, excluding amounts necessary to provide money for debt service reserves, credit
42 enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority
43 listed below for that institution:

44 Purdue University West Lafayette =

45 Animal Disease Diagnostic Laboratory (BSL-3) \$30,000,000

46 (b) The Indiana department of administration, acting on behalf of the Indiana state board of animal
47 health, in recognition of the state board of animal health's statutory functions involving the animal disease

1 diagnostic laboratory; is hereby authorized and directed to enter into a lease agreement, as lessee, with
2 the trustees of Purdue University as lessor, covering animal disease diagnostic laboratory (BSL-3):

3 SECTION 165. [EFFECTIVE JULY 1, 2017] (a) The authorization to issue and sell bonds
4 under IC 21-34 for twenty-two million dollars (\$22,000,000) for Indiana University Southeast's
5 education and technology building, as set forth in P.L. 205-2013, SECTION 348, is canceled.

6 (b) This SECTION expires June 30, 2019.

7 SECTION 166. [EFFECTIVE JULY 1, 2017] (a) The trustees of the following institutions may
8 issue and sell bonds after June 30, 2018, under IC 21-34, subject to the approvals required by
9 IC 21-33-3, for the following projects if the sum of principal costs of any bonds issued, excluding
10 amounts necessary to provide money for debt service reserves, credit enhancement, or other
11 costs incidental to the issuance of the bonds, does not exceed the total authority listed below for
12 that institution:

13	Indiana University	
14	Bloomington Campus	
15	Old Crescent Renovation - Phase III	78,500,000
16	Purdue University	
17	West Lafayette Campus	
18	Agricultural and Biological Engineering	
19	Building Renovation and Addition	69,000,000
20	Purdue Northwest Campus	
21	Bioscience Innovation Building	35,100,000
22	University of Southern Indiana	
23	Physical Activities Center Classroom Expansion	
24	and Renovation - Phase II	41,000,000
25	Ball State University	
26	Science, Technology, Engineering, Math	
27	and Health Professions Facilities - Phase II	87,500,000
28	Ivy Tech Community College	
29	Kokomo Renovation and Addition	40,200,000
30	Muncie Renovation and Addition	38,700,000

31 (b) Of the authorizations for projects in subsection (a), the maximum amount eligible for fee
32 replacement is the authorized amount.

33 SECTION 167. [EFFECTIVE JULY 1, 2017] (a) As used in this chapter, "performance funding
34 formula" means the funding model established by the commission to provide incentives to state
35 educational institutions that improve in specific metrics.

36 (b) The commission for higher education shall do the following:

37 (1) Review the metrics used in the performance funding formula to ensure that those metrics
38 are aligned with the state's higher education goals.

39 (2) Make recommendations before July 1, 2018, to the legislative council in an electronic
40 format under IC 5-14-6 and to the governor concerning the metrics used in the performance
41 funding formula.

42 (c) This SECTION expires December 31, 2018.

43 SECTION 168. [EFFECTIVE JULY 1, 2017] (a) The commission for higher education shall do the
44 following:

45 (1) Study the effectiveness of the academic program at the Indiana Academy for Science,
46 Math, and Humanities in Muncie.

1 **(2) Report its findings concerning the study under subdivision (1) before November 1, 2017,**
2 **to the legislative council in an electronic format under IC 5-14-6 and to the governor.**

3 **(b) This SECTION expires December 31, 2017.**

4 SECTION 169. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to**
5 **the interim study committee on courts and the judiciary during the 2017 legislative interim the topic**
6 **of studying the issues related to the following:**

7 **(1) Providing indigent defense services to persons charged with a misdemeanor.**

8 **(2) Providing defense services to parents of children who are alleged to be children in need of**
9 **services under IC 31-34.**

10 **(b) This SECTION expires January 1, 2018.**

11 SECTION 170. [EFFECTIVE JULY 1, 2017] **(a) The definitions in IC 20 apply to this SECTION.**

12 **(b) The state board shall amend 511 IAC 7-41-6(a) to provide that, beginning July 1, 2018,**
13 **developmental delay is a disability category solely for students who are at least three (3) years of**
14 **age and less than nine (9) years of age.**

15 **(c) This SECTION expires July 1, 2018.**

16 SECTION 171. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding the effective date in**
17 **P.L.181-2016, SECTION 16, for IC 6-2.5-1-19.5, the effective date of that SECTION is July 1, 2018,**
18 **and not July 1, 2017.**

19 **(b) Notwithstanding the effective date in P.L.181-2016, SECTION 19, for IC 6-2.5-4-4, the**
20 **effective date of that SECTION is July 1, 2018, and not July 1, 2017.**

21 **(c) Notwithstanding the effective date in P.L.181-2016, SECTION 20, for IC 6-2.5-4-4.2, the**
22 **effective date of that SECTION is July 1, 2018, and not July 1, 2017.**

23 SECTION 172. [EFFECTIVE JANUARY 1, 2018] **(a) IC 6-3-2-4, as amended by this act, applies**
24 **to taxable years beginning after December 31, 2017.**

25 **(b) This SECTION expires June 30, 2022.**

26 SECTION 173. [EFFECTIVE JULY 1, 2017] **(a) The general assembly recognizes that HEA**
27 **1520-2017 amends IC 4-4-11.4-29 and that SEA 507-2017 repeals IC 4-4-11.4. The general assembly**
28 **intends to repeal IC 4-4-11.4 effective July 1, 2017.**

29 **(b) This SECTION expires January 1, 2018.**

30 SECTION 174. **An emergency is declared for this act.**

 (Reference is to EHB 1001 as reprinted April 6, 2017.)

Conference Committee Report
on
Engrossed House Bill 1001

Signed by:

Representative Brown T
Chairperson

Senator Kenley

Representative Porter

Senator Tallian

House Conferees

Senate Conferees