

Adopted	Rejected
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## COMMITTEE REPORT

YES:	9
NO:	3

### MR. SPEAKER:

*Your Committee on Public Health, to which was referred House Bill 1002, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 3, line 19, delete "seven (7)" and insert "**nine (9)**".
- 2 Page 3, between lines 30 and 31, begin a new line block indented
- 3 and insert:
- 4 "**(5) Two (2) members appointed by the governor, from**
- 5 **recommendations made by the speaker of the house of**
- 6 **representatives and the president pro tempore of the senate,**
- 7 **who are persons of known probity and who possess adequate**
- 8 **capacity for the performance of the duties of members of the**
- 9 **authority. The speaker of the house of representatives and the**
- 10 **president pro tempore of the senate shall each make at least**
- 11 **two (2) recommendations to the governor. The members**
- 12 **appointed under this subdivision may not be from the same**
- 13 **political party.**".
- 14 Page 4, line 8, delete "Four (4)" and insert "**Five (5)**".
- 15 Page 4, line 9, delete "Four (4)" and insert "**Five (5)**".
- 16 Page 5, line 5, delete "The" and insert "**Subject to section 36 of this**

1 **chapter, the".**

2 Page 5, line 14, delete "chairman" and insert "**chairperson**".

3 Page 6, line 42, delete "in the principal amounts".

4 Page 7, line 18, delete "two (2) newspapers" and insert "**a**  
5 **newspaper**".

6 Page 7, line 19, delete "the city of Indianapolis." and insert "**each of**  
7 **the four (4) counties having the greatest population in Indiana.**".

8 Page 10, line 8, delete "forty percent (40%)" and insert "**twenty**  
9 **percent (20%)**".

10 Page 14, line 1, delete "of Indiana, or an agency of the state of  
11 Indiana," and insert "**or an agency of the state**".

12 Page 14, line 8, delete "of Indiana, or an agency of the state of  
13 Indiana," and insert "**or an agency of the state**".

14 Page 14, line 12, delete "of Indiana," and insert ",".

15 Page 14, line 13, delete "of Indiana," and insert ",".

16 Page 14, line 17, delete ", at the direction of the treasurer of state,".

17 Page 14, line 23, delete "of Indiana".

18 Page 14, line 24, delete "of Indiana," and insert ",".

19 Page 14, delete lines 38 through 41, begin a new paragraph and  
20 insert:

21 "**Sec. 36. (a) As used in this section, "bond service provider"**  
22 **means any bond counsel, other attorney, financial adviser, senior**  
23 **managing underwriter, or verification agent who provides bond**  
24 **services.**

25 **(b) As used in this section, "bond services" includes legal,**  
26 **financial, and other services by a bond service provider rendered**  
27 **in conjunction with the issuance and sale of bonds. The term does**  
28 **not include services provided by nationally recognized credit rating**  
29 **agencies, co-managing underwriters and selling group members,**  
30 **or forecasters of cigarette consumption and providers of similar**  
31 **reports for use in an official statement or other disclosure**  
32 **document in connection with the sale of bonds.**

33 **(c) If the authority determines that a bond service required by**  
34 **the authority cannot be performed by employees of the authority,**  
35 **the authority shall enter into a contract for the bond service with**  
36 **a bond service provider. The authority shall have wide discretion**  
37 **in establishing criteria for entering into contracts under this**  
38 **section and selecting the bond service providers the authority**

1 considers to be necessary or appropriate to provide bond services.  
2 In the exercise of this discretion, the authority shall consider all  
3 proposed fee schedules and the public interest in achieving issuance  
4 and sale of bonds on terms and conditions most favorable to the  
5 authority. Notwithstanding any other provision of this section to  
6 the contrary, the general assembly finds that it is in the public  
7 interest to enter into contracts for bond services with Indiana  
8 based and minority and women's business enterprises.

9 (d) The authority shall seek responses to requests for  
10 qualifications for a contract for bond services under this section.  
11 Requests for qualifications for bond services must include the  
12 following:

13 (1) The factors or criteria that will be used in evaluating the  
14 responses.

15 (2) A statement concerning the relative importance of price  
16 and the other evaluation factors.

17 (3) A statement concerning whether the response must be  
18 accompanied by a certified check or other evidence of  
19 financial responsibility.

20 (4) A statement concerning whether discussions may be  
21 conducted with responsible respondents.

22 (e) The authority shall give public notice of the request for  
23 qualifications for bond services by publication in the manner  
24 required by IC 4-4-31-22(b) and shall also provide electronic access  
25 to the notice through the electronic gateway administered by the  
26 intelenet commission.

27 (f) Responses must be opened so as to avoid disclosure of  
28 contents to competing respondents during the process of  
29 negotiation.

30 (g) As provided in the request for qualifications or under the  
31 rules or policies of the authority, discussions may be conducted  
32 with, and best and final responses obtained from, responsible  
33 respondents.

34 (h) Respondents must be accorded fair and equal treatment with  
35 respect to any opportunity for discussion and revisions of  
36 responses. In conducting discussions with a respondent,  
37 information derived from responses submitted by competing  
38 respondents may not be disclosed.

1 (i) The only factors or criteria that may be used in the  
 2 evaluation of responses are those specified in the request for  
 3 qualifications.

4 (j) The authority shall enter into a contract with the responsible  
 5 respondent whose response is determined in writing to be the most  
 6 advantageous to the authority, taking into consideration price and  
 7 other evaluation factors set forth in the request for qualifications.  
 8 The following provisions apply to the authority's determination as  
 9 to whether a respondent is responsible:

10 (1) If a respondent fails to provide information required by  
 11 the authority concerning a determination of whether the  
 12 respondent is responsible, that respondent may not be  
 13 considered responsible under this article.

14 (2) In determining whether a respondent is responsible, the  
 15 authority may consider the following factors:

16 (A) The ability and capacity of the respondent to provide  
 17 the bond service.

18 (B) The integrity, character, and reputation of the  
 19 respondent.

20 (C) The competency and experience of the respondent.

21 (k) A register of responses must be:

22 (1) prepared for each contract entered into under this section;  
 23 and

24 (2) open for public inspection after the execution of the  
 25 contract.

26 (l) The register of responses must contain the following:

27 (1) A copy of the request for qualifications.

28 (2) A list of all persons to whom copies of the request for  
 29 qualifications were given.

30 (3) A list of all responses received, which must include all of  
 31 the following:

32 (A) The names and addresses of all respondents.

33 (B) The manner in which the amount payable to the  
 34 respondent would be determined.

35 (C) The name of the successful respondent and the manner  
 36 in which the amount payable to that respondent is to be  
 37 determined.

38 (4) The basis on which the contract was entered into.

1           **(5) The entire contents of the contract file except for**  
 2           **proprietary information, such as trade secrets and financial**  
 3           **information that was not required to be made available for**  
 4           **public inspection by the terms of the request for**  
 5           **qualifications.**

6           SECTION 2. IC 4-12-1-14.3, AS AMENDED BY P.L.291-2001,  
 7           SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8           JULY 1, 2003]: Sec. 14.3. (a) As used in this section, "master  
 9           settlement agreement" has the meaning set forth in IC 24-3-3-6.

10          (b) There is hereby created the Indiana tobacco master settlement  
 11          agreement fund for the purpose of depositing and distributing money  
 12          received under the master settlement agreement. The fund consists of:

13               (1) all money received by the state under the master settlement  
 14               agreement;

15               (2) appropriations made to the fund by the general assembly; ~~and~~

16               (3) grants, gifts, and donations intended for deposit in the fund;

17               **and**

18               **(4) interest accruing to the fund.**

19          **However, the fund does not include any amounts that are sold and**  
 20          **assigned to the tobacco settlement authority under a sales**  
 21          **agreement entered into under IC 4-4-31.**

22          (c) Money may be expended, transferred, or distributed from the  
 23          fund during a state fiscal year only in amounts permitted by ~~subsections~~  
 24          **subsection (d), through (e);** and only if the expenditures, transfers, or  
 25          distributions are specifically authorized by another statute.

26          ~~(d) The maximum amount of expenditures, transfers, or distributions~~  
 27          **that may be made from the fund during the state fiscal year beginning**  
 28          **July 1, 2000, is determined under STEP THREE of the following**  
 29          **formula:**

30               **STEP ONE: Determine the sum of money received or to be**  
 31               **received by the state under the master settlement agreement**  
 32               **before July 1, 2001.**

33               **STEP TWO: Subtract from the STEP ONE sum the amount**  
 34               **appropriated by P.L.273-1999, SECTION 8, to the children's**  
 35               **health insurance program from funds accruing to the state from**  
 36               **the tobacco settlement for the state fiscal years beginning July 1,**  
 37               **1999, and July 1, 2000.**

38               **STEP THREE: Multiply the STEP TWO remainder by fifty**

1           ~~percent (50%)-~~

2           ~~(e)~~ **(d)** The maximum amount of expenditures, transfers, or  
3 distributions that may be made from the fund during the state fiscal  
4 year beginning July 1, ~~2001~~, **2003**, and each state fiscal year after that  
5 is determined under STEP THREE of the following formula:

6           STEP ONE: Determine the amount of money ~~received or to be~~  
7 ~~received by payable to~~ the state under the master settlement  
8 agreement during that state fiscal year, **including any amounts**  
9 **that are sold and assigned to the tobacco settlement authority**  
10 **under a sales agreement entered into under IC 4-4-31.**

11           STEP TWO: Multiply the STEP ONE amount by sixty percent  
12 (60%).

13           STEP THREE: Add to the STEP TWO product any amounts that  
14 were available for expenditure, transfer, or distribution under this  
15 ~~subsection or subsection (d)~~ **section** during preceding state fiscal  
16 years but that were not expended, transferred, or distributed.

17           ~~(f)~~ **(e)** The following amounts shall be retained in the fund and may  
18 not be expended, transferred, or otherwise distributed from the fund:

19           (1) All of the money that is received by the state under the master  
20 settlement agreement and remains in the fund after the  
21 expenditures, transfers, or distributions permitted under  
22 subsections (c) through ~~(e)~~: **(d). This subdivision does not apply**  
23 **to amounts payable under the master settlement agreement**  
24 **that are sold and assigned to the tobacco settlement authority**  
25 **under a sales agreement entered into under IC 4-4-31.**

26           (2) All interest that accrues from investment of money in the fund,  
27 unless specifically appropriated by the general assembly. Interest  
28 that is appropriated from the fund by the general assembly may  
29 not be considered in determining the maximum amount of  
30 expenditures, transfers, or distributions under subsection ~~(e)~~: **(d).**

31           ~~(g)~~ **(f)** The fund shall be administered by the budget agency.  
32 Notwithstanding IC 5-13, the treasurer of state shall invest the money  
33 in the fund not currently needed to meet the obligations of the fund in  
34 the same manner as money is invested by the public employees  
35 retirement fund under IC 5-10.3-5. The treasurer of state may contract  
36 with investment management professionals, investment advisors, and  
37 legal counsel to assist in the investment of the fund and may pay the  
38 state expenses incurred under those contracts from the fund. Interest

1 that accrues from these investments shall be deposited in the fund.  
 2 Money in the fund at the end of the state fiscal year does not revert to  
 3 the state general fund.

4 ~~(h)~~ (g) The state general fund is not liable for payment of a shortfall  
 5 in expenditures, transfers, or distributions from the Indiana tobacco  
 6 master settlement agreement fund or any other fund due to a delay,  
 7 reduction, or cancellation of payments scheduled to be received by the  
 8 state under the master settlement agreement. ~~If such a shortfall occurs~~  
 9 ~~in any state fiscal year, the budget agency shall make the full transfer~~  
 10 ~~to the regional health facilities construction account and then reduce all~~  
 11 ~~remaining expenditures, transfers, and distributions affected by the~~  
 12 ~~shortfall.~~

13 SECTION 3. IC 4-12-1-14.5 IS ADDED TO THE INDIANA CODE  
 14 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 15 1, 2003]: **Sec. 14.5. (a) In addition to the appropriation of three**  
 16 **million dollars (\$3,000,000) made annually by IC 4-12-7-9 to**  
 17 **provide funding for local boards of health, the following**  
 18 **appropriations are made annually from the Indiana tobacco**  
 19 **master settlement agreement fund:**

20 (1) **For the tobacco use prevention and cessation trust fund,**  
 21 **thirty-five million dollars (\$35,000,000) to be used in**  
 22 **accordance with IC 4-12-4-10.**

23 (2) **For the office of Medicaid policy and planning within the**  
 24 **office of the secretary of family and social services,**  
 25 **thirty-three million six hundred thousand dollars**  
 26 **(\$33,600,000) to be used for the children's health insurance**  
 27 **program.**

28 (3) **For the state department of health, one million four**  
 29 **hundred thousand dollars (\$1,400,000) to be used for local**  
 30 **health maintenance fund programs.**

31 (4) **For the state department of health, fifteen million dollars**  
 32 **(\$15,000,000) to be used for community health centers.**

33 (5) **For the Indiana prescription drug account established by**  
 34 **IC 4-12-8-2, twenty million dollars (\$20,000,000) to be used in**  
 35 **accordance with IC 4-12-8-2.**

36 (6) **For the nursing scholarship fund established by**  
 37 **IC 20-12-21.9-4, the amount determined under**  
 38 **IC 20-12-21.9-11, to be used in accordance with IC 20-12-21.9.**

1           **(7) For the health professions scholarship fund established by**  
2           **IC 20-12-22.2-4, the amount determined under**  
3           **IC 20-12-22.2-11, to be used in accordance with IC 20-12-22.2.**

4           **(b) The following appropriations are made from the Indiana**  
5           **tobacco master settlement agreement fund to the office of the**  
6           **secretary of family and social services for the indicated state fiscal**  
7           **years:**

8           **(1) For the state fiscal year beginning July 1, 2003:**

9           **(A) thirty million three hundred thousand dollars**  
10           **(\$30,300,000) for developmentally disabled client services;**  
11           **and**

12           **(B) three million dollars (\$3,000,000) for the division of**  
13           **disability, aging, and rehabilitative services**  
14           **administration.**

15           **(2) For the state fiscal year beginning July 1, 2004:**

16           **(A) thirty million three hundred thousand dollars**  
17           **(\$30,300,000) for developmentally disabled client services;**  
18           **and**

19           **(B) three million dollars (\$3,000,000) for the division of**  
20           **disability, aging, and rehabilitative services**  
21           **administration.**

22           **(c) Notwithstanding section 14.3(d) and 14.3(e) of this chapter,**  
23           **if the sum of the appropriations made in IC 4-12-7-9, subsection**  
24           **(a), and subsection (b) for any state fiscal year exceeds the**  
25           **permissible amount of expenditures from the Indiana tobacco**  
26           **master settlement agreement fund under section 14.3(d) of this**  
27           **chapter, the balance in the fund shall be added to the amount**  
28           **available under section 14.3(d) of this chapter to provide for the**  
29           **appropriations in IC 4-12-7-9, subsection (a), and subsection (b).**

30           **(d) Notwithstanding section 14.3(d) and 14.3(e) of this chapter,**  
31           **the following provisions apply if the Indiana tobacco master**  
32           **settlement agreement fund contains insufficient money to make the**  
33           **appropriations made in IC 4-12-7-9, subsection (a), and subsection**  
34           **(b) for any state fiscal year after the adjustment specified in**  
35           **subsection (c) is made:**

36           **(1) The appropriations made in IC 4-12-7-9 and subsection**  
37           **(a)(1) are not subject to any reduction.**

38           **(2) Each appropriation listed in subsection (a)(2) through**



1           **(a)(7) and subsection (b) is subject to a pro rata reduction.**  
 2           **The amount of each appropriation is determined under STEP**  
 3           **THREE of the following formula:**

4           **STEP ONE: Subtract the sum of the appropriations made**  
 5           **in IC 4-12-7-9 and subsection (a)(1) from the amount**  
 6           **available under subsection (c).**

7           **STEP TWO: Divide the appropriation by the sum of the**  
 8           **appropriations made under subsection (a)(2) through**  
 9           **(a)(7) and subsection (b).**

10           **STEP THREE: Multiply the STEP ONE remainder by the**  
 11           **STEP TWO quotient.**

12           SECTION 4. IC 4-12-8.5-3, AS ADDED BY P.L.291-2001,  
 13           SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14           JULY 1, 2003]: Sec. 3. (a) The regional health care construction  
 15           account is established for the purpose of providing funding for state  
 16           psychiatric hospitals and developmental centers, regional health  
 17           centers, or other health facilities designed to provide crisis treatment,  
 18           rehabilitation, or intervention for adults or children with mental illness,  
 19           developmental disabilities, addictions, or other medical or  
 20           rehabilitative needs. The account consists of:

21           (1) amounts, if any, that any statute requires to be distributed to  
 22           the account from the Indiana tobacco master settlement  
 23           **agreement** fund;

24           (2) appropriations to the account from other sources; and

25           (3) grants, gifts, and donations intended for deposit in the  
 26           account.

27           ~~(b) Fourteen million dollars (\$14,000,000) shall be transferred~~  
 28           ~~during state fiscal years 2001-2002 and 2002-2003 from the Indiana~~  
 29           ~~tobacco master settlement fund to the account.~~

30           ~~(c)~~ **(b)** The budget agency shall administer the account. Money in  
 31           the account at the end of a state fiscal year does not revert to the state  
 32           general fund but remains available for expenditure.

33           ~~(d)~~ **(c)** Money in the account may be used for:

34           (1) the construction, equipping, renovation, demolition,  
 35           refurbishing, or alteration of existing or new state hospitals,  
 36           regional health centers, or other health facilities; or

37           (2) lease rentals to the state office building commission or other  
 38           public or private providers of such facilities.

1           ~~(c)~~ **(d)** Money in the account shall be used to pay any outstanding  
2 lease rentals before making any other payments from the account.

3           ~~(f)~~ **(e)** Money in the account is annually appropriated for the  
4 purposes described in this chapter."

5           Delete page 15.

6           Page 16, delete lines 1 through 31.

7           Page 17, between lines 18 and 19, begin a new paragraph and insert:

8           "SECTION 5. IC 12-10-16-7 IS ADDED TO THE INDIANA CODE  
9 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**  
10 **1, 2003]: Sec. 7. An individual:**

11           **(1) whose family income does not exceed one hundred**  
12 **eighty-five percent (185%) of the federal income poverty level**  
13 **for the same size family; and**

14           **(2) who meets other eligibility requirements established by the**  
15 **office under section 5 of this chapter;**

16 **is eligible to participate in the program.**

17           SECTION 6. IC 20-12-21.9-4 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) The nursing  
19 scholarship fund is established:

20           (1) to encourage and promote qualified individuals to pursue a  
21 career in nursing in Indiana; and

22           (2) in recognition of the fact that there is a shortage of nurses in  
23 Indiana.

24           (b) The fund consists of the following:

25           **(1) Appropriations made from the Indiana tobacco master**  
26 **settlement agreement fund under section 11 of this chapter.**

27           **(2) Other appropriations by the general assembly.**

28           ~~(2)~~ **(3)** Gifts to the fund.

29           SECTION 7. IC 20-12-21.9-5 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) The commission  
31 shall administer the fund.

32           (b) The expenses of administering the fund shall be paid from  
33 money in the fund.

34           (c) The treasurer of state shall invest the money in the fund not  
35 currently needed to meet the obligations of the fund in the same  
36 manner as other public funds. Interest that accrues from those  
37 investments shall be deposited in the fund.

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

1 the state general fund or the Indiana tobacco master settlement  
2 agreement fund.

3 SECTION 8. IC 20-12-21.9-11 IS ADDED TO THE INDIANA  
4 CODE AS A NEW SECTION TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2003]: **Sec. 11. The amount determined**  
6 **under STEP FOUR of the following formula for each state fiscal**  
7 **year is appropriated annually to the nursing scholarship fund from**  
8 **the Indiana tobacco master settlement agreement fund for use in**  
9 **providing scholarships under this chapter:**

10 **STEP ONE: Determine the amount remaining in the nursing**  
11 **scholarship fund on June 30 of the preceding state fiscal year.**

12 **STEP TWO: Determine the amount of the appropriations, if**  
13 **any, made to the nursing scholarship fund for the current**  
14 **state fiscal year from sources other than the Indiana tobacco**  
15 **settlement master agreement fund.**

16 **STEP THREE: Subtract the sum of the STEP ONE and STEP**  
17 **TWO amounts from five million dollars (\$5,000,000).**

18 **STEP FOUR: If the STEP THREE remainder is greater than**  
19 **zero (0), the amount of the appropriation is equal to the STEP**  
20 **THREE remainder. If the STEP THREE remainder is less**  
21 **than zero (0), the amount of the appropriation is zero (0).**

22 SECTION 9. IC 20-12-22.2 IS ADDED TO THE INDIANA CODE  
23 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
24 JULY 1, 2003]:

25 **Chapter 22.2. Health Professions Scholarship Fund**

26 **Sec. 1. As used in this chapter, "approved institution of higher**  
27 **learning" has the meaning set forth in IC 20-12-21-3.**

28 **Sec. 2. As used in this chapter, "commission" refers to the state**  
29 **student assistance commission established by IC 20-12-21-4.**

30 **Sec. 3. As used in this chapter, "fund" refers to the health**  
31 **professions scholarship fund.**

32 **Sec. 4. (a) The health professions scholarship fund is established**  
33 **to encourage and promote qualified individuals to pursue careers**  
34 **in health professions in Indiana.**

35 **(b) The fund consists of the following:**

36 **(1) Appropriations by the general assembly from the Indiana**  
37 **tobacco master settlement agreement fund.**

38 **(2) Other appropriations by the general assembly.**

- 1           **(3) Gifts to the fund.**
- 2           **Sec. 5. (a) The commission shall administer the fund.**
- 3           **(b) The expenses of administering the fund shall be paid from**  
4 **money in the fund.**
- 5           **(c) The treasurer of state shall invest the money in the fund not**  
6 **currently needed to meet the obligations of the fund in the same**  
7 **manner as other public funds may be invested. Interest that**  
8 **accrues from those investments shall be deposited in the fund.**
- 9           **(d) Money in the fund at the end of a fiscal year does not revert**  
10 **to the state general fund or the Indiana tobacco master settlement**  
11 **agreement fund.**
- 12           **Sec. 6. (a) The money in the fund shall be used to provide annual**  
13 **scholarships to:**
- 14           **(1) students in programs leading to degrees that will enable**  
15 **the students to qualify for licensing in health professions**  
16 **governed by the:**
- 17           **(A) board of environmental health specialists (IC 25-32);**  
18           **(B) speech-language pathology and audiology board**  
19           **(IC 25-35.6-2);**  
20           **(C) controlled substances advisory committee**  
21           **(IC 35-48-2-1);**  
22           **(D) Indiana physical therapy committee (IC 25-27);**  
23           **(E) respiratory care committee (IC 25-34.5);**  
24           **(F) occupational therapy committee (IC 25-23.5);**  
25           **(G) physician assistant committee (IC 25-27.5); and**  
26           **(H) Indiana dietitians certification board (IC 25-14.5-2-1);**  
27           **and**
- 28           **(2) students in training programs identified by the medical**  
29 **licensing board by rule adopted under IC 25-22.5-2-7 as**  
30 **training programs for nonlicensed allied health care**  
31 **professions.**
- 32           **(b) Scholarships shall be awarded under this section to students**  
33 **who qualify by demonstrating a financial need and meeting the**  
34 **requirements listed under section 8 of this chapter in an amount**  
35 **that is equal to the lesser of the following amounts:**
- 36           **(1) The balance of the student's total cost of tuition or fees in**  
37 **attending the eligible institution for the academic year.**  
38           **(2) Five thousand dollars (\$5,000).**

1           (c) A scholarship awarded under this section may be used only  
2 for the payment of tuition or fees that are:

3           (1) approved by the approved institution of higher learning  
4 that awards the scholarship; and

5           (2) not otherwise payable under any other scholarship or form  
6 of financial assistance specifically designated for tuition or  
7 fees.

8           (d) Subject to section 7(c) of this chapter, each scholarship  
9 awarded under this section is renewable under section 8(b) of this  
10 chapter for a total number of terms that does not exceed eight (8)  
11 full-time (or part-time equivalent) semesters or twelve (12)  
12 full-time (or part-time equivalent) quarters.

13           Sec. 7. (a) The commission for higher education shall provide  
14 the commission with the most recent information concerning the  
15 number of students enrolled in programs described in section 6 of  
16 this chapter at each eligible institution.

17           (b) The commission shall allocate the available money from the  
18 fund to each approved institution of higher learning that has a  
19 program for persons training for health professions designated in  
20 section 6 of this chapter in proportion to the number of students  
21 enrolled in courses for health professions designated in section 6 of  
22 this chapter at each eligible institution based upon the information  
23 received by the commission under subsection (a).

24           (c) Each approved institution of higher learning shall determine  
25 the scholarship recipients under this chapter based upon the  
26 criteria set forth in section 8 of this chapter and the rules adopted  
27 by the commission under section 10 of this chapter. In addition, the  
28 approved institution of higher learning shall consider the need of  
29 the applicant when awarding scholarships under this chapter.

30           (d) The approved institution of higher learning may not grant  
31 a scholarship renewal to a student for an academic year that ends  
32 later than six (6) years after the date the student received the initial  
33 scholarship under this chapter.

34           (e) Any funds that:

35           (1) are allocated to an approved institution of higher learning;  
36 and

37           (2) are not used for scholarships under this chapter;

38 shall be returned to the commission for reallocation by the

1       **commission to any other eligible institution in need of additional**  
 2       **funds.**

3       **Sec. 8. (a) To qualify initially for a scholarship from the fund, a**  
 4       **student must:**

- 5               **(1) be admitted to an approved institution of higher learning**  
 6               **as a full-time or part-time student in one (1) of the areas**  
 7               **designated in section 6(a) of this chapter;**  
 8               **(2) agree, in writing, to work in a health profession described**  
 9               **in section 6(a) of this chapter in any type of health care setting**  
 10              **in Indiana for at least two (2) years following graduation;**  
 11              **(3) meet any other minimum criteria established by the**  
 12              **commission; and**  
 13              **(4) demonstrate a financial need for the scholarship.**

14       **(b) To qualify for a scholarship renewal from the fund, a health**  
 15       **professions student must:**

- 16              **(1) comply with the criteria set forth in subsection (a);**  
 17              **(2) maintain at least the cumulative grade point average:**  
 18                  **(A) that is required by an approved institution of higher**  
 19                  **learning for admission to the approved institution of**  
 20                  **higher learning; or**  
 21                  **(B) equivalent to 2.0 on a 4.0 grading scale, as established**  
 22                  **by the approved institution of higher learning, if the**  
 23                  **institution's program for health professions described in**  
 24                  **section 6 of this chapter does not require a certain**  
 25                  **minimum cumulative grade point average; and**  
 26              **(3) demonstrate a continuing financial need for the**  
 27              **scholarship.**

28       **Sec. 9. (a) The commission shall maintain complete and accurate**  
 29       **records in implementing the program, including the following:**

- 30              **(1) Scholarships awarded under this chapter.**  
 31              **(2) The number of individuals who fulfilled the agreement**  
 32              **described under section 8(a)(2) of this chapter.**  
 33              **(3) The number of individuals who did not fulfill the**  
 34              **agreement described under section 8(a)(2) of this chapter.**

35       **(b) Each eligible institution shall provide the commission with**  
 36       **information concerning the following:**

- 37              **(1) The awarding of scholarships under this chapter.**  
 38              **(2) The academic progress made by each recipient of a**

1 scholarship under this chapter.

2 (3) Other pertinent information requested by the commission.

3 Sec. 10. The commission shall adopt rules under IC 4-22-2  
4 necessary to carry out this chapter, including rules governing the  
5 enforcement of the agreements under section 8(a)(2) of this  
6 chapter.

7 Sec. 11. There is annually appropriated to the health professions  
8 scholarship fund from the Indiana tobacco master settlement  
9 agreement fund for use in providing scholarships under this  
10 chapter the amount determined under STEP FOUR of the  
11 following formula for each state fiscal year:

12 STEP ONE: Determine the amount remaining in the health  
13 professions scholarship fund on June 30 of the preceding state  
14 fiscal year.

15 STEP TWO: Determine the amount of the appropriations, if  
16 any, made to the health professions scholarship fund for the  
17 current state fiscal year from sources other than the Indiana  
18 tobacco master settlement agreement fund.

19 STEP THREE: Subtract the sum of the STEP ONE and STEP  
20 TWO amounts from five million dollars (\$5,000,000).

21 STEP FOUR: If the STEP THREE remainder is greater than  
22 zero (0), the amount of the appropriation is equal to the STEP  
23 THREE remainder. If the STEP THREE remainder is less  
24 than zero (0), the amount of the appropriation is zero (0).

25 SECTION 10. IC 25-22.5-2-7 IS AMENDED TO READ AS  
26 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. The board shall do  
27 the following:

28 (1) Adopt rules and forms necessary to implement this article that  
29 concern, but are not limited to, the following areas:

30 (A) Qualification by education, residence, citizenship,  
31 training, and character for admission to an examination for  
32 licensure or by endorsement for licensure.

33 (B) The examination for licensure.

34 (C) The license or permit.

35 (D) Fees for examination, permit, licensure, and registration.

36 (E) Reinstatement of licenses and permits.

37 (F) Payment of costs in disciplinary proceedings conducted by  
38 the board.

- 1 (2) Administer oaths in matters relating to the discharge of its  
2 official duties.
- 3 (3) Enforce this article and assign service bureau personnel duties  
4 as may be necessary in the discharge of the board's duty.
- 5 (4) Maintain, through the service bureau, full and complete  
6 records of all applicants for licensure or permit and of all licenses  
7 and permits issued.
- 8 (5) Make available, upon request, the complete schedule of  
9 minimum requirements for licensure or permit.
- 10 (6) Issue, at the board's discretion, a temporary permit to an  
11 applicant for the interim from the date of application until the  
12 next regular meeting of the board.
- 13 (7) Issue an unlimited license, a limited license, or a temporary  
14 medical permit, depending upon the qualifications of the  
15 applicant, to any applicant who successfully fulfills all of the  
16 requirements of this article.
- 17 (8) Adopt rules establishing standards for the competent practice  
18 of medicine, osteopathic medicine, or any other form of practice  
19 regulated by a limited license or permit issued under this article.
- 20 (9) Adopt rules regarding the appropriate prescribing of Schedule  
21 III or Schedule IV controlled substances for the purpose of weight  
22 reduction or to control obesity.
- 23 **(10) Adopt rules identifying training programs for**  
24 **nonlicensed allied health care professions that qualify for**  
25 **annual scholarships under IC 20-12-22.2."**



- 1 Page 17, line 21, delete "ninety-five" and insert "**twenty**".
- 2 Page 17, line 22, delete "(\$195,000,000)" and insert
- 3 "**(\$120,000,000)**".
- 4 Renumber all SECTIONS consecutively.  
(Reference is to HB 1002 as introduced.)

**and when so amended that said bill do pass.**

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Representative Brown C