

# HOUSE BILL No. 1250

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-15.

**Synopsis:** State government nepotism. Provides that an individual may not be employed in the same state agency in which the individual's relative is employed or serving as an elected officer or an ex officio member. Provides that an individual may not employ: (1) a relative; or (2) a business entity of which a relative is a partner, executive officer, or sole proprietor; to perform services for the state agency in which the individual is employed or serves. Provides that the law does not apply to an individual or business entity employed by a state agency before July 1, 2012. Provides that an individual who is: (1) first employed in a state agency after June 30, 2012; and (2) employed in the same position for at least 12 consecutive months immediately preceding the date the individual's relative is first employed or begins serving as an elected officer or ex officio member; may remain employed in the state agency, but may not remain employed in the same position if the individual immediately reports to the individual's relative or is directly supervised by the individual's relative. Repeals provisions concerning employment of relatives in state agencies.

**Effective:** July 1, 2012.

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## Mahan, Bosma

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January 9, 2012, read first time and referred to Committee on Government and Regulatory Reform.

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Second Regular Session 117th General Assembly (2012)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2011 Regular Session of the General Assembly.

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## HOUSE BILL No. 1250



A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

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

1 SECTION 1. IC 4-15-7.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2012]:

4 **Chapter 7.1. Employment of Relatives**

5 **Sec. 1. This chapter does not apply to an individual or business**  
6 **entity employed by an agency before July 1, 2012.**

7 **Sec. 2. As used in this chapter, "agency" means an authority, a**  
8 **board, a branch, a bureau, a commission, a committee, a council,**  
9 **a department, a division, an office, a service, or other**  
10 **instrumentality of the executive, including the administrative,**  
11 **department of state government. The term includes a body**  
12 **corporate and politic set up as an instrumentality of the state and**  
13 **a private, nonprofit, government related corporation. The term**  
14 **does not include any of the following:**

- 15 (1) **The judicial department of state government.**
- 16 (2) **The legislative department of state government.**
- 17 (3) **A state educational institution.**



1           **(4) A political subdivision.**

2           **Sec. 3. As used in this chapter, "employed" refers to all**  
 3 **employment, including full-time, part-time, intermittent, and**  
 4 **contractual employment. The term does not include the situation**  
 5 **of an individual serving as an elected officer or serving ex officio.**

6           **Sec. 4. As used in this chapter "relative" means any of the**  
 7 **following:**

- 8           **(1) Father or mother.**  
 9           **(2) Brother or sister.**  
 10           **(3) Uncle or aunt.**  
 11           **(4) Husband or wife.**  
 12           **(5) Son or daughter.**  
 13           **(6) Son-in-law or daughter-in-law.**  
 14           **(7) Niece or nephew.**

15           **Sec. 5. An individual may not be employed in the same agency**  
 16 **in which the individual's relative is:**

- 17           **(1) employed; or**  
 18           **(2) serving as:**  
 19               **(A) an elected officer; or**  
 20               **(B) an ex officio member.**

21           **Sec. 6. An individual employed in an agency or serving as an**  
 22 **elected officer or ex officio member of an agency may not employ:**

- 23           **(1) a relative; or**  
 24           **(2) a business entity of which a relative is a partner, executive**  
 25 **officer, or sole proprietor;**

26 **to perform services for the agency in which the individual is**  
 27 **employed or serves.**

28           **Sec. 7. (a) This section applies only to an individual who is:**

- 29           **(1) first employed in an agency after June 30, 2012; and**  
 30           **(2) employed in the same position for at least twelve (12)**  
 31 **consecutive months immediately preceding the date on which**  
 32 **the individual's relative:**

- 33               **(A) is first employed in the agency; or**  
 34               **(B) begins serving as an elected officer or ex officio**  
 35 **member of the agency.**

36           **(b) Notwithstanding section 5 of this chapter, an individual**  
 37 **described in subsection (a) may remain employed by the same**  
 38 **agency in which the individual's relative is employed or serves as**  
 39 **an elected officer or ex officio member. However, the individual**  
 40 **may not remain employed in the same position in the agency if the**  
 41 **individual:**

- 42           **(1) immediately reports to the individual's relative; or**

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1                   **(2) is directly supervised by the individual's relative.**  
2                   SECTION 2. IC 4-15-7 IS REPEALED [EFFECTIVE JULY 1,  
3                   2012]. (Employment of Relatives by Public Officials Prohibited).

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