

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Appropriations, to which was referred House Bill No. 1376, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 17, begin a new paragraph and insert:
2 "SECTION 1. IC 2-5-26-2 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this
4 chapter, "office" refers to the office of Medicaid policy and planning
5 established by ~~IC 12-8-6-1~~ **IC 12-8-6.5-1**.
6 SECTION 2. IC 4-10-22-1, AS ADDED BY P.L.229-2011,
7 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JANUARY 1, 2013]: Sec. 1. After the end of each **odd-numbered**
9 state fiscal year, the office of management and budget shall calculate
10 in the customary manner the total amount of state reserves as of the end
11 of the state fiscal year. The office of management and budget shall
12 make the calculation not later than July 31 of each **odd-numbered**
13 year.
14 SECTION 3. IC 4-10-22-2, AS ADDED BY P.L.229-2011,
15 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 2013]: Sec. 2. If:
17 **(1)** the total amount of state reserves calculated by the office of
18 management and budget exceeds ~~ten percent (10%)~~ **fourteen**
19 **percent (14%)** of the general revenue appropriations for the
20 current state fiscal year; and ~~if~~
21 **(2)** the accounts payable by the state at the end of the preceding

1 state fiscal year are not unusually large as a percentage of the total
 2 amount of state reserves (as compared to recent history);
 3 the governor shall make a presentation to the state budget committee
 4 regarding the disposition of excess state reserves under section 3 of this
 5 chapter. The presentation must be made not later than September 30 of
 6 ~~the~~ **each odd-numbered** year.

7 SECTION 4. IC 4-10-22-3, AS ADDED BY P.L.229-2011,
 8 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 3. After completing the presentation to the
 10 state budget committee described in section 2 of this chapter, the
 11 governor shall **do the following:**

12 **(1) If the amount of the excess reserves is less than one**
 13 **hundred million dollars (\$100,000,000), transfer one hundred**
 14 **percent (100%) of the excess reserves to the pension**
 15 **stabilization fund established by IC 5-10.4-2-5 for the**
 16 **purposes of the pension stabilization fund.**

17 **(2) If the amount of the excess reserves is one hundred million**
 18 **dollars (\$100,000,000) or more:**

19 ~~(A)~~ **(A)** transfer fifty percent (50%) of any excess reserves to
 20 the pension stabilization fund established by IC 5-10.4-2-5 for
 21 the purposes of the pension stabilization fund; and

22 ~~(B)~~ **(B)** use fifty percent (50%) of any excess reserves for the
 23 purposes of providing an automatic taxpayer refund under
 24 section 4 of this chapter.

25 SECTION 5. IC 4-10-22-4, AS ADDED BY P.L.229-2011,
 26 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 4. The following apply if sufficient excess
 28 state reserves are available to provide an automatic taxpayer refund to
 29 each taxpayer eligible for a refund:

30 (1) To qualify for a refund, a taxpayer:

31 (A) must have filed an Indiana resident individual adjusted
 32 gross income tax return for the preceding two (2) taxable
 33 years; and

34 (B) must have paid individual adjusted gross income tax to the
 35 state for the preceding taxable year.

36 Individuals who file a tax return but do not pay any individual
 37 adjusted gross income tax to the state are not entitled to a refund.

38 (2) The amount of the refund is determined for each qualifying
 39 taxpayer ~~on a pro rata basis, based on the qualifying taxpayer's~~
 40 ~~portion of the total individual adjusted gross income tax liability~~
 41 ~~paid by all qualifying taxpayers in the preceding taxable year. as~~
 42 **follows:**

1 **STEP ONE: Determine the total amount of excess state**
 2 **reserves that under section 3 of this chapter are available**
 3 **to provide automatic taxpayer refunds.**

4 **STEP TWO: Determine the total number of taxpayers that**
 5 **qualify for a refund under subdivision (1).**

6 **STEP THREE: Determine the result of:**

7 **(A) the STEP ONE result; divided by**

8 **(B) the STEP TWO result;**

9 **as rounded to the nearest dollar.**

10 (3) The refund shall be applied as a credit against adjusted gross
 11 income tax liability in the taxpayer's taxable year in which a
 12 refund is provided. The credit may not be carried forward.

13 SECTION 6. IC 4-22-2-37.1, AS AMENDED BY P.L.229-2011,
 14 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking
 16 action resulting in any of the following rules:

17 (1) An order adopted by the commissioner of the Indiana
 18 department of transportation under IC 9-20-1-3(d) or
 19 IC 9-21-4-7(a) and designated by the commissioner as an
 20 emergency rule.

21 (2) An action taken by the director of the department of natural
 22 resources under IC 14-22-2-6(d) or IC 14-22-6-13.

23 (3) An emergency temporary standard adopted by the
 24 occupational safety standards commission under
 25 IC 22-8-1.1-16.1.

26 (4) An emergency rule adopted by the solid waste management
 27 board under IC 13-22-2-3 and classifying a waste as hazardous.

28 (5) A rule, other than a rule described in subdivision (6), adopted
 29 by the department of financial institutions under IC 24-4.5-6-107
 30 and declared necessary to meet an emergency.

31 (6) A rule required under IC 24-4.5-1-106 that is adopted by the
 32 department of financial institutions and declared necessary to
 33 meet an emergency under IC 24-4.5-6-107.

34 (7) A rule adopted by the Indiana utility regulatory commission to
 35 address an emergency under IC 8-1-2-113.

36 (8) An emergency rule adopted by the state lottery commission
 37 under IC 4-30-3-9.

38 (9) A rule adopted under IC 16-19-3-5 or IC 16-41-2-1 that the
 39 executive board of the state department of health declares is
 40 necessary to meet an emergency.

41 (10) An emergency rule adopted by the Indiana finance authority
 42 under IC 8-21-12.

- 1 (11) An emergency rule adopted by the insurance commissioner
2 under IC 27-1-23-7 or IC 27-1-12.1.
- 3 (12) An emergency rule adopted by the Indiana horse racing
4 commission under IC 4-31-3-9.
- 5 (13) An emergency rule adopted by the air pollution control
6 board, the solid waste management board, or the water pollution
7 control board under IC 13-15-4-10(4) or to comply with a
8 deadline required by or other date provided by federal law,
9 provided:
- 10 (A) the variance procedures are included in the rules; and
11 (B) permits or licenses granted during the period the
12 emergency rule is in effect are reviewed after the emergency
13 rule expires.
- 14 (14) An emergency rule adopted by the Indiana election
15 commission under IC 3-6-4.1-14.
- 16 (15) An emergency rule adopted by the department of natural
17 resources under IC 14-10-2-5.
- 18 (16) An emergency rule adopted by the Indiana gaming
19 commission under IC 4-32.2-3-3(b), IC 4-33-4-2, IC 4-33-4-3,
20 IC 4-33-4-14, IC 4-33-22-12, or IC 4-35-4-2.
- 21 (17) An emergency rule adopted by the alcohol and tobacco
22 commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or
23 IC 7.1-3-20-24.4.
- 24 (18) An emergency rule adopted by the department of financial
25 institutions under IC 28-15-11.
- 26 (19) An emergency rule adopted by the office of the secretary of
27 family and social services under ~~IC 12-8-1-12~~ **IC 12-8-1.5-11**.
- 28 (20) An emergency rule adopted by the office of the children's
29 health insurance program under IC 12-17.6-2-11.
- 30 (21) An emergency rule adopted by the office of Medicaid policy
31 and planning under IC 12-15-41-15.
- 32 (22) An emergency rule adopted by the Indiana state board of
33 animal health under IC 15-17-10-9.
- 34 (23) An emergency rule adopted by the board of directors of the
35 Indiana education savings authority under IC 21-9-4-7.
- 36 (24) An emergency rule adopted by the Indiana board of tax
37 review under IC 6-1.1-4-34 (repealed).
- 38 (25) An emergency rule adopted by the department of local
39 government finance under IC 6-1.1-4-33 (repealed).
- 40 (26) An emergency rule adopted by the boiler and pressure vessel
41 rules board under IC 22-13-2-8(c).
- 42 (27) An emergency rule adopted by the Indiana board of tax

- 1 review under IC 6-1.1-4-37(l) (repealed) or an emergency rule
2 adopted by the department of local government finance under
3 IC 6-1.1-4-36(j) (repealed) or IC 6-1.1-22.5-20.
- 4 (28) An emergency rule adopted by the board of the Indiana
5 economic development corporation under IC 5-28-5-8.
- 6 (29) A rule adopted by the department of financial institutions
7 under IC 34-55-10-2.5.
- 8 (30) A rule adopted by the Indiana finance authority:
- 9 (A) under IC 8-15.5-7 approving user fees (as defined in
10 IC 8-15.5-2-10) provided for in a public-private agreement
11 under IC 8-15.5;
- 12 (B) under IC 8-15-2-17.2(a)(10):
- 13 (i) establishing enforcement procedures; and
14 (ii) making assessments for failure to pay required tolls;
- 15 (C) under IC 8-15-2-14(a)(3) authorizing the use of and
16 establishing procedures for the implementation of the
17 collection of user fees by electronic or other nonmanual
18 means; or
- 19 (D) to make other changes to existing rules related to a toll
20 road project to accommodate the provisions of a public-private
21 agreement under IC 8-15.5.
- 22 (31) An emergency rule adopted by the board of the Indiana
23 health informatics corporation under IC 5-31-5-8.
- 24 (32) An emergency rule adopted by the department of child
25 services under IC 31-25-2-21, IC 31-27-2-4, IC 31-27-4-2, or
26 IC 31-27-4-3.
- 27 (33) An emergency rule adopted by the Indiana real estate
28 commission under IC 25-34.1-2-5(15).
- 29 (34) A rule adopted by the department of financial institutions
30 under IC 24-4.4-1-101 and determined necessary to meet an
31 emergency.
- 32 (35) An emergency rule adopted by the state board of pharmacy
33 regarding returning unused medication under IC 25-26-23.
- 34 (36) An emergency rule adopted by the department of local
35 government finance under IC 6-1.1-12.6 or IC 6-1.1-12.8.
- 36 (37) An emergency rule adopted by the office of the secretary of
37 family and social services or the office of Medicaid policy and
38 planning concerning the following:
- 39 (A) Federal Medicaid waiver program provisions.
40 (B) Federal programs administered by the office of the
41 secretary.
- 42 (b) The following do not apply to rules described in subsection (a):

1 (1) Sections 24 through 36 of this chapter.

2 (2) IC 13-14-9.

3 (c) After a rule described in subsection (a) has been adopted by the
4 agency, the agency shall submit the rule to the publisher for the
5 assignment of a document control number. The agency shall submit the
6 rule in the form required by section 20 of this chapter and with the
7 documents required by section 21 of this chapter. The publisher shall
8 determine the format of the rule and other documents to be submitted
9 under this subsection.

10 (d) After the document control number has been assigned, the
11 agency shall submit the rule to the publisher for filing. The agency
12 shall submit the rule in the form required by section 20 of this chapter
13 and with the documents required by section 21 of this chapter. The
14 publisher shall determine the format of the rule and other documents
15 to be submitted under this subsection.

16 (e) Subject to section 39 of this chapter, the publisher shall:

17 (1) accept the rule for filing; and

18 (2) electronically record the date and time that the rule is
19 accepted.

20 (f) A rule described in subsection (a) takes effect on the latest of the
21 following dates:

22 (1) The effective date of the statute delegating authority to the
23 agency to adopt the rule.

24 (2) The date and time that the rule is accepted for filing under
25 subsection (e).

26 (3) The effective date stated by the adopting agency in the rule.

27 (4) The date of compliance with every requirement established by
28 law as a prerequisite to the adoption or effectiveness of the rule.

29 (g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6,
30 IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in
31 subsections (j), (k), and (l), a rule adopted under this section expires
32 not later than ninety (90) days after the rule is accepted for filing under
33 subsection (e). Except for a rule adopted under subsection (a)(13),
34 (a)(24), (a)(25), or (a)(27), the rule may be extended by adopting
35 another rule under this section, but only for one (1) extension period.
36 The extension period for a rule adopted under subsection (a)(28) may
37 not exceed the period for which the original rule was in effect. A rule
38 adopted under subsection (a)(13) may be extended for two (2)
39 extension periods. Subject to subsection (j), a rule adopted under
40 subsection (a)(24), (a)(25), or (a)(27) may be extended for an unlimited
41 number of extension periods. Except for a rule adopted under
42 subsection (a)(13), for a rule adopted under this section to be effective

1 after one (1) extension period, the rule must be adopted under:

2 (1) sections 24 through 36 of this chapter; or

3 (2) IC 13-14-9;

4 as applicable.

5 (h) A rule described in subsection (a)(8), (a)(12), (a)(19), (a)(20),
6 (a)(21), (a)(29), or (a)(37) expires on the earlier of the following dates:

7 (1) The expiration date stated by the adopting agency in the rule.

8 (2) The date that the rule is amended or repealed by a later rule
9 adopted under sections 24 through 36 of this chapter or this
10 section.

11 (i) This section may not be used to readopt a rule under IC 4-22-2.5.

12 (j) A rule described in subsection (a)(24) or (a)(25) expires not later
13 than January 1, 2006.

14 (k) A rule described in subsection (a)(28) expires on the expiration
15 date stated by the board of the Indiana economic development
16 corporation in the rule.

17 (l) A rule described in subsection (a)(30) expires on the expiration
18 date stated by the Indiana finance authority in the rule.

19 (m) A rule described in subsection (a)(5) or (a)(6) expires on the
20 date the department is next required to issue a rule under the statute
21 authorizing or requiring the rule.

22 SECTION 7. IC 12-7-1-5, AS ADDED BY P.L.220-2011,
23 SECTION 252, IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE JULY 1, 2012]: Sec. 5. Actions taken under IC 12-8-1
25 **(expired)**, IC 12-8-2 **(expired)**, IC 12-8-6 **(expired)**, and IC 12-8-8
26 **(expired)** after June 30, 1999, and before December 1, 1999, are
27 legalized and validated to the extent that those actions would have been
28 legal and valid if P.L.7-2000 had been enacted before July 1, 1999.

29 SECTION 8. IC 12-7-2-23 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. "Body", for
31 purposes of ~~IC 12-8-2~~, **IC 12-8-2.5**, has the meaning set forth in
32 ~~IC 12-8-2-1~~. **IC 12-8-2.5-1**.

33 SECTION 9. IC 12-7-2-99, AS AMENDED BY P.L.141-2006,
34 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 UPON PASSAGE]: Sec. 99. "A person with a disability" means, for
36 purposes of the following statutes, an individual who has a physical or
37 mental disability and meets the program eligibility requirements of the
38 division of disability and rehabilitative services:

39 (1) ~~IC 12-8-1-11~~. **IC 12-8-1.5-10**.

40 (2) IC 12-12-1.

41 (3) IC 12-12-6.

42 SECTION 10. IC 12-7-2-129 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 129. "Member", for
 2 purposes of ~~IC 12-8-2~~, **IC 12-8-2.5**, has the meaning set forth in
 3 ~~IC 12-8-2-2~~. **IC 12-8-2.5-2.**

4 SECTION 11. IC 12-7-2-134, AS AMENDED BY P.L.117-2008,
 5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 UPON PASSAGE]: Sec. 134. "Office" means the following:

7 (1) Except as provided in subdivisions (2) through (4), the office
 8 of Medicaid policy and planning established by ~~IC 12-8-6-1~~.
 9 **IC 12-8-6.5-1.**

10 (2) For purposes of IC 12-10-13, the meaning set forth in
 11 IC 12-10-13-4.

12 (3) For purposes of IC 12-15-13, the meaning set forth in
 13 IC 12-15-13-0.4.

14 (4) For purposes of IC 12-17.6, the meaning set forth in
 15 IC 12-17.6-1-4.

16 SECTION 12. IC 12-7-2-135 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 135. "Office of the
 18 secretary" refers to the office of the secretary of family and social
 19 services established by ~~IC 12-8-1-1~~. **IC 12-8-1.5-1.**

20 SECTION 13. IC 12-7-2-160 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 160. (a)
 22 "Rehabilitation", for purposes of the statutes listed in subsection (b),
 23 means a process of providing services to meet the current and future
 24 needs of persons with disabilities so that the individuals may prepare
 25 for and engage in gainful employment to the extent of their capabilities,
 26 as provided in 29 U.S.C. 720.

27 (b) This section applies to the following statutes:

28 (1) ~~IC 12-8-1-11~~. **IC 12-8-1.5-10.**

29 (2) IC 12-12-1.

30 (3) IC 12-12-3.

31 (4) IC 12-12-6.

32 SECTION 14. IC 12-7-2-172 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 172. (a) Except as
 34 provided in subsection (b), "secretary" refers to the secretary of family
 35 and social services appointed under ~~IC 12-8-1-2~~. **IC 12-8-1.5-2.**

36 (b) "Secretary", for purposes of IC 12-13-14, has the meaning set
 37 forth in IC 12-13-14-1.

38 SECTION 15. IC 12-7-2-186 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 186. "State plan",
 40 for purposes of ~~IC 12-8-6~~, **IC 12-8-6.5**, refers to the state Medicaid
 41 plan for the Medicaid program.

42 SECTION 16. IC 12-8-1.5 IS ADDED TO THE INDIANA CODE

1 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]:

3 **Chapter 1.5. Office of Secretary of Family and Social Services**

4 **Sec. 0.3. (a) Actions taken under IC 12-8-1 (expired), after**
5 **December 31, 2007, and before March 24, 2008, are legalized and**
6 **validated to the extent that those actions would have been legal and**
7 **valid if P.L.113-2008 had been enacted before January 1, 2008.**

8 **(b) Actions taken under IC 12-8-1 (expired) after June 30, 2011,**
9 **are legalized and validated to the extent that those actions would**
10 **have been legal and valid if IC 12-8-1 had not expired on June 30,**
11 **2011.**

12 **Sec. 1. (a) The office of the secretary of family and social**
13 **services is established.**

14 **(b) The office of the secretary includes the following:**

15 **(1) The secretary.**

16 **(2) Each office.**

17 **Sec. 2. The governor shall appoint the secretary of family and**
18 **social services to coordinate family and social service programs**
19 **among the divisions.**

20 **Sec. 3. (a) The secretary has administrative responsibility for**
21 **the office of the secretary.**

22 **(b) Subject to this article, the secretary may organize an office**
23 **to perform the duties of the office.**

24 **Sec. 4. The secretary may hire personnel necessary to perform**
25 **the duties of each office.**

26 **Sec. 5. (a) The secretary, through the offices, is responsible for**
27 **coordinating the provision of technical assistance to each division**
28 **for the following:**

29 **(1) Compiling program budgets for each division.**

30 **(2) Fiscal performance of each division.**

31 **(3) Management and administrative performance of each**
32 **division.**

33 **(4) Program performance of each division.**

34 **(b) The secretary, through the offices, is accountable for the**
35 **following:**

36 **(1) Resolution of administrative, jurisdictional, or policy**
37 **conflicts among the divisions.**

38 **(2) The coordination of the activities of each division with**
39 **other entities, including the general assembly and other state**
40 **agencies.**

41 **(3) Coordination of communication with the federal**
42 **government and the governments of other states.**

1 **(4) Development and ongoing monitoring of a centralized**
 2 **management information system and a centralized training**
 3 **system for orientation and cross-training.**

4 **(5) The overall policy development and management of the**
 5 **state Medicaid plan under IC 12-15.**

6 **(6) Liaison activities with other governmental entities and**
 7 **private sector agencies.**

8 **Sec. 6. (a) The secretary and the commissioner of the state**
 9 **department of health shall cooperate to coordinate family and**
 10 **social services programs with related programs administered by**
 11 **the state department of health.**

12 **(b) The secretary, in cooperation with the commissioner of the**
 13 **state department of health, is accountable for the following:**

14 **(1) Resolving administrative, jurisdictional, or policy conflicts**
 15 **between a division and the state department of health.**

16 **(2) Formulating overall policy for family, health, and social**
 17 **services in Indiana.**

18 **(3) Coordinating activities between the programs of the**
 19 **division of family resources and the maternal and child health**
 20 **programs of the state department of health.**

21 **(4) Coordinating activities concerning long term care between**
 22 **the division of disability and rehabilitative services and the**
 23 **state department of health.**

24 **(5) Developing and implementing a statewide family, health,**
 25 **and social services plan that includes a set of goals and**
 26 **priorities.**

27 **Sec. 7. The secretary, through the offices, may do the following:**

28 **(1) Employ experts and consultants to carry out the duties of**
 29 **the secretary and the offices.**

30 **(2) Utilize, with the consent of the other state agencies, the**
 31 **services and facilities of other state agencies without**
 32 **reimbursement.**

33 **(3) Accept in the name of the state, for use in carrying out the**
 34 **purposes of this article, any money or other property received**
 35 **as a gift, by bequest, or otherwise.**

36 **(4) Accept voluntary and uncompensated services.**

37 **(5) Expend money made available according to policies**
 38 **enforced by the budget agency.**

39 **(6) Establish and implement the policies and procedures**
 40 **necessary to implement this article.**

41 **(7) Advise the governor concerning rules adopted by a**
 42 **division.**

- 1 **(8) Create advisory bodies to advise the secretary about any**
 2 **matter relating to the implementation of this article.**
- 3 **(9) Perform other acts necessary to implement this article.**
- 4 **Sec. 8. (a) The secretary shall cooperate with the federal Social**
 5 **Security Administration and with any other agency of the federal**
 6 **government in any reasonable manner that may be necessary to**
 7 **qualify for federal aid for assistance to persons who are entitled to**
 8 **assistance under the provisions of the federal Social Security Act.**
- 9 **(b) The secretary shall do the following:**
- 10 **(1) Make reports in the form and containing the information**
 11 **required by the federal Social Security Administration Board**
 12 **or any other agency of the federal government.**
- 13 **(2) Comply with the requirements that the federal Social**
 14 **Security Administration Board or other agency of the federal**
 15 **government finds necessary to assure the correctness and**
 16 **verification of reports.**
- 17 **(c) The secretary shall act as the agent to the federal**
 18 **government in the following:**
- 19 **(1) Welfare matters of mutual concern.**
- 20 **(2) The administration of federal money granted to Indiana to**
 21 **aid the welfare functions of the state.**
- 22 **Sec. 9. (a) Consistent with the powers and duties of the secretary**
 23 **under this article, the secretary may adopt rules under IC 4-22-2**
 24 **relating to the exercise of those powers and duties.**
- 25 **(b) The secretary may adopt emergency rules under**
 26 **IC 4-22-2-37.1(a)(37) for the following:**
- 27 **(1) Federal Medicaid waiver program provisions.**
- 28 **(2) Federal programs administered by the office of the**
 29 **secretary.**
- 30 **Notwithstanding any other law, emergency rules adopted under**
 31 **this subsection expire June 30, 2013.**
- 32 **Sec. 10. The office of the secretary is designated as the sole state**
 33 **agency responsible for administering programs concerning the**
 34 **vocational rehabilitation of individuals with a disability under 29**
 35 **U.S.C. 701 et seq.**
- 36 **Sec. 11. (a) If:**
- 37 **(1) the sums appropriated by the general assembly in the**
 38 **biennial budget to the family and social services**
 39 **administration for the Medicaid assistance, Medicaid**
 40 **administration, public assistance (TANF), and the IMPACT**
 41 **(JOBS) work program are insufficient to enable the office of**
 42 **the secretary to meet its obligations; and**

1 **(2) the failure to appropriate additional funds would:**

2 **(A) violate a provision of federal law; or**

3 **(B) jeopardize the state's share of federal financial**
 4 **participation applicable to the state appropriations**
 5 **contained in the biennial budget for Medicaid assistance,**
 6 **Medicaid administration, public assistance (TANF), or the**
 7 **IMPACT (JOBS) work program;**

8 **then there are appropriated further sums as may be necessary to**
 9 **remedy a situation described in this subsection, subject to the**
 10 **approval of the budget director and the unanimous**
 11 **recommendation of the members of the budget committee.**
 12 **However, before approving a further appropriation under this**
 13 **subsection, the budget director shall explain to the budget**
 14 **committee the factors indicating that a condition described in**
 15 **subdivision (2) would be met.**

16 **(b) If:**

17 **(1) the sums appropriated by the general assembly in the**
 18 **biennial budget to the family and social services**
 19 **administration for Medicaid assistance, Medicaid**
 20 **administration, public assistance (TANF), and the IMPACT**
 21 **(JOBS) work program are insufficient to enable the family**
 22 **and social services administration to meet its obligations; and**
 23 **(2) neither of the conditions in subsection (a)(2) would result**
 24 **from a failure to appropriate additional funds;**

25 **then there are appropriated further sums as may be necessary to**
 26 **remedy a situation described in this subsection, subject to the**
 27 **approval of the budget director and the unanimous**
 28 **recommendation of the members of the budget committee.**
 29 **However, before approving a further appropriation under this**
 30 **subsection, the budget director shall explain to the budget**
 31 **committee the factors indicating that a condition described in**
 32 **subdivision (2) would be met.**

33 **(c) Notwithstanding IC 12-14 and IC 12-15 (except for a clinical**
 34 **advisory panel established under IC 12-15), and except as provided**
 35 **in subsection (d), the office of the secretary may by rule adjust**
 36 **programs, eligibility standards, and benefit levels to limit**
 37 **expenditures from Medicaid assistance, Medicaid administration,**
 38 **public assistance (TANF), and the IMPACT (JOBS) work**
 39 **program. The office of the secretary may adopt emergency rules**
 40 **under IC 4-22-2-37.1 to make an adjustment authorized by this**
 41 **subsection. However, adjustments under this subsection may not:**

42 **(1) violate a provision of federal law; or**

1 **(2) jeopardize the state's share of federal financial**
 2 **participation applicable to the state appropriations contained**
 3 **in the biennial budget for Medicaid assistance, Medicaid**
 4 **administration, public assistance (TANF), and the IMPACT**
 5 **(JOBS) work program.**

6 **(d) Subject to IC 12-15-21-3, any adjustments made under**
 7 **subsection (c) must:**

8 **(1) allow for a licensed provider under IC 12-15 to deliver**
 9 **services within the scope of the provider's license if the benefit**
 10 **is covered under IC 12-15; and**

11 **(2) provide access to services under IC 12-15 from a provider**
 12 **under IC 12-15-12.**

13 **Sec. 12. (a) Subject to the appropriation limits established by the**
 14 **state's biennial budget for the office of the secretary and its**
 15 **divisions, and after assistance, including assistance under TANF**
 16 **(IC 12-14), medical assistance (IC 12-15), and food stamps (7**
 17 **U.S.C. 2016(i)), is distributed to persons eligible to receive**
 18 **assistance, the secretary may adopt rules under IC 4-22-2 to offer**
 19 **programs on a pilot or statewide basis to encourage recipients of**
 20 **assistance under IC 12-14 to become self-sufficient and discontinue**
 21 **dependence on public assistance programs. Programs offered**
 22 **under this subsection may do the following:**

23 **(1) Develop welfare-to-work programs.**

24 **(2) Develop home child care training programs that will**
 25 **enable recipients to work by providing child care for other**
 26 **recipients.**

27 **(3) Provide case management and supportive services.**

28 **(4) Develop a system to provide for public service**
 29 **opportunities for recipients.**

30 **(5) Provide plans to implement the personal responsibility**
 31 **agreement under IC 12-14-2-21.**

32 **(6) Develop programs to implement the school attendance**
 33 **requirement under IC 12-14-2-17.**

34 **(7) Provide funds for county planning council activities under**
 35 **IC 12-14-22-13 (repealed).**

36 **(8) Provide that a recipient may earn up to the federal income**
 37 **poverty level (as defined in IC 12-15-2-1) before assistance**
 38 **under this title is reduced or eliminated.**

39 **(9) Provide for child care assistance, with the recipient paying**
 40 **fifty percent (50%) of the local market rate as established**
 41 **under 45 CFR 256 for child care.**

42 **(10) Provide for medical care assistance under IC 12-15, if the**

1 recipient's employer does not offer the recipient health care
2 coverage.

3 (b) If the secretary offers a program described in subsection (a),
4 the secretary shall annually report the results and other relevant
5 data regarding the program to the legislative council in an
6 electronic format under IC 5-14-6.

7 Sec. 13. The office of the secretary shall implement methods to
8 facilitate the payment of providers under IC 12-15.

9 Sec. 14. The office of the secretary shall improve its system
10 through the use of technology and training of staff to do the
11 following:

- 12 (1) Simplify, streamline, and destigmatize the eligibility and
13 enrollment processes in all health programs serving children.
- 14 (2) Ensure an efficient provider payment system.
- 15 (3) Improve service to families.
- 16 (4) Improve data quality for program assessment and
17 evaluation.

18 Sec. 15. (a) The office of the secretary shall:

- 19 (1) cooperate with; and
- 20 (2) assist;

21 a nonprofit organization with the purpose to implement and
22 administer a program to provide health care to uninsured Indiana
23 residents.

24 (b) The office of the secretary shall assist a nonprofit
25 organization that has the purpose described in subsection (a) with
26 the following:

- 27 (1) Determining eligibility of potential participants who have
28 an income of not more than one hundred percent (100%) of
29 the federal poverty level for a program described in this
30 section.
- 31 (2) Issuing a plan card that is valid for one (1) year to an
32 individual if:
 - 33 (A) the office of the secretary has determined the
34 individual is eligible for the program; and
 - 35 (B) the individual has paid the office of the secretary a
36 registration fee determined by the office.
- 37 (3) Operating a toll free telephone number that provides
38 provider referral services for participants in the program.
- 39 (4) Implementing the program described in this section to
40 combine the resources of the office of the secretary and the
41 nonprofit organization in a manner that would not result in
42 the additional expenditure of state funds.

1 SECTION 17. IC 12-8-2.5 IS ADDED TO THE INDIANA CODE
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]:

4 **Chapter 2.5. Family and Social Services Bodies**

5 **Sec. 0.3. (a) Actions taken under IC 12-8-2 (expired), after**
6 **December 31, 2007, and before March 24, 2008, are legalized and**
7 **validated to the extent that those actions would have been legal and**
8 **valid if P.L.113-2008 had been enacted before January 1, 2008.**

9 **(b) Actions taken under IC 12-8-2 (expired) after June 30, 2011,**
10 **are legalized and validated to the extent that those actions would**
11 **have been legal and valid if IC 12-8-2 had not expired on June 30,**
12 **2011.**

13 **Sec. 1. As used in this chapter, "body" refers to an entity**
14 **described in section 3 of this chapter.**

15 **Sec. 2. As used in this chapter, "member" refers to a member of**
16 **a body.**

17 **Sec. 3. Unless otherwise provided by a statute, this chapter**
18 **applies to the following:**

19 **(1) The following advisory councils:**

20 **(A) The division of disability and rehabilitative services**
21 **advisory council.**

22 **(B) The division of family resources advisory council.**

23 **(C) The division of mental health and addiction advisory**
24 **council.**

25 **(2) A body:**

26 **(A) established by statute for a division; and**

27 **(B) whose enabling statute makes this chapter applicable**
28 **to the body.**

29 **Sec. 3.5. Up to five (5) individuals appointed by the secretary to**
30 **serve on an entity not described in section 3(1) of this chapter may**
31 **be appointed to serve concurrently on an advisory council**
32 **described in section 3(1) of this chapter. However, an individual**
33 **may not serve concurrently on more than one (1) advisory council**
34 **described in section 3(1) of this chapter.**

35 **Sec. 4. (a) This section applies only to a member who by statute**
36 **is appointed to a fixed term.**

37 **(b) The term of an individual serving as a member begins on the**
38 **latter of the following:**

39 **(1) The day the term of the member whom the individual is**
40 **appointed to succeed expires. If the individual does not**
41 **succeed a member, the member's term begins as provided in**
42 **subdivision (2).**

- 1 **(2) The day the individual is appointed.**
- 2 **(c) The term of a member expires on July 1 of the second year**
3 **after the expiration of the term of the member's immediate**
4 **predecessor. If the member has no immediate predecessor, the**
5 **term of the member expires on July 1 of the second year after the**
6 **member's term began.**
- 7 **(d) A member may be reappointed for a new term. A**
8 **reappointed member is the member's own:**
- 9 **(1) successor for purposes of subsection (b); and**
10 **(2) immediate predecessor for purposes of subsection (c).**
- 11 **Sec. 5. (a) This section applies only to an individual who serves**
12 **as a member because of an office the individual holds.**
- 13 **(b) The individual serves as a member until the individual no**
14 **longer holds the office.**
- 15 **Sec. 6. The appointing authority of a member shall appoint an**
16 **individual to fill a vacancy in the office of the member.**
- 17 **Sec. 7. Except as provided in another statute, the governor shall**
18 **appoint a voting member of the body to be the presiding officer of**
19 **the body.**
- 20 **Sec. 8. Unless otherwise provided by a statute, a member is a**
21 **voting member.**
- 22 **Sec. 9. A majority of the voting members of the body constitutes**
23 **a quorum.**
- 24 **Sec. 10. The affirmative vote of a majority of the voting**
25 **members of the body is required for the body to take any action.**
- 26 **Sec. 11. (a) A member who is not a state employee is entitled to**
27 **both of the following:**
- 28 **(1) The minimum salary per diem provided by**
29 **IC 4-10-11-2.1(b).**
- 30 **(2) Reimbursement for travel expenses and other expenses**
31 **actually incurred in connection with the member's duties, as**
32 **provided in the state travel policies and procedures**
33 **established by the Indiana department of administration and**
34 **approved by the budget agency.**
- 35 **(b) A member who is a state employee is entitled to**
36 **reimbursement for travel expenses and other expenses actually**
37 **incurred in connection with the member's duties, as provided in the**
38 **state travel policies and procedures established by the Indiana**
39 **department of administration and approved by the budget agency.**
- 40 **(c) A member who is a member of the general assembly is**
41 **entitled to receive the same per diem, mileage, and travel**
42 **allowances paid to members of the general assembly serving on**

1 interim study committees established by the legislative council.

2 **Sec. 11.5.** In addition to the requirements of IC 5-14-1.5, the
3 office of the secretary or a division will make a good faith effort to
4 ensure that members of any body subject to this chapter receive a
5 copy of an agenda at least forty-eight (48) hours before any
6 meeting of the body.

7 SECTION 18. IC 12-8-6.5 IS ADDED TO THE INDIANA CODE
8 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]:

10 **Chapter 6.5. Office of Medicaid Policy and Planning**

11 **Sec. 0.3.** (a) Actions taken under IC 12-8-6 (expired), after
12 December 31, 2007, and before March 24, 2008, are legalized and
13 validated to the extent that those actions would have been legal and
14 valid if P.L.113-2008 had been enacted before January 1, 2008.

15 (b) Actions taken under IC 12-8-6 (expired) after June 30, 2011,
16 are legalized and validated to the extent that those actions would
17 have been legal and valid if IC 12-8-6 had not expired on June 30,
18 2011.

19 **Sec. 1.** The office of Medicaid policy and planning is established.

20 **Sec. 2.** The secretary shall appoint an administrator responsible
21 for management of the office.

22 **Sec. 3.** The office is designated as the single state agency for
23 administration of the state Medicaid program under IC 12-15.

24 **Sec. 4.** The office shall develop and coordinate Medicaid policy
25 for the state.

26 **Sec. 5.** The secretary may adopt rules under IC 4-22-2 to
27 implement this chapter and the state Medicaid program.

28 **Sec. 6.** (a) For purposes of IC 4-21.5, the secretary is the
29 ultimate authority for the state Medicaid program.

30 (b) The secretary shall adopt rules under IC 4-22-2 to specify
31 any additional necessary procedures for administrative review of
32 an agency action under IC 4-21.5 and the state Medicaid program.

33 **Sec. 7.** The office and the division of mental health and addiction
34 shall develop a written memorandum of understanding that
35 provides the following:

36 (1) Program responsibilities for the provision of care and
37 treatment for individuals with a mental illness.

38 (2) Responsibilities to educate and inform vendors of the
39 proper billing procedures.

40 (3) Responsibilities in administering the state plan.

41 (4) Responsibilities for Medicaid fiscal and quality
42 accountability and audits for mental health services.

- 1 **(5) That the division shall recommend options and services to**
2 **be reimbursed under the state plan.**
- 3 **(6) That the office and the division agree that, within the**
4 **limits of 42 U.S.C. 1396 et seq., individuals with a mental**
5 **illness cannot be excluded from services on the basis of**
6 **diagnosis unless these services are otherwise provided and**
7 **reimbursed under the state plan.**
- 8 **(7) That the office shall seek review and comment from the**
9 **division before the adoption of rules or standards that may**
10 **affect the service, programs, or providers of medical**
11 **assistance services for individuals with a mental illness.**
- 12 **(8) That the division shall develop rate setting policies for**
13 **medical assistance services for individuals with a mental**
14 **illness.**
- 15 **(9) Policies to facilitate communication between the office and**
16 **the division.**
- 17 **(10) Any additional provisions that enhance communication**
18 **between the office and the division or facilitate more efficient**
19 **or effective delivery of mental health services.**
- 20 **Sec. 8. The office and the division of disability and rehabilitative**
21 **services shall develop a written memorandum of understanding**
22 **that provides the following:**
- 23 **(1) Program responsibilities for the provision of care and**
24 **treatment for individuals with a developmental disability and**
25 **long term care recipients.**
- 26 **(2) Responsibilities to educate and inform vendors of the**
27 **proper billing procedures.**
- 28 **(3) Responsibilities in administering the state plan.**
- 29 **(4) Responsibilities for Medicaid fiscal and quality**
30 **accountability and audits for developmental disability and**
31 **long term care services.**
- 32 **(5) That the division shall recommend options and services to**
33 **be reimbursed under the state plan.**
- 34 **(6) That the office and the division agree that, within the**
35 **limits of 42 U.S.C. 1396 et seq., individuals with a**
36 **developmental disability and long term care recipients cannot**
37 **be excluded from services on the basis of diagnosis unless**
38 **these services are otherwise provided and reimbursed under**
39 **the state plan.**
- 40 **(7) That the office shall seek review and comment from the**
41 **division before the adoption of rules or standards that may**
42 **affect the service, programs, or providers of medical**

- 1 assistance services for individuals with a developmental
2 disability and long term care recipients.
- 3 (8) That the division shall develop rate setting policies for
4 medical assistance services for individuals with a
5 developmental disability and long term care recipients.
- 6 (9) That the office, with the assistance of the division, shall
7 apply for waivers from the United States Department of
8 Health and Human Services to fund community and home
9 based long term care services as alternatives to
10 institutionalization.
- 11 (10) Policies to facilitate communication between the office
12 and the division.
- 13 (11) Any additional provisions that enhance communication
14 between the office and the division or facilitate more efficient
15 or effective delivery of developmental disability or long term
16 care services.
- 17 **Sec. 9. The office, the division of family resources, and the**
18 **department of child services shall develop a written memorandum**
19 **of understanding that provides the following:**
- 20 (1) Program responsibilities for the provision of care and
21 treatment for recipients served by the division.
- 22 (2) Responsibilities to educate and inform vendors of the
23 proper billing procedures.
- 24 (3) Responsibilities in administering the state plan.
- 25 (4) Responsibilities for Medicaid fiscal and quality
26 accountability and audits for services administered by the
27 division.
- 28 (5) That the division shall recommend options and services to
29 be reimbursed under the Medicaid state plan.
- 30 (6) That the office and the division agree that, within the
31 limits of 42 U.S.C. 1396 et seq., recipients served by the
32 division cannot be excluded from services on the basis of
33 diagnosis unless these services are otherwise provided and
34 reimbursed under the state plan.
- 35 (7) That the office shall seek review and comment from the
36 division before the adoption of rules or standards that may
37 affect the service, programs, or providers of medical
38 assistance services for recipients served by the division.
- 39 (8) That the division shall develop rate setting policies for
40 medical assistance services administered by the division.
- 41 (9) Policies to facilitate communication between the office and
42 the division.

1 **(10) Any additional provisions that enhance communication**
 2 **between the office and the division or facilitate more efficient**
 3 **or effective delivery of services.**

4 **Sec. 10. (a) The office shall reduce reimbursement rates for**
 5 **over-the-counter drugs by ten percent (10%) not later than July 1,**
 6 **2001.**

7 **(b) The office shall implement a Maximum Allowable Cost**
 8 **schedule for off-patent drugs not later than November 1, 2001.**

9 **(c) Not later than January 1, 2002, the office shall implement an**
 10 **information strategy directed to high volume prescribers.**

11 **(d) Beginning July 1, 2002, the office shall phase in case**
 12 **management for aged, blind, and disabled Medicaid recipients.**

13 **Sec. 11. The office shall adopt emergency rules under**
 14 **IC 4-22-2-37.1 to achieve the reductions needed to avoid**
 15 **expenditures exceeding the Medicaid appropriation made by**
 16 **P.L.224-2003 in the line item appropriation to the FAMILY AND**
 17 **SOCIAL SERVICES ADMINISTRATION, MEDICAID -**
 18 **CURRENT OBLIGATIONS. To the extent that reductions are**
 19 **made to optional Medicaid services as set forth in 42 U.S.C. 1396**
 20 **et seq., the reductions may be accomplished on a pro rata basis**
 21 **with each optional service being reduced by a proportionate**
 22 **amount. However, the reductions may not be made in a manner**
 23 **that results in the elimination of any optional Medicaid service.**

24 **SECTION 19. IC 12-8-8.5 IS ADDED TO THE INDIANA CODE**
 25 **AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE**
 26 **UPON PASSAGE]:**

27 **Chapter 8.5. Divisions and Directors**

28 **Sec. 0.3. (a) Actions taken under IC 12-8-8 (expired), after**
 29 **December 31, 2007, and before March 24, 2008, are legalized and**
 30 **validated to the extent that those actions would have been legal and**
 31 **valid if P.L.113-2008 had been enacted before January 1, 2008.**

32 **(b) Actions taken under IC 12-8-8 (expired) after June 30, 2011,**
 33 **are legalized and validated to the extent that those actions would**
 34 **have been legal and valid if IC 12-8-8 had not expired on June 30,**
 35 **2011.**

36 **Sec. 1. Subject to the approval of the governor, the secretary:**

37 **(1) shall appoint each director; and**

38 **(2) may terminate the employment of a director.**

39 **Sec. 2. (a) A director is the chief administrator of the director's**
 40 **division.**

41 **(b) A director is responsible to the secretary for the operation**
 42 **and performance of the director's division.**

- 1 **Sec. 3. A director is the appointing authority for the director's**
 2 **division.**
- 3 **Sec. 4. (a) A director may adopt rules under IC 4-22-2 relating**
 4 **to the operation of the director's division and to implement the**
 5 **programs of the director's division.**
- 6 **(b) Whenever a division is required to adopt rules under**
 7 **IC 4-22-2, the director of the division is the statutory authority that**
 8 **adopts the rules.**
- 9 **Sec. 5. (a) A director is the ultimate authority under IC 4-21.5**
 10 **for purposes of the operation of the director's division and the**
 11 **programs of the director's division.**
- 12 **(b) The director shall consult with the secretary on issues of**
 13 **family, social services, or health policy arising in a proceeding**
 14 **under IC 4-21.5.**
- 15 **Sec. 6. A director is responsible for development and**
 16 **presentation of the budget of the director's division.**
- 17 SECTION 20. IC 12-9-1-2 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
 19 **IC 12-8-8.5** applies to the division.
- 20 SECTION 21. IC 12-9-2-1 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division
 22 shall be administered by a director appointed under ~~IC 12-8-8-1.~~
 23 **IC 12-8-8.5-1.**
- 24 SECTION 22. IC 12-9-2-2 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
 26 **IC 12-8-8.5** applies to the director.
- 27 SECTION 23. IC 12-9-4-4 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Each member of
 29 the council appointed under section 3(2) of this chapter has a fixed
 30 term as provided in ~~IC 12-8-2-4.~~ **IC 12-8-2.5-4.**
- 31 SECTION 24. IC 12-9-4-7 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~IC 12-8-2~~
 33 **IC 12-8-2.5** applies to the council.
- 34 SECTION 25. IC 12-9.1-1-2, AS ADDED BY P.L.141-2006,
 35 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the
 37 division.
- 38 SECTION 26. IC 12-9.1-2-1, AS ADDED BY P.L.141-2006,
 39 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 1. The division shall be administered by a
 41 director appointed under ~~IC 12-8-8-1.~~ **IC 12-8-8.5-1.**
- 42 SECTION 27. IC 12-9.1-2-2, AS ADDED BY P.L.141-2006,

1 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the
3 director.

4 SECTION 28. IC 12-10-12-4 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this
6 chapter, "office" refers to the office of Medicaid policy and planning
7 established by ~~IC 12-8-6-1~~. **IC 12-8-6.5-1**.

8 SECTION 29. IC 12-12-1-4.1 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. (a) The bureau
10 may do the following:

11 (1) Establish vocational rehabilitation centers separately or in
12 conjunction with community rehabilitation centers.

13 (2) Contract with governmental units and other public or private
14 organizations to provide any of the vocational rehabilitation
15 services permitted or required by this article, ~~IC 12-8-1-11~~,
16 **IC 12-8-1.5-10**, IC 12-9-6, and IC 12-11-6.

17 (3) Provide or contract for the provision of other services that are
18 consistent with the purposes of this article, ~~IC 12-8-1-11~~,
19 **IC 12-8-1.5-10**, IC 12-9-6, and IC 12-11-6.

20 (b) When entering into contracts for job development, placement,
21 or retention services, the bureau shall contract with governmental units
22 and other public or private organizations or individuals that are
23 accredited by one (1) of the following organizations:

24 (1) The Commission on Accreditation of Rehabilitation Facilities
25 (CARF), or its successor.

26 (2) The Council on Quality and Leadership in Supports for People
27 with Disabilities, or its successor.

28 (3) The Joint Commission on Accreditation of Healthcare
29 Organizations (JCAHO), or its successor.

30 (4) The National Commission on Quality Assurance, or its
31 successor.

32 (5) An independent national accreditation organization approved
33 by the secretary.

34 (c) To the extent that the accreditation requirements of an
35 accrediting organization listed in subsection (b) do not cover a specific
36 requirement determined by the bureau to be necessary for a contracted
37 service under subsection (a), the bureau shall include these specific
38 requirements as part of the bureau's contract for job development,
39 placement, or retention services.

40 SECTION 30. IC 12-12.7-2-8, AS ADDED BY P.L.93-2006,
41 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 UPON PASSAGE]: Sec. 8. (a) The council consists of at least fifteen

- 1 (15) but not more than twenty-five (25) members appointed by the
 2 governor as follows:
- 3 (1) At least twenty percent (20%) of the members must be
 4 individuals who:
- 5 (A) are parents, including minority parents, of infants or
 6 toddlers with disabilities or of children who are less than
 7 thirteen (13) years of age with disabilities; and
 8 (B) have knowledge of or experience with programs for infants
 9 and toddlers with disabilities.
- 10 At least one (1) of the members described in this subdivision must
 11 be a parent of an infant or toddler with a disability or of a child
 12 less than seven (7) years of age with a disability.
- 13 (2) At least twenty percent (20%) of the members must be public
 14 or private providers of early intervention services.
- 15 (3) At least one (1) member must be a member of the general
 16 assembly.
- 17 (4) Each of the state agencies involved in the provision of or
 18 payment for early intervention services to infants and toddlers
 19 with disabilities and their families must be represented by at least
 20 one (1) member. The members described in this subdivision must
 21 have sufficient authority to engage in policy planning and
 22 implementation on behalf of the state agency the member
 23 represents.
- 24 (5) At least one (1) member must be involved in personnel
 25 preparation.
- 26 (6) At least one (1) member must:
- 27 (A) represent a state educational agency responsible for
 28 preschool services to children with disabilities; and
 29 (B) have sufficient authority to engage in policy planning and
 30 implementation on behalf of the agency.
- 31 (7) At least one (1) member must represent the department of
 32 insurance created by IC 27-1-1-1.
- 33 (8) At least one (1) member must represent an agency or program
 34 that is:
- 35 (A) located in Indiana; and
 36 (B) authorized to participate in the Head Start program under
 37 42 U.S.C. 9831 et seq.
- 38 (9) At least one (1) member must represent a state agency
 39 responsible for child care.
- 40 (10) At least one (1) member must represent the office of
 41 Medicaid policy and planing established by ~~IC 12-8-6-1.~~
 42 **IC 12-8-6.5-1.**

1 (11) At least one (1) member must be a representative designated
2 by the office of coordinator for education of homeless children
3 and youths.

4 (12) At least one (1) member must be a state foster care
5 representative from the department of child services established
6 by ~~IC 31-33-1.5-2~~. **IC 31-25-1-1.**

7 (13) At least one (1) member must represent the division of
8 mental health and addiction established by IC 12-21-1-1.

9 (b) To the extent possible, the governor shall ensure that the
10 membership of the council reasonably represents the population of
11 Indiana.

12 SECTION 31. IC 12-13-1-2 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
14 **IC 12-8-8.5** applies to the division.

15 SECTION 32. IC 12-13-2-1 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division
17 shall be administered by a director appointed under ~~IC 12-8-8-2~~.
18 **IC 12-8-8.5-1.**

19 SECTION 33. IC 12-13-4-4 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Each member of
21 the council appointed under section 3(2) of this chapter has a fixed
22 term as provided in ~~IC 12-8-2-4~~. **IC 12-8-2.5-4.**

23 SECTION 34. IC 12-13-4-7 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~IC 12-8-2~~
25 **IC 12-8-2.5** applies to the council.

26 SECTION 35. IC 12-13-15.2-2 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division
28 shall collaborate with the office of Medicaid policy and planning
29 established by ~~IC 12-8-6-1~~ **IC 12-8-6.5-1** and the state department of
30 health established by IC 16-19-1-1 to establish programs that facilitate
31 children's access to oral health services.

32 SECTION 36. IC 12-14-2-21, AS AMENDED BY P.L.161-2007,
33 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 UPON PASSAGE]: Sec. 21. (a) A TANF recipient or the parent or
35 essential person of a TANF recipient, if the TANF recipient is less than
36 eighteen (18) years of age, must sign a personal responsibility
37 agreement to do the following:

38 (1) Develop an individual self-sufficiency plan with other family
39 members and a caseworker.

40 (2) Accept any reasonable employment as soon as it becomes
41 available.

42 (3) Agree to a loss of assistance, including TANF assistance

- 1 under this article, if convicted of a felony under IC 35-43-5-7 or
 2 IC 35-43-5-7.1 for ten (10) years after the conviction.
- 3 (4) Subject to section 5.3 of this chapter, understand that
 4 additional TANF assistance under this article will not be available
 5 for a child born more than ten (10) months after the person
 6 qualifies for assistance.
- 7 (5) Accept responsibility for ensuring that each child of the
 8 person receives all appropriate vaccinations against disease at an
 9 appropriate age.
- 10 (6) If the person is less than eighteen (18) years of age and is a
 11 parent, live with the person's parents, legal guardian, or an adult
 12 relative other than a parent or legal guardian in order to receive
 13 public assistance.
- 14 (7) Subject to ~~IC 12-8-1-12~~ **IC 12-8-1.5-11** and section 5.1 of this
 15 chapter, agree to accept assistance for not more than twenty-four
 16 (24) months under the TANF program (IC 12-14).
- 17 (8) Be available for and actively seek and maintain employment.
- 18 (9) Participate in any training program required by the division.
- 19 (10) Accept responsibility for ensuring that the person and each
 20 child of the person attend school until the person and each child
 21 of the person graduate from high school or attain a high school
 22 equivalency certificate (as defined in IC 12-14-5-2).
- 23 (11) Raise the person's children in a safe, secure home.
- 24 (12) Agree not to abuse illegal drugs or other substances that
 25 would interfere with the person's ability to attain self-sufficiency.
- 26 (b) Except as provided in subsection (c), assistance under the TANF
 27 program shall be withheld or denied to a person who does not fulfill the
 28 requirements of the personal responsibility agreement under subsection
 29 (a).
- 30 (c) A person who is granted an exemption under section 23 of this
 31 chapter may be excused from specific provisions of the personal
 32 responsibility agreement as determined by the director.
- 33 SECTION 37. IC 12-15-2-0.5, AS AMENDED BY P.L.1-2010,
 34 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 0.5. (a) This section applies to a person who
 36 qualifies for assistance:
- 37 (1) under sections 13 through 16 of this chapter;
 38 (2) under section 6 of this chapter when the person becomes
 39 ineligible for medical assistance under IC 12-14-2-5.1 or
 40 IC 12-14-2-5.3; or
 41 (3) as an individual with a disability if the person is less than
 42 eighteen (18) years of age and otherwise qualifies for assistance.

1 (b) Notwithstanding any other law, the following may not be
 2 construed to limit health care assistance to a person described in
 3 subsection (a):

4 (1) ~~IC 12-8-1-13~~; **IC 12-8-1.5-12.**

5 (2) IC 12-14-1-1.

6 (3) IC 12-14-1-1.5.

7 (4) IC 12-14-2-5.1.

8 (5) IC 12-14-2-5.2.

9 (6) IC 12-14-2-5.3.

10 (7) IC 12-14-2-17.

11 (8) IC 12-14-2-18.

12 (9) IC 12-14-2-20.

13 (10) IC 12-14-2-21.

14 (11) IC 12-14-2-24.

15 (12) IC 12-14-2-25.

16 (13) IC 12-14-2-26.

17 (14) IC 12-14-2.5.

18 (15) IC 12-14-5.5.

19 (16) Section 21 of this chapter.

20 SECTION 38. IC 12-21-1-2 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
 22 **IC 12-8-8.5** applies to the division.

23 SECTION 39. IC 12-21-2-1 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division
 25 shall be administered by a director appointed under ~~IC 12-8-8-1~~.
 26 **IC 12-8-8.5-1.**

27 SECTION 40. IC 12-21-2-2 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
 29 **IC 12-8-8.5** applies to the director.

30 SECTION 41. IC 12-21-2-3, AS AMENDED BY P.L.143-2011,
 31 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: Sec. 3. In addition to the general authority granted
 33 to the director under ~~IC 12-8-8~~, **IC 12-8-8.5**, the director shall do the
 34 following:

35 (1) Organize the division, create the appropriate personnel
 36 positions, and employ personnel necessary to discharge the
 37 statutory duties and powers of the division or a bureau of the
 38 division.

39 (2) Subject to the approval of the state personnel department,
 40 establish personnel qualifications for all deputy directors,
 41 assistant directors, bureau heads, and superintendents.

42 (3) Subject to the approval of the budget director and the

- 1 governor, establish the compensation of all deputy directors,
2 assistant directors, bureau heads, and superintendents.
- 3 (4) Study the entire problem of mental health, mental illness, and
4 addictions existing in Indiana.
- 5 (5) Adopt rules under IC 4-22-2 for the following:
- 6 (A) Standards for the operation of private institutions that are
7 licensed under IC 12-25 for the diagnosis, treatment, and care
8 of individuals with psychiatric disorders, addictions, or other
9 abnormal mental conditions.
- 10 (B) Licensing or certifying community residential programs
11 described in IC 12-22-2-3.5 for individuals with serious
12 mental illness (SMI), serious emotional disturbance (SED), or
13 chronic addiction (CA) with the exception of psychiatric
14 residential treatment facilities.
- 15 (C) Certifying community mental health centers to operate in
16 Indiana.
- 17 (D) Establish exclusive geographic primary service areas for
18 community mental health centers. The rules must include the
19 following:
- 20 (i) Criteria and procedures to justify the change to the
21 boundaries of a community mental health center's primary
22 service area.
- 23 (ii) Criteria and procedures to justify the change of an
24 assignment of a community mental health center to a
25 primary service area.
- 26 (iii) A provision specifying that the criteria and procedures
27 determined in items (i) and (ii) must include an option for
28 the county and the community mental health center to
29 initiate a request for a change in primary service area or
30 provider assignment.
- 31 (iv) A provision specifying the criteria and procedures
32 determined in items (i) and (ii) may not limit an eligible
33 consumer's right to choose or access the services of any
34 provider who is certified by the division of mental health
35 and addiction to provide public supported mental health
36 services.
- 37 (6) Institute programs, in conjunction with an accredited college
38 or university and with the approval, if required by law, of the
39 commission for higher education, for the instruction of students
40 of mental health and other related occupations. The programs may
41 be designed to meet requirements for undergraduate and
42 postgraduate degrees and to provide continuing education and

- 1 research.
- 2 (7) Develop programs to educate the public in regard to the
- 3 prevention, diagnosis, treatment, and care of all abnormal mental
- 4 conditions.
- 5 (8) Make the facilities of the Larue D. Carter Memorial Hospital
- 6 available for the instruction of medical students, student nurses,
- 7 interns, and resident physicians under the supervision of the
- 8 faculty of the Indiana University School of Medicine for use by
- 9 the school in connection with research and instruction in
- 10 psychiatric disorders.
- 11 (9) Institute a stipend program designed to improve the quality
- 12 and quantity of staff that state institutions employ.
- 13 (10) Establish, supervise, and conduct community programs,
- 14 either directly or by contract, for the diagnosis, treatment, and
- 15 prevention of psychiatric disorders.
- 16 (11) Adopt rules under IC 4-22-2 concerning the records and data
- 17 to be kept concerning individuals admitted to state institutions,
- 18 community mental health centers, or other providers.
- 19 (12) Compile information and statistics concerning the ethnicity
- 20 and gender of a program or service recipient.
- 21 (13) Establish standards for services described in IC 12-7-2-40.6
- 22 for community mental health centers and other providers.

23 SECTION 42. IC 16-28-15-5, AS ADDED BY P.L.229-2011,

24 SECTION 162, IS AMENDED TO READ AS FOLLOWS

25 [EFFECTIVE UPON PASSAGE]: Sec. 5. As used in this chapter,

26 "office" refers to the office of Medicaid policy and planning established

27 by ~~IC 12-8-6-1~~. **IC 12-8-6.5-1.**

28 SECTION 43. IC 22-4.1-17-6, AS ADDED BY P.L.110-2010,

29 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

30 UPON PASSAGE]: Sec. 6. As used in this chapter, "secretary" refers

31 to the secretary of family and social services appointed under

32 ~~IC 12-8-1-2~~. **IC 12-8-1.5-2.**

33 SECTION 44. IC 32-33-4-1 IS AMENDED TO READ AS

34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. A person, a firm,

35 a partnership, an association, a limited liability company, or a

36 corporation maintaining a hospital in Indiana or a hospital owned,

37 maintained, or operated by the state or a political subdivision of the

38 state is entitled to hold a lien for the reasonable value of its services or

39 expenses on any judgment for personal injuries rendered in favor of

40 any person, except: **a person covered by:**

- 41 (1) **a person covered by** the provisions of IC 22-3-2 through
- 42 IC 22-3-6;

- 1 (2) **a person covered by** the federal worker's compensation laws;
 2 or
 3 (3) **a person covered by** the federal liability act; or
 4 (4) **an eligible person (as defined in IC 34-13-3-14(b)(1)) with**
 5 **respect to an award made from the supplemental state fair**
 6 **award fund (as established by IC 34-13-3-14.1(c)) under**
 7 **IC 34-13-3-14(c) for an occurrence (as defined in**
 8 **IC 34-13-3-14(b)(2));**

9 who is admitted to the hospital and receives treatment, care, and
 10 maintenance on account of personal injuries received as a result of the
 11 negligence of any person or corporation. In order to claim the lien, the
 12 hospital must at the time or after the judgment is rendered, enter, in
 13 writing, upon the judgment docket where the judgment is recorded, the
 14 hospital's intention to hold a lien upon the judgment, together with the
 15 amount claimed.

16 SECTION 45. IC 32-33-4-3 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A person, a
 18 firm, a partnership, an association, a limited liability company, or a
 19 corporation maintaining a hospital in Indiana or a hospital owned,
 20 maintained, or operated by the state or a political subdivision has a lien
 21 for all reasonable and necessary charges for hospital care, treatment,
 22 and maintenance of a patient (including emergency ambulance services
 23 provided by the hospital) upon any cause of action, suit, or claim
 24 accruing to the patient, or in the case of the patient's death, the patient's
 25 legal representative, because of the illness or injuries that:

- 26 (1) gave rise to the cause of action, suit, or claim; and
 27 (2) necessitated the hospital care, treatment, and maintenance.
 28 (b) The lien provided for in subsection (a):
 29 (1) except as provided in subsection (c), applies to any amount
 30 obtained or recovered by the patient by settlement or compromise
 31 rendered or entered into by the patient or by the patient's legal
 32 representative;
 33 (2) is subject and subordinate to any attorney's lien upon the claim
 34 or cause of action;
 35 (3) is not applicable to accidents or injuries within the purview of:
 36 (A) IC 22-3;
 37 (B) 5 U.S.C. 8101 et seq.; or
 38 (C) 45 U.S.C. 51 et seq.; or
 39 (D) **IC 34-13-3-14 concerning an award made from the**
 40 **supplemental state fair award fund (as established by**
 41 **IC 34-13-3-14.1(c)) to an eligible person (as defined in**
 42 **IC 34-13-3-14(b)(1)) for an occurrence (as defined in**

1 **IC 34-13-3-14(b)(2)**;
 2 (4) is not assignable; and
 3 (5) must first be reduced by the amount of any medical insurance
 4 proceeds paid to the hospital on behalf of the patient after the
 5 hospital has made all reasonable efforts to pursue the insurance
 6 claims in cooperation with the patient.

7 (c) If a settlement or compromise that is subject to subsection (b)(1)
 8 is for an amount that would permit the patient to receive less than
 9 twenty percent (20%) of the full amount of the settlement or
 10 compromise if all the liens created under this chapter were paid in full,
 11 the liens must be reduced on a pro rata basis to the extent that will
 12 permit the patient to receive twenty percent (20%) of the full amount.

13 SECTION 46. IC 32-33-5-3 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A provider
 15 has a lien for all reasonable and necessary charges for the provision of
 16 emergency ambulance services to a patient upon any cause of action,
 17 suit, or claim accruing to the patient, or in the case of the patient's
 18 death, the patient's legal representative, because of the illness or
 19 injuries that:

20 (1) gave rise to the cause of action, suit, or claim; and
 21 (2) necessitated the provision of emergency ambulance services.

22 (b) The lien:

23 (1) applies to any amount obtained or recovered by the patient by
 24 settlement or compromise rendered or entered into by the patient
 25 or by the patient's legal representative;

26 (2) is subject and subordinate to any attorney's lien upon the claim
 27 or cause of action; and

28 (3) is not applicable to accidents or injuries within the purview of:

29 (A) IC 22-3;

30 (B) 5 U.S.C. 8101 et seq.; ~~or~~

31 (C) 45 U.S.C. 51 et seq.; **or**

32 **(D) IC 34-13-3-14(c) concerning an award made from the**
 33 **supplemental state fair award fund (as established by**
 34 **IC 34-13-3-14.1(c)) to an eligible person (as defined in**
 35 **IC 34-13-3-14(b)(1)) for an occurrence (as defined in**
 36 **IC 34-13-3-14(b)(2))."**

37 Delete pages 2 through 3.

38 Page 4, delete lines 1 through 6.

39 Page 4, line 24, delete "ten million dollars (\$10,000,000)." and
 40 insert "eleven million dollars (\$11,000,000), **consisting of five million**
 41 **dollars (\$5,000,000) paid from the state tort claim fund and six**
 42 **million dollars (\$6,000,000) to be paid from the supplemental state**

1 **fair award fund (as established by section 14.1(c) of this chapter).".**

2 Page 5, between lines 21 and 22, begin a new paragraph and insert:

3 **"(d) If an eligible person is represented by an attorney in**
 4 **connection with the occurrence, the attorney's fees may not exceed**
 5 **ten percent (10%) of any award made from the supplemental state**
 6 **fair award fund (as established by section 14.1(c) of this chapter)**
 7 **under this section.**

8 SECTION 49. IC 34-13-3-14.1 IS ADDED TO THE INDIANA
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS
 10 [EFFECTIVE UPON PASSAGE]: **Sec. 14.1. (a) Recognizing the**
 11 **special emergency created by the state fair disaster of 2011, it is the**
 12 **intent of the general assembly to provide supplemental relief funds**
 13 **for victims of an occurrence (as defined in section 14(b)(2) of this**
 14 **chapter). It is not the intent of the general assembly to revise the**
 15 **tort claims act in order to address this special occurrence.**

16 **(b) As used in this section "fund" means the supplemental state**
 17 **fair award fund established by subsection (c).**

18 **(c) The supplemental state fair award fund is established for the**
 19 **purpose of providing supplemental relief funds to the victims of an**
 20 **occurrence (as defined in section 14(b)(2) of this chapter) in**
 21 **accordance with section 14(c) of this chapter. The fund consists of**
 22 **grants, donations, and appropriations made by the general**
 23 **assembly. The fund shall be administered by the attorney general.**
 24 **The fund is considered a trust fund for purposes of IC 4-9.1-1-7.**
 25 **Money may not be transferred, assigned, or otherwise removed**
 26 **from the fund by the state board of finance, the budget agency, or**
 27 **any other state agency. The attorney general may use the money in**
 28 **the fund to pay a claim by an eligible person (as defined in section**
 29 **14(b)(1) of this chapter) for ongoing personal care expenses of the**
 30 **eligible person that are directly related to and resulting from the**
 31 **occurrence. The fund may not be used for the following:**

32 **(1) Expenses covered by insurance.**

33 **(2) Expenses covered by another party.**

34 **(3) Attorney's fees.**

35 **A claim may not be paid from the fund until after all other claims**
 36 **by the eligible person against all other parties have been denied,**
 37 **settled, or adjudicated. A claim may not be paid from the fund to**
 38 **a person unless the person enters into an agreement with the state**
 39 **providing that the person will not bring any action against the state**
 40 **based on an indemnification clause.**

41 **(d) The state has a right of subrogation in the amount of any**
 42 **claim paid from the fund to pursue reimbursement for the**

1 **proceeds of any insurance claim or monetary judgment recovered**
 2 **or recoverable by the eligible person.**

3 **(e) In addition to the subrogation rights, the state is entitled to**
 4 **a lien in the amount of the award on a recovery made by or on**
 5 **behalf of the eligible person.**

6 **(f) The state may:**

7 **(1) recover the amount of a claim paid in a separate action; or**

8 **(2) intervene in an action brought by or on behalf of the**
 9 **eligible person.**

10 **(g) The expenses of administering the fund shall be paid from**
 11 **money in the fund.**

12 **(h) The treasurer of state shall invest the money in the fund not**
 13 **currently needed to meet the obligations of the fund in the same**
 14 **manner as other public money may be invested. Interest that**
 15 **accrues from these investments shall be deposited in the state**
 16 **general fund.**

17 **(i) Money in the fund at the end of a state fiscal year does not**
 18 **revert to the state general fund. However, this section expires July**
 19 **1, 2052, and any balance remaining in the fund on June 30, 2052,**
 20 **shall be transferred to the state general fund.**

21 **(j) Money in the fund is continually appropriated to the attorney**
 22 **general to carry out the purposes of the fund.**

23 SECTION 50. IC 34-53-1-4 IS ADDED TO THE INDIANA CODE
 24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 25 UPON PASSAGE]: **Sec. 4. An insurer may not claim subrogation or**
 26 **reimbursement rights to the proceeds of an award made from the**
 27 **supplemental state fair award fund (as established by**
 28 **IC 34-13-3-14.1(c)) under IC 34-13-3-14(c) to an eligible person (as**
 29 **defined in IC 34-13-3-14(b)(1)) for an occurrence (as defined in**
 30 **IC 34-13-3-14(b)(2)).**

31 SECTION 51. IC 34-53-1-5 IS ADDED TO THE INDIANA CODE
 32 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 33 UPON PASSAGE]: **Sec. 5. (a) Notwithstanding any statutory right,**
 34 **common law right, or agreement to the contrary, a person who**
 35 **pays benefits or compensation to or on behalf of an eligible person**
 36 **(as defined in IC 34-13-3-14(b)(1)) for an occurrence (as defined in**
 37 **IC 34-13-3-14(b)(2)) does not have a subrogation or other right,**
 38 **including any rights otherwise provided under this chapter, to**
 39 **recover those benefits or compensation paid from the supplemental**
 40 **state fair award fund (as established by IC 34-13-3-14.1(c)) by**
 41 **making a claim against the state, or by making a claim, or**
 42 **recovering from payments made to an eligible person (as defined**

1 in IC 34-13-3-14(b)(1)) for an occurrence (as defined in
2 IC 34-13-3-14(b)(2)) under IC 34-13-3-14(c).

3 (b) Not later than forty (40) days after a distribution under
4 IC 34-13-3-14(c), a person who believes that the state cannot
5 constitutionally prohibit assertion of a subrogation or other claim
6 described in subsection (a), and who claims the subrogation or
7 other interest against the state, or against an award made from the
8 supplemental state fair award fund (as established by
9 IC 34-13-3-14.1(c)) to an eligible person (as defined in
10 IC 34-13-3-14(b)(1)) for an occurrence (as defined in
11 IC 34-13-3-14(b)(2)) under IC 34-13-3-14(c) must provide written
12 notice to the attorney general and the eligible person of the
13 person's intent to assert that interest. Failure to provide timely
14 written notice to the attorney general under this section constitutes
15 a waiver of the claims described in this section.

16 SECTION 52. IC 34-55-10-2, AS AMENDED BY P.L.42-2011,
17 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 UPON PASSAGE]: Sec. 2. (a) This section does not apply to
19 judgments obtained before October 1, 1977.

20 (b) The amount of each exemption under subsection (c) applies until
21 a rule is adopted by the department of financial institutions under
22 section 2.5 of this chapter.

23 (c) The following property of a debtor domiciled in Indiana is
24 exempt:

25 (1) Real estate or personal property constituting the personal or
26 family residence of the debtor or a dependent of the debtor, or
27 estates or rights in that real estate or personal property, of not
28 more than fifteen thousand dollars (\$15,000). The exemption
29 under this subdivision is individually available to joint debtors
30 concerning property held by them as tenants by the entireties.

31 (2) Other real estate or tangible personal property of eight
32 thousand dollars (\$8,000).

33 (3) Intangible personal property, including choses in action,
34 deposit accounts, and cash (but excluding debts owing and
35 income owing), of three hundred dollars (\$300).

36 (4) Professionally prescribed health aids for the debtor or a
37 dependent of the debtor.

38 (5) Any interest that the debtor has in real estate held as a tenant
39 by the entireties. The exemption under this subdivision does not
40 apply to a debt for which the debtor and the debtor's spouse are
41 jointly liable.

42 (6) An interest, whether vested or not, that the debtor has in a

- 1 retirement plan or fund to the extent of:
- 2 (A) contributions, or portions of contributions, that were made
- 3 to the retirement plan or fund by or on behalf of the debtor or
- 4 the debtor's spouse:
- 5 (i) which were not subject to federal income taxation to the
- 6 debtor at the time of the contribution; or
- 7 (ii) which are made to an individual retirement account in
- 8 the manner prescribed by Section 408A of the Internal
- 9 Revenue Code of 1986;
- 10 (B) earnings on contributions made under clause (A) that are
- 11 not subject to federal income taxation at the time of the levy;
- 12 and
- 13 (C) roll-overs of contributions made under clause (A) that are
- 14 not subject to federal income taxation at the time of the levy.
- 15 (7) Money that is in a medical care savings account established
- 16 under IC 6-8-11.
- 17 (8) Money that is in a health savings account established under
- 18 Section 223 of the Internal Revenue Code of 1986.
- 19 (9) Any interest the debtor has in a qualified tuition program, as
- 20 defined in Section 529(b) of the Internal Revenue Code of 1986,
- 21 but only to the extent funds in the program are not attributable to:
- 22 (A) excess contributions, as described in Section 529(b)(6) of
- 23 the Internal Revenue Code of 1986, and earnings on the excess
- 24 contributions;
- 25 (B) contributions made by the debtor within one (1) year
- 26 before the date of the levy or the date a bankruptcy petition is
- 27 filed by or against the debtor, and earnings on the
- 28 contributions; or
- 29 (C) the excess over five thousand dollars (\$5,000) of aggregate
- 30 contributions made by the debtor for all programs under this
- 31 subdivision and education savings accounts under subdivision
- 32 (10) having the same designated beneficiary:
- 33 (i) not later than one (1) year before; and
- 34 (ii) not earlier than two (2) years before;
- 35 the date of the levy or the date a bankruptcy petition is filed by
- 36 or against the debtor, and earnings on the aggregate
- 37 contributions.
- 38 (10) Any interest the debtor has in an education savings account,
- 39 as defined in Section 530(b) of the Internal Revenue Code of
- 40 1986, but only to the extent funds in the account are not
- 41 attributable to:
- 42 (A) excess contributions, as described in Section 4973(e) of

- 1 the Internal Revenue Code of 1986, and earnings on the excess
 2 contributions;
- 3 (B) contributions made by the debtor within one (1) year
 4 before the date of the levy or the date a bankruptcy petition is
 5 filed by or against the debtor, and earnings on the
 6 contributions; or
- 7 (C) the excess over five thousand dollars (\$5,000) of aggregate
 8 contributions made by the debtor for all accounts under this
 9 subdivision and qualified tuition programs under subdivision
 10 (9) having the same designated beneficiary:
- 11 (i) not later than one (1) year before; and
 12 (ii) not earlier than two (2) years before;
- 13 the date of the levy or the date a bankruptcy petition is filed by
 14 or against the debtor, and earnings on the excess contributions.
- 15 (11) The debtor's interest in a refund or a credit received or to be
 16 received under the following:
- 17 (A) Section 32 of the Internal Revenue Code of 1986 (the
 18 federal earned income tax credit).
- 19 (B) IC 6-3.1-21-6 (the Indiana earned income tax credit).
- 20 (12) A disability benefit awarded to a veteran for a service
 21 connected disability under 38 U.S.C. 1101 et seq. This
 22 subdivision does not apply to a service connected disability
 23 benefit that is subject to child and spousal support enforcement
 24 under 42 U.S.C. 659(h)(1)(A)(ii)(V).
- 25 **(13) Compensation awarded from the supplemental state fair
 26 award fund (as established by IC 34-13-3-14.1(c)) under
 27 IC 34-13-3-14(c) to an eligible person (as defined in
 28 IC 34-13-3-14(b)(1)) for an occurrence (as defined in
 29 IC 34-13-3-14(b)(2)). This subdivision applies even if a debtor
 30 is not domiciled in Indiana.**
- 31 (d) A bankruptcy proceeding that results in the ownership by the
 32 bankruptcy estate of a debtor's interest in property held in a tenancy by
 33 the entirety does not result in a severance of the tenancy by the
 34 entirety.
- 35 (e) Real estate or personal property upon which a debtor has
 36 voluntarily granted a lien is not, to the extent of the balance due on the
 37 debt secured by the lien:
- 38 (1) subject to this chapter; or
 39 (2) exempt from levy or sale on execution or any other final
 40 process from a court."
- 41 Page 6, between lines 18 and 19, begin a new paragraph and insert:
 42 "SECTION 54. [EFFECTIVE UPON PASSAGE]. **(a) There is**

- 1 **appropriated to the supplemental state fair award fund (as**
- 2 **established by IC 34-13-3-14.1(c)) six million dollars (\$6,000,000)**
- 3 **from the state general fund for its use in carrying out the purposes**
- 4 **of the fund.**
- 5 **(b) Notwithstanding any other law, not later than April 1, 2012,**
- 6 **the state budget agency shall transfer six million dollars**
- 7 **(\$6,000,000) from the state general fund to the supplemental state**
- 8 **fair award fund.**
- 9 **(c) This SECTION expires June 30, 2013."**
- 10 Renumber all SECTIONS consecutively.
 (Reference is to HB 1376 as printed January 27, 2012.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 1.

Senator Kenley, Chairperson