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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

SENATE ENROLLED ACT No. 225

AN ACT to amend the Indiana Code concerning state and local administration.

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

SECTION 1. IC 4-10-22-3, AS AMENDED BY P.L.205-2013, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. **If,** after completing the presentation to the state budget committee described in section 2 of this chapter, ~~the governor shall do the following:~~

~~(1) If the amount of excess reserves on June 30 of any year is less than fifty million dollars ($50,000,000), the governor shall carry over the excess reserves to each subsequent year until the total excess reserves, including any carryover amount, equal at least fifty million dollars ($50,000,000). In the year that the total excess reserves equal at least fifty million dollars ($50,000,000), the excess reserves shall be used as provided in subdivision (2).~~

~~(2) If in any year~~ the amount of the excess reserves is fifty million dollars ($50,000,000) or more, the governor shall do the following:

~~(A)~~ **(1)** If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or thereafter, transfer fifty percent (50%) of any excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of

the pension stabilization fund.

~~(B)~~ **(2)** If the year is calendar year 2014 or thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this chapter.

SECTION 2. IC 4-23-7.1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) Subject to subsections (b) and (c), every state agency that issues public documents shall furnish the state library ~~fifty (50)~~ **twenty-five (25)** copies of all publications issued by them, whether printed ~~mimeographed, or duplicated in any way,~~ **or published electronically,** which are not issued solely for use within the issuing office. However, if the library requests, as many as twenty-five (25) additional copies of each public document shall be supplied.

(b) If other provision is made by law for the distribution of the session laws of the general assembly, the journals of the house and senate of the general assembly, the supreme court and court of appeals reports, or the publications of the Indiana historical bureau, any of the public documents for which distribution is provided are exempted from the depository requirements under subsection (a). However, two (2) copies of each document exempted under this subsection from the general depository requirements shall be deposited with the state library.

(c) If a public document issued by an agency is published in the Indiana Register in full or in summary form, the agency is exempt from providing copies of the published public document to the state library under subsection (a).

(d) Publications of the various schools, colleges, divisions, and departments of the state universities and their regional campuses are exempt from the depository requirements under subsection (a). However, two (2) copies of each publication of these divisions shall be deposited in the state library.

(e) Publications of state university presses, directives for internal administration, intraoffice and interoffice publications, and forms are completely exempt from all depository requirements.

SECTION 3. IC 4-23-7.1-42, AS ADDED BY P.L.47-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 42. (a) The board may establish a foundation that is organized as a nonprofit corporation that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code to solicit and accept private funding, gifts, donations, bequests, devises, and contributions. The board may transfer private funding, gifts,

donations, bequests, devises, and contributions intended for the state library that are in the state treasury into the foundation.

(b) A foundation established under this section:

(1) shall use money received under subsection (a) to:

(A) support the state library and libraries in the state; and

(B) carry out the purposes and programs under this chapter; and

(2) may deposit money received under subsection (a) in an account or fund that is:

(A) administered by the foundation; and

(B) not part of the state treasury.

(c) The foundation established under this section is governed by a board of directors consisting of the following members:

(1) Seven (7) voting members appointed by the board of directors.

(2) The state treasurer, who shall serve as a nonvoting member.

(d) The members appointed under subsection (c)(1) shall be appointed for a term of three (3) years but may be removed by the governor for cause.

(e) The affirmative votes of at least four (4) members of the board of directors are required for the foundation to take any official action.

(f) Employees of the state library ~~shall~~ **may** provide administrative support for the foundation.

(g) **All** money ~~in~~ **under** the ~~foundation~~ **foundation's control is considered private funding and is not subject to state laws that apply to public funds. Money under the foundation's control** at the end of a state fiscal year does not revert to the state general fund.

(h) ~~The state board of accounts~~ **The foundation** shall ~~annually~~ **submit to an annual** audit. The foundation ~~established under this section~~ **may choose to have the audit performed by an independent certified public accountant or by the state board of accounts.**

SECTION 4. IC 4-23-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The annual reports of the meetings of the Indiana Academy of Science, beginning with the report for the year 1894, including all papers of scientific or economic value presented at such meetings, after they shall have been edited and prepared for publication shall be published by the ~~commission on public records.~~ **Indiana Academy of Science.**

SECTION 5. IC 4-23-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The reports shall be edited and prepared for publication without expense to the state, by a corps of editors to be selected and appointed by the Indiana Academy of Science, who shall not, by reason of such services, have any claim

against the state for compensation. The form, style of binding, paper, typography, and manner and extent of illustration of the reports shall be determined by the editors. ~~subject to the approval of the commission on public records.~~ Not less than ~~fifteen~~ **one** hundred ~~(1,500)~~ **(100)** nor more than three thousand (3,000) copies of each of said reports shall be published, the ~~size~~ **number** of ~~the edition to~~ **which must** be determined by the concurrent ~~action~~ **decision** of the editors and the ~~commission on public records.~~ **Indiana state library.**

SECTION 6. IC 4-23-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~All except three hundred (300)~~ **(a) The Indiana Academy of Science shall provide** copies of each volume of said reports ~~shall be placed in the custody of~~ **to** the **Indiana** state ~~librarian, who~~ **library. The number of copies provided to the Indiana state library shall be determined by the Indiana Academy of Science and the state librarian. The Indiana state library** shall, **upon request,** furnish one (1) copy thereof to **the following:**

(1) Each public library in the state. ~~one (1) copy to~~

(2) Each university **or** college ~~or normal school~~ in the state. ~~one (1) copy to each high school in the state having a library. which shall make application therefor, and one (1) copy to such~~

(3) Other institutions, societies, or persons ~~as may be~~ designated by the academy through its editors or its council. ~~The remaining three hundred (300) copies shall be turned over to the academy to be disposed of as it may determine. In order to provide for the preservation of the same, it shall be the duty of the custodian of the state-house to provide and place at the disposal of the academy one (1) of the unoccupied rooms of the state-house, to be designated as the office of the Indiana Academy of Science, wherein said copies of said reports belonging to the academy, together with the original manuscripts, drawings, etc., thereof can be safely kept, and he shall also equip the same with the necessary shelving and furniture.~~

(b) The Indiana Academy of Science shall pay for shipping of a report under subsection (a) to a recipient located outside Indiana.

(c) To the extent that the Indiana Academy of Science makes papers and proceedings of the Indiana Academy of Science available to the public through open electronic access, the Indiana state library has no duty to furnish hard copies of the papers and proceedings.

SECTION 7. IC 4-23-10-1 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 1. Beginning with the first day of October, 1921, and annually thereafter, there is appropriated the sum of twelve hundred~~

~~dollars ($1,200), said moneys to be used to pay for the printing of the proceedings and papers of the Indiana Academy of Science, provided that any unexpended balance of any of said sums shall be carried forward and be available for the use of said academy for future years.~~

SECTION 8. IC 5-10-8-0.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 0.5. Notwithstanding the amendments made to sections 2.2 and 2.6 of this chapter, and IC 20-5-2-2 (before its repeal, now codified at IC 20-26-5-4), and the addition of section 6.6 of this chapter by P.L.286-2001, the coverage that may be elected under section 6.6 of this chapter, as added by P.L.286-2001:~~

~~(1) need not be made available before January 1, 2002; but~~

~~(2) must be made available not later than January 1, 2002.~~

SECTION 9. IC 5-10-8-2.2, AS AMENDED BY P.L.182-2009(ss), SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.2. (a) As used in this section, "dependent" means a natural child, stepchild, or adopted child of a public safety employee who:

(1) is less than eighteen (18) years of age;

(2) is at least eighteen (18) years of age and has a physical or mental disability (using disability guidelines established by the Social Security Administration); or

(3) is at least eighteen (18) and less than twenty-three (23) years of age and is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university.

(b) As used in this section, "public safety employee" means a full-time firefighter, police officer, county police officer, or sheriff.

(c) This section applies only to local unit public employers and their public safety employees.

(d) A local unit public employer may provide programs of group health insurance for its active and retired public safety employees through one (1) of the following methods:

(1) By purchasing policies of group insurance.

(2) By establishing self-insurance programs.

~~(3) By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.~~

~~(4)~~ **(3)** If the local unit public employer is a school corporation, by electing to provide the coverage through a state employee health plan under section 6.7 of this chapter.

A local unit public employer may provide programs of group insurance other than group health insurance for the local unit public employer's

active and retired public safety employees by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(e) A local unit public employer may pay a part of the cost of group insurance for its active and retired public safety employees. However, a local unit public employer that provides group life insurance for its active and retired public safety employees shall pay a part of the cost of that insurance.

(f) A local unit public employer may not cancel an insurance contract under this section during the policy term of the contract.

(g) After June 30, 1989, a local unit public employer that provides a group health insurance program for its active public safety employees shall also provide a group health insurance program to the following persons:

(1) Retired public safety employees.

(2) Public safety employees who are receiving disability benefits under IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-8, or IC 36-8-10.

(3) Surviving spouses and dependents of public safety employees who die while in active service or after retirement.

(h) A public safety employee who is retired or has a disability and is eligible for group health insurance coverage under subsection (g)(1) or (g)(2):

(1) may elect to have the person's spouse, dependents, or spouse and dependents covered under the group health insurance program at the time the person retires or becomes disabled;

(2) must file a written request for insurance coverage with the employer within ninety (90) days after the person retires or begins receiving disability benefits; and

(3) must pay an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active public safety employee (however, the employer may elect to pay any part of the person's premiums).

(i) Except as provided in IC 36-8-6-9.7(f), IC 36-8-6-10.1(h), IC 36-8-7-12.3(g), IC 36-8-7-12.4(j), IC 36-8-7.5-13.7(h), IC 36-8-7.5-14.1(i), IC 36-8-8-13.9(d), IC 36-8-8-14.1(h), and IC 36-8-10-16.5 for a surviving spouse or dependent of a public safety employee who dies in the line of duty, a surviving spouse or dependent who is eligible for group health insurance under subsection (g)(3):

(1) may elect to continue coverage under the group health insurance program after the death of the public safety employee;

(2) must file a written request for insurance coverage with the

employer within ninety (90) days after the death of the public safety employee; and

(3) must pay the amount that the public safety employee would have been required to pay under this section for coverage selected by the surviving spouse or dependent (however, the employer may elect to pay any part of the surviving spouse's or dependents' premiums).

(j) The eligibility for group health insurance under this section for a public safety employee who is retired or has a disability ends on the earlier of the following:

(1) When the public safety employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program for active public safety employees.

(k) A surviving spouse's eligibility for group health insurance under this section ends on the earliest of the following:

(1) When the surviving spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.

(3) The date of the surviving spouse's remarriage.

(4) When health insurance becomes available to the surviving spouse through employment.

(l) A dependent's eligibility for group health insurance under this section ends on the earliest of the following:

(1) When the dependent becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.

(3) When the dependent no longer meets the criteria set forth in subsection (a).

(4) When health insurance becomes available to the dependent through employment.

(m) A public safety employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the local unit public employer for active public safety employees if the public safety employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.

(n) A local unit public employer may provide group health insurance for retired public safety employees or their spouses not

covered by subsections (g) through (l) and may provide group health insurance that contains provisions more favorable to retired public safety employees and their spouses than required by subsections (g) through (l). A local unit public employer may provide group health insurance to a public safety employee who is on leave without pay for a longer period than required by subsection (m), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 10. IC 5-10-8-2.6, AS AMENDED BY P.L.182-2009(ss), SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.6. (a) This section applies only to local unit public employers and their employees. This section does not apply to public safety employees, surviving spouses, and dependents covered by section 2.2 of this chapter.

(b) A public employer may provide programs of group insurance for its employees and retired employees. The public employer may, however, exclude part-time employees and persons who provide services to the unit under contract from any group insurance coverage that the public employer provides to the employer's full-time employees. A public employer may provide programs of group health insurance under this section through one (1) of the following methods:

(1) By purchasing policies of group insurance.

(2) By establishing self-insurance programs.

~~(3) By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.~~

~~(4)~~ **(3)** If the local unit public employer is a school corporation, by electing to provide the coverage through a state employee health plan under section 6.7 of this chapter.

A public employer may provide programs of group insurance other than group health insurance under this section by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(c) A public employer may pay a part of the cost of group insurance, but shall pay a part of the cost of group life insurance for local employees. A public employer may pay, as supplemental wages, an amount equal to the deductible portion of group health insurance as long as payment of the supplemental wages will not result in the payment of the total cost of the insurance by the public employer.

(d) An insurance contract for local employees under this section may not be canceled by the public employer during the policy term of

the contract.

(e) After June 30, 1986, a public employer shall provide a group health insurance program under subsection (g) to each retired employee:

(1) whose retirement date is:

(A) after May 31, 1986, for a retired employee who was a teacher (as defined in IC 20-18-2-22) for a school corporation; or

(B) after June 30, 1986, for a retired employee not covered by clause (A);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.;

(3) who will have completed twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which must have been completed immediately preceding the retirement date; and

(4) who will have completed at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date.

(f) A group health insurance program required by subsection (e) must be equal in coverage to that offered active employees and must permit the retired employee to participate if the retired employee pays an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active employee and if the employee, within ninety (90) days after the employee's retirement date, files a written request with the employer for insurance coverage. However, the employer may elect to pay any part of the retired employee's premiums.

(g) A retired employee's eligibility to continue insurance under subsection (e) ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under subsection (e) may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

(1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program.

(3) Two (2) years after the date of the employee's death.

(4) The date of the spouse's remarriage.

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-28-10-2(b). An employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the public employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.

(i) A public employer may provide group health insurance for retired employees or their spouses not covered by subsections (e) through (g) and may provide group health insurance that contains provisions more favorable to retired employees and their spouses than required by subsections (e) through (g). A public employer may provide group health insurance to an employee who is on leave without pay for a longer period than required by subsection (h), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 11. IC 5-10-8-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6.6. (a) As used in this section, "local unit group" means all of the local units that elect to provide coverage for health care services for active and retired:

(1) elected or appointed officers and officials;

(2) full-time employees; and

(3) part-time employees;

of the local unit under this section.

(b) As used in this section, "state employee health plan" means:

(1) an accident and sickness insurance policy (as defined in IC 27-8-5.6-1) purchased through the state personnel department under section 7(a) of this chapter; or

(2) a contract with a prepaid health care delivery plan entered into by the state personnel department under section 7(c) of this chapter.

(c) The state personnel department shall allow a local unit to participate in the local unit group by electing to provide coverage of health care services for active and retired:

(1) elected or appointed officers and officials;

(2) full-time employees; and

(3) part-time employees;

of the local unit under a state employee health plan. **This subsection expires July 1, 2014.**

(d) If a local unit elects to provide coverage under subsection (c):

(1) the local unit group must be treated as a single group that is separate from the group of state employees that is covered under a state employee health plan;

(2) the state personnel department shall:

(A) establish:

(i) the premium costs, as determined by an accident and sickness insurer or a prepaid health care delivery plan under which coverage is provided under this section;

(ii) the administrative costs; and

(iii) any other costs;

of the coverage provided under this section, including the cost of obtaining insurance or reinsurance, for the local unit group as a whole; and

(B) establish a uniform premium schedule for each accident and sickness insurance policy or prepaid health care delivery plan under which coverage is provided under this section for the local unit group; and

(3) the local unit shall provide for payment of the cost of the coverage as provided in sections 2.2 and 2.6 of this chapter.

The premium determined under subdivision (2) and paid by an individual local unit shall not be determined based on claims made by the local unit. **This subsection expires July 1, 2014.**

(e) The state personnel department shall provide an annual opportunity for local units to elect to provide or terminate coverage under subsection (c). **This subsection expires July 1, 2014.**

(f) The state personnel department may adopt rules under IC 4-22-2 to establish minimum participation and contribution requirements for participation in a state employee health plan under this section. **This subsection expires July 1, 2014.**

(g) The state personnel department shall not, after June 30, 2014, amend or renew:

(1) an accident and sickness insurance policy; or

(2) a prepaid health care delivery plan;

that is in effect on June 30, 2014, to provide coverage under this section for the local unit group.

(h) An accident and sickness insurance policy or a prepaid health care delivery plan that is in effect on June 30, 2014, to provide coverage under this section for the local unit group

terminates on the first policy or plan renewal date occurring after June 30, 2014.

SECTION 12. IC 5-10-8-7, AS AMENDED BY P.L.138-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) The state, excluding state educational institutions, may not purchase or maintain a policy of group insurance, except:

(1) life insurance for the state's employees;

(2) long term care insurance under a long term care insurance policy (as defined in IC 27-8-12-5), for the state's employees;

(3) an accident and sickness insurance policy (as defined in IC 27-8-5.6-1) that:

(A) is in effect on June 30, 2014; and

(B) covers individuals to whom coverage is provided by a local unit under section 6.6 of this chapter;

may be maintained until the first policy renewal date after June 30, 2014; or

(4) an insurance policy that provides coverage that supplements coverage provided under a United States military health care plan.

(b) With the consent of the governor, the state personnel department may establish self-insurance programs to provide group insurance other than life or long term care insurance for state employees and retired state employees. The state personnel department may contract with a private agency, business firm, limited liability company, or corporation for administrative services. A commission may not be paid for the placement of the contract. The department may require, as part of a contract for administrative services, that the provider of the administrative services offer to an employee terminating state employment the option to purchase, without evidence of insurability, an individual policy of insurance.

(c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department:

(1) may contract for health services for state employees **through one (1) or more prepaid health care delivery plans;** and

(2) may maintain a contract:

(A) for health services for individuals to whom coverage is provided by a local unit under section 6.6 of this chapter through one (1) or more prepaid health care delivery plans; **and**

(B) that is in effect on June 30, 2014;

until the first policy renewal date after June 30, 2014.

(d) The state personnel department shall adopt rules under IC 4-22-2

to establish long term and short term disability plans for state employees (except employees who hold elected offices (as defined by IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department considers necessary and proper and must:

(1) require participation in the plan by employees with six (6) months of continuous, full-time service;

(2) require an employee to make a contribution to the plan in the form of a payroll deduction;

(3) require that an employee's benefits under the short term disability plan be subject to a thirty (30) day elimination period and that benefits under the long term plan be subject to a six (6) month elimination period;

(4) prohibit the termination of an employee who is eligible for benefits under the plan;

(5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages for an employee disabled by injuries resulting from tortious acts, as distinguished from passive negligence, that occur within the employee's scope of state employment;

(6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the employee derives income from:

(A) Social Security;

(B) the public employees' retirement fund;

(C) the Indiana state teachers' retirement fund;

(D) pension disability;

(E) worker's compensation;

(F) benefits provided from another employer's group plan; or

(G) remuneration for employment entered into after the disability was incurred.

(The department of state revenue and the department of workforce development shall cooperate with the state personnel department to confirm that an employee has disclosed complete and accurate information necessary to administer subdivision (6).);

(7) provide that an employee will not receive benefits under the plan for a disability resulting from causes specified in the rules; and

(8) provide that, if an employee refuses to:

(A) accept work assignments appropriate to the employee's medical condition;

(B) submit information necessary for claim administration; or

(C) submit to examinations by designated physicians;

the employee forfeits benefits under the plan.

(e) This section does not affect insurance for retirees under IC 5-10.3 or IC 5-10.4.

(f) The state may pay part of the cost of self-insurance or prepaid health care delivery plans for its employees.

(g) A state agency may not provide any insurance benefits to its employees that are not generally available to other state employees, unless specifically authorized by law.

(h) The state may pay a part of the cost of group medical and life coverage for its employees.

(i) To carry out the purposes of this section, a trust fund may be established. The trust fund established under this subsection is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the trust fund established under this subsection by the state board of finance, the budget agency, or any other state agency. Money in a trust fund established under this subsection does not revert to the state general fund at the end of any state fiscal year. The trust fund established under this subsection consists of appropriations, revenues, or transfers to the trust fund under IC 4-12-1. Contributions to the trust fund are irrevocable. The trust fund must be limited to providing prefunding of annual required contributions and to cover OPEB liability for covered individuals. Funds may be used only for these purposes and not to increase benefits or reduce premiums. The trust fund shall be established to comply with and be administered in a manner that satisfies the Internal Revenue Code requirements concerning a trust fund for prefunding annual required contributions and for covering OPEB liability for covered individuals. All assets in the trust fund established under this subsection:

(1) are dedicated exclusively to providing benefits to covered individuals and their beneficiaries according to the terms of the health plan; and

(2) are exempt from levy, sale, garnishment, attachment, or other legal process.

The trust fund established under this subsection shall be administered by the state personnel department. The expenses of administering the trust fund shall be paid from money in the trust fund. The treasurer of state shall invest the money in the trust fund not currently needed to meet the obligations of the trust fund in the same manner as other public money may be invested.

SECTION 13. IC 5-10-8-8, AS AMENDED BY P.L.43-2007, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2014]: Sec. 8. (a) This section applies only to the state and employees who are not covered by a plan established under section 6 of this chapter.

(b) After June 30, 1986, the state shall provide a group health insurance plan to each retired employee:

(1) whose retirement date is:

(A) after June 29, 1986, for a retired employee who was a member of the field examiners' retirement fund;

(B) after May 31, 1986, for a retired employee who was a member of the Indiana state teachers' retirement fund; or

(C) after June 30, 1986, for a retired employee not covered by clause (A) or (B);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) who:

(A) for an employee who retires before January 1, 2007, will have completed:

(i) twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and

(ii) at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date; or

(B) for an employee who retires after December 31, 2006, will have completed fifteen (15) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement.

(c) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired judge;

(2) whose retirement date is after June 30, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

(d) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired participant under the prosecuting attorneys retirement fund;

(2) whose retirement date is after January 1, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

(e) The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:

(1) is no longer a member of the general assembly;

(2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) has at least ten (10) years of service credit as a member in the general assembly.

A former member or surviving spouse of a former member who obtains insurance under this section is responsible for paying both the employer and the employee share of the cost of the coverage.

(f) The group health insurance program required under subsections (b) through (e) and subsection (k) must be equal to that offered active employees. The retired employee may participate in the group health insurance program if the retired employee pays an amount equal to the employer's and the employee's premium for the group health insurance for an active employee and if the retired employee within ninety (90) days after the employee's retirement date files a written request for insurance coverage with the employer. Except as provided in subsection (l), the employer may elect to pay any part of the retired employee's premium with respect to insurance coverage under this chapter.

(g) Except as provided in subsection (j), a retired employee's eligibility to continue insurance under this section ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under this section may elect to have the employee's spouse

covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

(1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program.

(3) Two (2) years after the date of the employee's death.

(4) The date of the spouse's remarriage.

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-28-10-2(b). An employee who is on leave without pay is entitled to participate for ninety (90) days in any health insurance program maintained by the employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance.

(i) An employer may provide group health insurance for retired employees or their spouses not covered by this section and may provide group health insurance that contains provisions more favorable to retired employees and their spouses than required by this section. A public employer may provide group health insurance to an employee who is on leave without pay for a longer period than required by subsection (h).

(j) An employer may elect to permit former employees and their spouses, including surviving spouses, to continue to participate in a group health insurance program under this chapter after the former employee (who is otherwise qualified under this chapter to participate in a group insurance program) or spouse has become eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. ~~An employer who makes an election under this section may require a person who continues coverage under this subsection to participate in a retiree health benefit plan developed under section 8.3 of this chapter.~~

(k) The state shall provide a group health insurance program to each retired employee:

(1) who was employed as a teacher in a state institution under:

(A) IC 11-10-5;

(B) IC 12-24-3;

(C) IC 16-33-3;

(D) IC 16-33-4;

(E) IC 20-21-2-1; or

(F) IC 20-22-2-1;

(2) who is at least fifty-five (55) years of age on or before the employee's retirement date;

(3) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(4) who:

(A) has at least fifteen (15) years of service credit as a participant in the retirement fund of which the employee is a member on or before the employee's retirement date; or

(B) completes at least ten (10) years of service credit as a participant in the retirement fund of which the employee is a member immediately before the employee's retirement.

(l) The president pro tempore of the senate and the speaker of the house of representatives may not elect to pay any part of the premium for insurance coverage under this chapter for a former member of the general assembly or the spouse of a former member of the general assembly whose last day of service as a member of the general assembly is after July 31, 2007.

SECTION 14. IC 5-10-8-8.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8.3. (a) As used in this section, "department" refers to the state personnel department.

(b) The department shall establish, or contract for the establishment of, at least two (2) retiree health benefit plans to be available for former employees of:

(1) the state; and

(2) the legislative branch of government;

whose employer elects under section 8(j) of this chapter to permit its former employees to continue to participate in a health insurance program under this chapter after the employees have become eligible for Medicare coverage. At least one (1) of the plans offered to former employees must include coverage for prescription drugs comparable to a Medicare plan that provides prescription drug benefits. **This subsection expires July 1, 2014.**

(c) The department shall not, after June 30, 2014, amend or renew a retiree health benefit plan described in subsection (b) that is in effect on June 30, 2014.

(d) A retiree health benefit plan described in subsection (b) that is in effect on June 30, 2014, terminates on the first plan renewal date occurring after June 30, 2014.

SECTION 15. IC 5-10.3-8-14, AS AMENDED BY P.L.205-2013, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2014]: Sec. 14. (a) Except as provided in subsection (c), this section applies to employees of the state (as defined in

IC 5-10.3-7-1(d)) who are:

(1) members of the fund; and

(2) paid by the auditor of state by salary warrants.

(b) Except as provided in subsection (c), this section does not apply to the employees of the state (as defined in IC 5-10.3-7-1(d)) employed by:

(1) a body corporate and politic of the state created by state statute; or

(2) a state educational institution (as defined in IC 21-7-13-32).

(c) The chief executive officer of a body or institution described in subsection (b) may elect to have this section apply to the employees of the state (as defined in IC 5-10.3-7-1(d)) employed by the body or institution by submitting a written notice of the election to the director. An election under this subsection is effective on the later of:

(1) the date the notice of the election is received by the director; or

(2) July 1, 2013.

(d) The board shall adopt provisions to establish a retirement medical benefits account within the fund under Section 401(h) or as a separate fund under another applicable section of the Internal Revenue Code for the purpose of converting unused excess accrued leave to a monetary contribution for an employee of the state to fund on a pretax basis benefits for sickness, accident, hospitalization, and medical expenses for the employee and the spouse and dependents of the employee after the employee's retirement. The state may match all or a portion of an employee's contributions to the retirement medical benefits account established under this section.

(e) The board is the trustee of the account described in subsection (d). The account must be qualified, as determined by the Internal Revenue Service, as a separate account within the fund whose benefits are subordinate to the retirement benefits provided by the fund.

(f) The board may adopt rules under IC 5-10.5-4-2 that it considers appropriate or necessary to implement this section after consulting with the state personnel department. The rules adopted by the board under this section must:

(1) be consistent with the federal and state law that applies to:

(A) the account described in subsection (d); and

(B) the fund; and

(2) include provisions concerning:

(A) the type and amount of leave that may be converted to a monetary contribution;

(B) the conversion formula for valuing any leave that is

converted;

(C) the manner of employee selection of leave conversion; and

(D) the vesting schedule for any leave that is converted.

(g) The board may adopt the following:

(1) Account provisions governing:

(A) the investment of amounts in the account; and

(B) the accounting for converted leave.

(2) Any other provisions that are necessary or appropriate for operation of the account.

(h) The account described in subsection (d) may be implemented only if the board has received from the Internal Revenue Service any rulings or determination letters that the board considers necessary or appropriate.

(i) To the extent allowed by:

(1) the Internal Revenue Code; and

(2) rules adopted by:

(A) the board under this section; and

(B) the state personnel department under IC 5-10-1.1-7.5;

employees of the state may convert unused excess accrued leave to a monetary contribution under this section and under IC 5-10-1.1-7.5.

~~(j) To the extent allowed by the Internal Revenue Code, the account described in subsection (d) must include provisions that:~~

~~(1) require an employee of the state to convert to a monetary contribution to the account at retirement the balance, but not more than thirty (30) days, of unused vacation leave for which the state would otherwise pay an employee in good standing at separation from service (as determined by state personnel department rule); and~~

~~(2) allow the state to contribute to the account on the employee's behalf an amount not to exceed two (2) times the amount of the employee's contribution under subdivision (1).~~

~~(k) The account described in subsection (d) must be implemented on July 1, 2014.~~

SECTION 16. IC 6-1.1-15-4, AS AMENDED BY P.L.112-2012, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may correct any errors that may have been made and adjust the assessment or exemption in accordance with the correction.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to

all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing, by mail, to the taxpayer and to the county assessor. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the county board in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment or exemption is under appeal is subject to assessment by that taxing unit.

(c) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

(d) After the hearing, the Indiana board shall give the taxpayer, the county assessor, and any entity that filed an amicus curiae brief:

(1) notice, by mail, of its final determination; and

(2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(e) Except as provided in subsection (f), the Indiana board shall conduct a hearing not later than nine (9) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(f) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(g) Except as provided in subsection (h), the Indiana board shall make a determination not later than the later of:

(1) ninety (90) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

(h) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana board shall make a determination not later than the later of:

(1) one hundred eighty (180) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

(i) The Indiana board may not extend the final determination date under subsection (g) or (h) by more than one hundred eighty (180) days. If the Indiana board fails to make a final determination within the time allowed by this section, the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to make a final determination; or

(2) petition for judicial review under section 5 of this chapter.

(j) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.

(k) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county board in support of those issues only if all parties participating in the hearing required under subsection (a) agree to the limitation. A party participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county board.

(l) The Indiana board may require the parties to the appeal:

(1) to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and

(2) to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(m) A party to a proceeding before the Indiana board shall provide to all other parties to the proceeding the information described in subsection (l) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (l).

(n) The Indiana board may base its final determination on a

stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

(o) If a party to a proceeding, or a party's authorized representative, elects to receive any notice under this section by electronic mail, the notice is considered effective in the same manner as if the notice had been sent by United States mail, with postage prepaid, to the party's or representative's mailing address of record.

SECTION 17. IC 8-15.5-1-2, AS AMENDED BY P.L.205-2013, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This article contains full and complete authority for public-private agreements between the authority, ~~and~~ a private entity, **and, where applicable, a governmental entity.** Except as provided in this article, no law, procedure, proceeding, publication, notice, consent, approval, order, or act by the authority or any other officer, department, agency, or instrumentality of the state or any political subdivision is required for the authority to enter into a public-private agreement with a private entity under this article, or for a project that is the subject of a public-private agreement to be constructed, acquired, maintained, repaired, operated, financed, transferred, or conveyed.

(b) Before the authority or the department may issue a request for proposals for or enter into a public-private agreement under this article that would authorize an operator to impose tolls for the operation of motor vehicles on all or part of a toll road project, the general assembly must adopt a statute authorizing the imposition of tolls. However, during the period beginning July 1, 2011, and ending June 30, 2021, and notwithstanding subsection (c), the general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement to authorize an operator to impose tolls for the operation of motor vehicles on all or part of the following projects:

(1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69 other than a part

described in subdivision (4).

(2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.

(3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in northwestern Indiana with an interstate highway in Illinois.

(4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

(c) Before the authority or an operator may carry out any of the following activities under this article, the general assembly must enact a statute authorizing that activity:

(1) Carrying out construction for Interstate Highway 69 in a township having a population of more than one hundred thousand (100,000) and less than one hundred ten thousand (110,000) located in a county having a consolidated city.

(2) Imposing tolls on motor vehicles for use of Interstate Highway 69.

(3) Imposing tolls on motor vehicles for use of a nontolled highway, roadway, or other facility in existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes, and state routes.

(d) Except as provided in subsection (c)(1), the general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement for a freeway project.

SECTION 18. IC 8-15.5-2-3.5, AS ADDED BY P.L.85-2010, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. "Governmental entity" means:

(1) any state;

(2) any authority, board, bureau, commission, committee, **agency,** department, division, or other instrumentality established by any state, **including a unit of local government;** or

(3) any entity established by the laws of another state in which the state of Indiana has been invited to participate.

SECTION 19. IC 8-15.5-2-6, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. "Private entity" means any individual, sole proprietorship, corporation, limited liability company, joint venture,

general partnership, limited partnership, nonprofit entity, or other private legal entity. A ~~public agency~~ **governmental entity** may provide services to a private entity without affecting the private status of the private entity and the ability to enter into a public-private agreement.

SECTION 20. IC 8-15.5-2-8, AS AMENDED BY P.L.205-2013, SECTION 139, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. "Public-private agreement" means an agreement under this article between a private entity and the authority under which the private entity, acting on behalf of the authority **(and, where applicable, a governmental entity)** as lessee, licensee, or franchisee, will plan, design, acquire, construct, reconstruct, improve, extend, expand, lease, operate, repair, manage, maintain, or finance a project.

SECTION 21. IC 8-15.5-2-9.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9.7. "Unit of local government" means a:**

(1) county;

(2) city;

(3) town; or

(4) township;

located in Indiana.

SECTION 22. IC 8-15.5-3-1, AS AMENDED BY P.L.205-2013, SECTION 142, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. Subject to the other provisions of this article, the authority, **a governmental entity,** and a private entity may enter into a public-private agreement with respect to a project. Subject to the requirements of this article, a public-private agreement may provide that the private entity is partially or entirely responsible for any combination of the following activities with respect to the project:

(1) Planning.

(2) Design.

(3) Acquisition.

(4) Construction.

(5) Reconstruction.

(6) Improvement.

(7) Extension or expansion.

(8) Operation.

(9) Repair.

(10) Management.

(11) Maintenance.

(12) Financing.

SECTION 23. IC 8-15.5-4-1.5, AS AMENDED BY P.L.205-2013, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.5. (a) This section does not apply to a freeway project.

(b) The authority may not issue a request for proposals for a toll road project under this article unless the authority has received a preliminary feasibility study and an economic impact study for the project from the department. ~~prepared in the same manner as required by IC 8-15.7-4-1.~~

(c) The economic impact study must, at a minimum, include an analysis of the following matters with respect to the proposed project:

(1) Economic impacts on existing commercial and industrial development.

(2) Potential impacts on employment.

(3) Potential for future development near the project area, including consideration of locations for interchanges that will maximize opportunities for development.

(4) Fiscal impacts on revenues to local units of government.

(5) Demands on government services, such as public safety, public works, education, zoning and building, and local airports.

The authority shall post a copy of the economic impact study on the authority's Internet web site and shall also provide copies of the study to the governor and the legislative council (in an electronic format under IC 5-14-6).

(d) After completion of the economic impact study, the authority must conduct a public hearing on the results of the study in the county seat of the county in which the proposed project would be located. At least ten (10) days before each public hearing, the authority shall:

(1) post notice of the public hearing on the authority's Internet web site;

(2) publish notice of the public hearing one (1) time in accordance with IC 5-3-1 in two (2) newspapers of general circulation in the county; and

(3) include in the notices under subdivisions (1) and (2):

(A) the date, time, and place of the hearing;

(B) the subject matter of the hearing;

(C) a description of the purpose of the economic impact study;

(D) a description of the proposed project and its location; and

(E) a statement concerning the availability of the study on the authority's Internet web site.

At the hearing, the authority shall allow the public to be heard on the

economic impact study and the proposed project.

SECTION 24. IC 8-15.5-4-9, AS AMENDED BY P.L.205-2013, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) If the authority makes a preliminary selection of an operator under section 8 of this chapter, the authority shall schedule a public hearing on the preliminary selection and the terms of the public-private agreement for the project. The hearing shall be conducted in the county seat of ~~the~~ **any Indiana** county in which the proposed project is to be located.

(b) At least ten (10) days before the public hearing, the authority shall post on its Internet web site:

(1) the proposal submitted by the offeror that has been preliminarily selected as the operator for the project, except for those parts of the proposal that are confidential under this article; and

(2) the proposed public-private agreement for the project.

(c) At least ten (10) days before the public hearing, the authority shall:

(1) post notice of the public hearing on the authority's Internet web site; and

(2) publish notice of the hearing one (1) time in accordance with IC 5-3-1 in two (2) newspapers of general circulation in the **Indiana** county in which the proposed project is to be located.

(d) The notices required by subsection (c) must include the following:

(1) The date, time, and place of the hearing.

(2) The subject matter of the hearing.

(3) A description of the project and of the public-private agreement to be awarded.

(4) The identity of the offeror that has been preliminarily selected as the operator for the project.

(5) The address and telephone number of the authority.

(6) A statement indicating that, subject to section 6 of this chapter, and except for those portions that are confidential under this chapter, the following are available on the authority's Internet web site and are also available for public inspection and copying at the principal office of the authority during regular business hours:

(A) The selected offer.

(B) An explanation of the basis upon which the preliminary selection was made.

(C) The proposed public-private agreement for the project.

(e) At the hearing, the authority shall allow the public to be heard on the preliminary selection of the operator for the proposed project and the terms of the public-private agreement for the proposed project.

SECTION 25. IC 8-15.5-4-12, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Any action to contest the validity of a public-private agreement **or any underlying agreement related to the public-private project that is** entered into under this ~~chapter~~ **article** may not be brought after the fifteenth day following the publication of the notice of the designation of an operator under the public-private agreement as provided in section 11 of this chapter.

SECTION 26. IC 8-15.5-5-2, AS AMENDED BY P.L.205-2013, SECTION 150, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. A public-private agreement entered into under this article must provide for the following:

(1) The original term of the public-private agreement, which may not exceed seventy-five (75) years.

(2) Provisions for a:

(A) lease, franchise, or license of the project and the real property owned by the authority upon which the project is located or is to be located; or

(B) management agreement or other contract to operate the project and the real property owned by the authority upon which the project is located or is to be located;

for a predetermined period. The public-private agreement must provide for ownership of all improvements and real property by the authority in the name of the state **or by a governmental entity, or both.**

(3) Monitoring of the operator's maintenance practices by the authority and the taking of actions by the authority that it considers appropriate to ensure that the project is properly maintained.

(4) The basis upon which user fees that may be collected by the operator, as determined under this article, are established.

(5) Compliance with applicable state and federal laws and local ordinances.

(6) Grounds for termination of the public-private agreement by the authority or the operator.

(7) The date of termination of the operator's authority and duties under this article.

(8) Procedures for amendment of the agreement.

(9) Provisions requiring the completion of all environmental

analyses of the project required by state and federal law in the manner and at the times required by the appropriate state and federal agencies.

(10) An expedited method for resolving disputes between or among the authority, the parties to the public-private agreement, and units of local government that contain any part of the project, as required by IC 8-15.5-10-8.

SECTION 27. IC 8-15.5-5-5, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. Notwithstanding any contrary provision of this article, the authority may enter into a public-private agreement with multiple private entities **or with another governmental entity,** if the authority determines in writing that it is in the public interest to do so.

SECTION 28. IC 8-15.5-5-6, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. The department or any other state agency **or governmental entity** may perform any duties and exercise any powers of the authority under this article or the public-private agreement that have been assigned, subcontracted, or delegated to it by the authority.

SECTION 29. IC 8-15.5-6-4, AS AMENDED BY P.L.205-2013, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. Each project constructed or operated **in the state of Indiana** under this article ~~is considered~~ **may be determined by the department** to be part of the state highway system designated under IC 8-23-4-2 for purposes of identification, maintenance standards, and enforcement of traffic laws.

SECTION 30. IC 8-15.5-8-1, AS AMENDED BY P.L.205-2013, SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **Notwithstanding IC 4-4-11-36.1(b), IC 4-4-11-36.1(c), or any other law,** a project and tangible personal property used exclusively in connection with a project that are:

(1) owned by the authority **or a governmental entity** and leased, franchised, licensed, or otherwise conveyed to an operator; or

(2) acquired, constructed, or otherwise provided by an operator in connection with ~~the~~ **a** project;

under the terms of a public-private agreement are considered to be public property devoted to an essential public and governmental function and purpose and the property, and an operator's leasehold estate, franchise, license, and other interests in the property, are exempt from all ad valorem property taxes and special assessments levied against property by the state or any political subdivision of the state.

SECTION 31. IC 8-15.5-8-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. Notwithstanding IC 4-4-11-36.1(b), IC 4-4-11-36.1(c), or any other law, any interest in a project, including all tangible personal property used exclusively in connection with a project, that is:**

(1) owned by:

(A) the authority;

(B) an adjacent state or commonwealth; or

(C) a political subdivision or instrumentality of an adjacent state or commonwealth; and

(2) acquired, constructed, or otherwise provided in connection with a project by;

(A) an operator;

(B) an adjacent state or commonwealth; or

(C) a political subdivision or instrumentality of an adjacent state or commonwealth;

is considered to be public property devoted to an essential public and governmental function and purpose. This property, and a leasehold estate, franchise, license, or other interests in the property, is exempt from all ad valorem property taxes and special assessments levied against property by the state or any political subdivision of the state.

SECTION 32. IC 8-15.5-10-2, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) The authority may make and enter into all contracts and agreements necessary or incidental to the performance of the authority's duties and the execution of the authority's powers under this article. These contracts or agreements are not subject to any approvals other than the approval of the authority and may be for any term of years and contain any terms that are considered reasonable by the authority.

(b) The department and any other ~~state agency~~ **governmental entity** may make and enter into all contracts and agreements necessary or incidental to the performance of the duties and the execution of the powers granted to the department or the ~~state agency~~ **governmental entity** in accordance with this article or the public-private agreement. These contracts or agreements are not subject to any approvals other than the approval of the department or ~~state agency~~ **governmental entity** and may be for any term of years and contain any terms that are considered reasonable by the department or the ~~state agency.~~ **governmental entity.**

SECTION 33. IC 10-13-3-40, AS ADDED BY P.L.190-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 40. ~~(a) The department may use the appropriations described in subsection (b) for either or both of the following purposes:~~

~~(1) Operating and maintaining the central repository for criminal history data.~~

~~(2) Establishing, operating, or maintaining an electronic log to record the sale of drugs containing ephedrine or pseudoephedrine in accordance with IC 35-48-4-14.7.~~

~~(b)~~ If the amount of money that is deposited in the state general fund during a state fiscal year from handgun license fees (as described in IC 35-47-2-4) exceeds one million one hundred thousand dollars ($1,100,000), the excess is appropriated from the state general fund to the department. ~~for the purposes described in subsection (a).~~ An appropriation under this section is subject to allotment by the budget agency.

SECTION 34. IC 36-1-12-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.2. The following definitions apply throughout this chapter:

(1) "Board" means the board or officer of a political subdivision or an agency having the power to award contracts for public work.

(2) "Contractor" means a person who is a party to a public work contract with the board.

(3) "Subcontractor" means a person who is a party to a contract with the contractor and furnishes and performs labor on the public work project. The term includes material men who supply contractors or subcontractors.

(4) "Escrowed income" means the value of all property held in an escrow account over the escrowed principal in the account.

(5) "Escrowed principal" means the value of all cash and securities or other property placed in an escrow account.

(6) "Operating agreement" has the meaning set forth in IC 5-23-2-7.

(7) "Person" means any association, corporation, limited liability company, fiduciary, individual, joint venture, partnership, sole proprietorship, or any other legal entity.

(8) "Property" means all:

(A) personal property, fixtures, furnishings, inventory, and equipment; and

(B) real property.

(9) "Public fund" means all funds that are:

(A) derived from the established revenue sources of a political

subdivision or an agency of a political subdivision; and

(B) deposited in a general or special fund of a municipal corporation, or another political subdivision or agency of a political subdivision.

The term does not include funds received by any person managing or operating a public ~~facility~~ **project** under a duly authorized operating agreement under IC 5-23 or proceeds of bonds payable exclusively by a private entity.

(10) "Retainage" means the amount to be withheld from a payment to the contractor or subcontractor until the occurrence of a specified event.

(11) "Specifications" means a description of the physical characteristics, functional characteristics, extent, or nature of any public work required by the board.

(12) "Substantial completion" refers to the date when the construction of a structure is sufficiently completed, in accordance with the plans and specifications, as modified by any complete change orders agreed to by the parties, so that it can be occupied for the use for which it was intended.

President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____