

# HOUSE BILL No. 1003

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-28-7; IC 6-3.1-13; IC 22-4.5.

**Synopsis:** Economic development. Provides for grants to eligible school corporations and charter schools to support partnerships with businesses for training students. Provides that an economic development for a growing economy (EDGE) tax credit may be awarded to a business that employs students who have participated in a course of study that includes a cooperative arrangement between the business and an educational institution for the training of students in high wage, high demand jobs that require industry certifications. Renames the Indiana workforce intelligence system the Indiana network of knowledge (INK). Repeals provisions that assign to the Indiana career council responsibility for the INK, and transfers administration and oversight of the INK to the governor and an executive director appointed by the governor. Establishes an INK governance committee consisting of: (1) the commissioner of the department of workforce development; (2) the commissioner of the commission for higher education; (3) the superintendent of public instruction; (4) a member representing private colleges and universities appointed by the governor; (5) a member representing the business community appointed by the governor; (6) two members of the Indiana house of representatives, appointed by the speaker, who serve in an advisory capacity; and (7) two members of the Indiana senate, appointed by the president pro tempore, who serve in an advisory capacity. Authorizes the governor to appoint additional members of the INK governance committee as necessary. Requires agencies of the state to submit data to the INK as requested by the executive director. Permits private sector employers, groups, associations, agencies and  
(Continued next page)

**Effective:** January 1, 2014 (retroactive); July 1, 2014.

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## Braun, Heuer

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January 14, 2014, read first time and referred to Committee on Commerce, Small Business and Economic Development.

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Digest Continued

other entities, private institutions of higher education, and nonaccredited private secondary schools to submit data to the INK by working with the executive director. Provides that the INK may not obtain or store student disciplinary, juvenile delinquency, criminal, or medical and health records.



Introduced

Second Regular Session 118th General Assembly (2014)

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.

## HOUSE BILL No. 1003

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

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

1 SECTION 1. IC 5-28-7-1, AS ADDED BY P.L.4-2005, SECTION  
2 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
3 2014]: Sec. 1. ~~As used in~~ **The following definitions apply throughout**  
4 this chapter:

- 5 (1) "Business" includes an entity that has the objective of  
6 supplying a service or an article of trade or commerce.  
7 (2) "School corporation" has the meaning set forth in  
8 **IC 20-18-2-16(a)**.  
9 (3) "Charter school" has the meaning set forth in  
10 **IC 20-18-2-2.5**.

11 SECTION 2. IC 5-28-7-2, AS AMENDED BY P.L.67-2013,  
12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2014]: Sec. 2. The corporation shall do the following:

- 14 (1) Establish policies to carry out a training assistance program,



1 the purpose of which is to provide assistance to the following:

2 (A) New or expanding businesses, for the training or retraining  
3 of potential or incumbent employees and the retraining and  
4 upgrading of the skills of potential or incumbent employees.

5 (B) Businesses in Indiana, for the retraining and upgrading of  
6 employees' skills required to support new or existing capital  
7 investment.

8 (C) Businesses in Indiana, for the development of basic  
9 workforce skills of employees, including the following:

10 (i) Literacy.

11 (ii) Communication skills.

12 (iii) Computational skills.

13 (iv) Other transferable workforce skills approved by the  
14 corporation.

15 **(D) School corporations and charter schools, to support**  
16 **career pathways for students through cooperative**  
17 **arrangements with businesses for the education and**  
18 **training of students in high wage, high demand jobs that**  
19 **require industry certifications.**

20 (2) Provide promotional materials regarding the training program.

21 (3) Determine the eligibility of an industry for the training  
22 program.

23 (4) Require a commitment by a business receiving training  
24 assistance under this chapter to continue operations at a site on  
25 which the training assistance is used for at least five (5) years  
26 after the date the training assistance expires. If a business fails to  
27 comply with this commitment, the corporation shall require the  
28 business to repay the training assistance provided to the business  
29 under this chapter.

30 SECTION 3. IC 5-28-7-4, AS ADDED BY P.L.4-2005, SECTION  
31 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
32 2014]: Sec. 4. Participation in the training program is limited to  
33 **businesses entities** that:

34 (1) meet the eligibility requirements of the corporation; and

35 (2) comply with this chapter.

36 SECTION 4. IC 5-28-7-6 IS ADDED TO THE INDIANA CODE  
37 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
38 1, 2014]: **Sec. 6. (a) The corporation may award grants from the**  
39 **training 2000 fund to school corporations and charter schools to**  
40 **support cooperative arrangements with businesses for training**  
41 **students.**

42 **(b) A school corporation or a charter school must apply to the**



1 corporation for a grant under this section in the manner  
2 prescribed by the corporation.

3 (c) A grant awarded to a school corporation or a charter school  
4 under this section may not exceed ten thousand dollars (\$10,000).

5 (d) The total of all grants awarded under this section may not  
6 exceed one million dollars (\$1,000,000).

7 (e) The corporation may consult with Indiana works councils to  
8 develop the application and eligibility requirements for grants  
9 awarded under this section.

10 SECTION 5. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005,  
11 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JANUARY 1, 2014 (RETROACTIVE)]: Sec. 13. (a) The corporation  
13 may make credit awards under this chapter **for any of the following:**

14 (1) To foster job creation in Indiana.

15 (2) ~~or, as provided in section 15.5 of this chapter;~~ To foster job  
16 retention in Indiana.

17 (3) **To foster employment in Indiana of students who**  
18 **participate in a course of study that includes a cooperative**  
19 **arrangement between an educational institution and an**  
20 **employer for the training of students in high wage, high**  
21 **demand jobs that require an industry certification.**

22 (b) The credit shall be claimed for the taxable years specified in the  
23 taxpayer's tax credit agreement.

24 SECTION 6. IC 6-3.1-13-14, AS AMENDED BY P.L.4-2005,  
25 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JANUARY 1, 2014 (RETROACTIVE)]: Sec. 14. (a) A person that  
27 proposes a project to create new jobs in Indiana may apply, as provided  
28 in section 15 of this chapter, to the corporation to enter into an  
29 agreement for a tax credit under this chapter.

30 (b) A person that proposes to retain existing jobs in Indiana may  
31 apply, as provided in section 15.5 of this chapter, to the corporation to  
32 enter into an agreement for a tax credit under this chapter.

33 (c) **A person that proposes to employ in Indiana students who**  
34 **have participated in a course of study that includes a cooperative**  
35 **arrangement between an educational institution and an employer**  
36 **for the training of students in high wage, high demand jobs that**  
37 **require an industry certification may apply, as provided in section**  
38 **15.7 of this chapter, to the corporation to enter into a agreement**  
39 **for a tax credit under this chapter.**

40 (d) The director shall prescribe the form of the application.

41 SECTION 7. IC 6-3.1-13-15.7 IS ADDED TO THE INDIANA  
42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 15.7. (a)**  
 2 **This section applies to an application proposing to employ students**  
 3 **who have participated in a course of study that includes a**  
 4 **cooperative arrangement between an educational institution and**  
 5 **an employer for the training of students in high wage, high demand**  
 6 **jobs that require an industry certification.**

7 **(b) After receipt of an application, the corporation may enter**  
 8 **into an agreement with the applicant for a tax credit under this**  
 9 **chapter if the corporation determines that the applicant:**

10 **(1) participates in at least one (1) cooperative arrangement**  
 11 **with an educational institution for the training of students in**  
 12 **high wage, high demand jobs that require an industry**  
 13 **certification; and**

14 **(2) meets any additional eligibility conditions established by**  
 15 **the corporation.**

16 **(c) The corporation may consult with the Indiana career council**  
 17 **to develop eligibility and performance conditions that an applicant**  
 18 **must meet to qualify for a credit award to which this section**  
 19 **applies.**

20 SECTION 8. IC 6-3.1-13-19.7 IS ADDED TO THE INDIANA  
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 22 [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 19.7. (a)**  
 23 **In the case of a credit awarded for employment in Indiana of**  
 24 **students who have participated in a course of study that includes**  
 25 **a cooperative arrangement between an educational institution and**  
 26 **an employer for the training of students in high wage, high demand**  
 27 **jobs that require an industry certification, the corporation shall**  
 28 **enter into an agreement with an applicant that is awarded a credit**  
 29 **under this chapter. The agreement must include all the following:**

30 **(1) A detailed description of the applicant's own cooperative**  
 31 **arrangements between the applicant and educational**  
 32 **institutions for the training of students in high wage, high**  
 33 **demand jobs that require an industry certification.**

34 **(2) The duration of the tax credit and the first taxable year for**  
 35 **which the credit may be claimed.**

36 **(3) The credit amount that will be allowed for each taxable**  
 37 **year.**

38 **(4) A requirement that the taxpayer shall maintain the**  
 39 **applicant's cooperative arrangements between the applicant**  
 40 **and educational institutions for the training of students in**  
 41 **high wage, high demand jobs that require an industry**  
 42 **certification for at least two (2) years following the last**



1 taxable year in which the applicant claims the tax credit or  
2 carries over an unused part of the tax credit under section 18  
3 of this chapter. A taxpayer is subject to an assessment under  
4 section 22 of this chapter for noncompliance with the  
5 requirement described in this subdivision.

6 (5) A specific method for determining the number of  
7 employees that:

8 (A) were students who participated in a course of study  
9 that included a cooperative arrangement between an  
10 employer and an educational institution for the training of  
11 students in high wage, high demand jobs that require an  
12 industry certification; and

13 (B) are employed during a taxable year.

14 (6) A requirement that the taxpayer annually shall report to  
15 the corporation:

16 (A) the number of employees who participated in a course  
17 of study that includes a cooperative arrangement between  
18 an employer and an educational institution for the training  
19 of students in high wage, high demand jobs that require an  
20 industry certification;

21 (B) the income tax revenue withheld in connection with the  
22 employees described in clause (A); and

23 (C) any other information the director needs to perform  
24 the director's duties under this chapter.

25 (7) A requirement that the director is authorized to verify  
26 with the appropriate state agencies the amounts reported  
27 under subdivision (6), and after doing so shall issue a  
28 certificate to the taxpayer stating that the amounts have been  
29 verified.

30 (8) A requirement that the taxpayer shall provide written  
31 notification to the director and the corporation not more than  
32 thirty (30) days after the taxpayer makes or receives a  
33 proposal that would transfer the taxpayer's state tax liability  
34 obligations to a successor taxpayer.

35 (9) Any other performance conditions that the corporation  
36 determines are appropriate.

37 (b) A taxpayer who is awarded a credit under this chapter for  
38 employees who participated in a course of study that included a  
39 cooperative agreement between an employer and an educational  
40 institution for the training of students in high wage, high demand  
41 jobs that require an industry certification may claim the credit  
42 only for employees whose course of study included a cooperative



1 **arrangement between the taxpayer and an educational institution**  
 2 **for the training of students in high wage, high demand jobs that**  
 3 **require an industry certification.**

4 SECTION 9. IC 22-4.5-9-2 IS REPEALED [EFFECTIVE JULY 1,  
 5 2014]. Sec. 2. As used in this chapter, "system" refers to the Indiana  
 6 workforce intelligence system established by IC 22-4.5-10-3.

7 SECTION 10. IC 22-4.5-9-4, AS ADDED BY P.L.60-2013,  
 8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2014]: Sec. 4. (a) The council shall do all of the following:

10 (1) Provide coordination to align the various participants in the  
 11 state's education, job skills development, and career training  
 12 system.

13 (2) Match the education and skills training provided by the state's  
 14 education, job skills development, and career training system with  
 15 the currently existing and future needs of the state's job market.

16 ~~(3) Provide administrative oversight of the system.~~

17 ~~(4)~~ (3) In addition to the department's annual report provided  
 18 under IC 22-4-18-7, submit, not later than August 1, 2013, and  
 19 not later than August 1 each year thereafter, to the legislative  
 20 council in an electronic format under IC 5-14-6 an inventory of  
 21 current job and career training activities conducted by:

22 (A) state and local agencies; and

23 (B) whenever the information is readily available, private  
 24 groups, associations, and other participants in the state's  
 25 education, job skills development, and career training system.

26 The inventory must provide at least the information listed in  
 27 IC 22-4-18-7(a)(1) through IC 22-4-18-7(a)(5) for each activity in  
 28 the inventory.

29 ~~(5)~~ (4) Submit, not later than July 1, 2014, to the legislative  
 30 council in an electronic format under IC 5-14-6 a strategic plan to  
 31 improve the state's education, job skills development, and career  
 32 training system. The council shall submit, not later than  
 33 December 1, 2013, to the legislative council in an electronic  
 34 format under IC 5-14-6 a progress report concerning the  
 35 development of the strategic plan. The strategic plan developed  
 36 under this subdivision must include at least the following:

37 (A) Proposed changes, including recommended legislation and  
 38 rules, to increase coordination, data sharing, and  
 39 communication among the state, local, and private agencies,  
 40 groups, and associations that are involved in education, job  
 41 skills development, and career training.

42 (B) Proposed changes to make Indiana a leader in employment





- 1 opportunities related to the fields of science, technology,  
 2 engineering, and mathematics (commonly known as STEM).  
 3 (C) Proposed changes to address both:  
 4 (i) the shortage of qualified workers for current employment  
 5 opportunities; and  
 6 (ii) the shortage of employment opportunities for individuals  
 7 with a baccalaureate or more advanced degree.
- 8 ~~(6)~~ **(5)** Coordinate the performance of its duties under this chapter  
 9 with:  
 10 (A) the education roundtable established by IC 20-19-4-2; and  
 11 (B) the Indiana works councils established ~~under SEA~~  
 12 ~~465-2013~~ **by IC 20-19-6-4.**
- 13 (b) In performing its duties, the council shall obtain input from the  
 14 following:  
 15 (1) Indiana employers and employer organizations.  
 16 (2) Public and private institutions of higher education.  
 17 (3) Regional and local economic development organizations.  
 18 (4) Indiana labor organizations.  
 19 (5) Individuals with expertise in career and technical education.  
 20 (6) Military and veterans organizations.  
 21 (7) Organizations representing women, African-Americans,  
 22 Latinos, and other significant minority populations and having an  
 23 interest in issues of particular concern to these populations.  
 24 (8) Individuals and organizations with expertise in the logistics  
 25 industry.  
 26 (9) Any other person or organization that a majority of the voting  
 27 members of the council ~~determine~~ **determines** has information  
 28 that is important for the council to consider.
- 29 SECTION 11. IC 22-4.5-9-9, AS ADDED BY P.L.60-2013,  
 30 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 JULY 1, 2014]: Sec. 9. The governor may request the assistance of any  
 32 state agency, board, commission, committee, department, division, or  
 33 other entity of the executive department of state government as  
 34 necessary to provide staff and administrative support to the council.  
 35 ~~and the system.~~
- 36 SECTION 12. IC 22-4.5-10-1.5 IS ADDED TO THE INDIANA  
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 38 [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. As used in this chapter,**  
 39 **"governance committee" refers to the INK governance committee**  
 40 **established by section 7 of this chapter.**
- 41 SECTION 13. IC 22-4.5-10-2, AS ADDED BY P.L.60-2013,  
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]; Sec. 2. As used in this chapter, "~~system~~" **"INK"** refers  
 2 to the Indiana ~~workforce intelligence system~~ **network of knowledge**  
 3 established by section 3 of this chapter.

4 SECTION 14. IC 22-4.5-10-3, AS ADDED BY P.L.60-2013,  
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2014]: Sec. 3. The Indiana ~~workforce intelligence system~~  
 7 **network of knowledge** is established as a statewide longitudinal data  
 8 system that contains educational and workforce information:

- 9 (1) from educational institutions at all levels; and  
 10 (2) about the state's workforce;

11 to improve the effect of the state's educational delivery system on the  
 12 economic opportunities of individuals and the state's workforce, and to  
 13 guide state and local decision makers.

14 SECTION 15. IC 22-4.5-10-4, AS ADDED BY P.L.60-2013,  
 15 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2014]: Sec. 4. **(a)** The ~~system~~ **INK** must do the following:

- 17 (1) Effectively organize, manage, break down, and analyze  
 18 educational, ~~and~~ workforce, ~~and other~~ data.  
 19 (2) Generate timely and accurate information about student  
 20 progress and outcomes over time, including students' preparation  
 21 for postsecondary education and the workforce.  
 22 (3) Generate timely and accurate information that is available to  
 23 the public about the effectiveness of the state's job training  
 24 programs, including at least the following:  
 25 (A) The number of participants in each program.  
 26 (B) The number of participants who, as a result of the training  
 27 received in the program:  
 28 (i) secured employment; or  
 29 (ii) were retained by an employer.  
 30 (C) The average wage of the participants who secured  
 31 employment or were retained by an employer.  
 32 (4) Support the economic development ~~and other~~ activities of  
 33 state and local governments.  
 34 **(b) The INK may not obtain or store the following student data:**  
 35 **(1) Disciplinary records.**  
 36 **(2) Juvenile delinquency records.**  
 37 **(3) Criminal records.**  
 38 **(4) Medical and health records.**

39 SECTION 16. IC 22-4.5-10-5, AS ADDED BY P.L.60-2013,  
 40 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2014]: Sec. 5. **(a)** The department of education (established  
 42 by IC 20-19-3-1), the department of workforce development



1 (established by IC 22-4.1-2-1), the commission for higher education  
 2 (established by IC 21-18-2-1), and other agencies of the state that  
 3 collect data related to educational and workforce outcomes shall submit  
 4 that data to the ~~system~~ **INK** on a timely basis and shall ensure the  
 5 following:

6 (1) Routine and ongoing compliance with the federal Family  
 7 Educational Rights and Privacy Act (20 U.S.C. 1232g),  
 8 **IC 22-4-19-6**, and other relevant privacy laws and policies,  
 9 including the following:

10 (A) The required use of data that cannot be used to identify  
 11 information relating to a specific individual or entity.

12 (B) The required disposition of information that is no longer  
 13 needed.

14 (C) The provision of a data security plan, including the  
 15 performance of regular audits for compliance with data  
 16 privacy and security standards.

17 (D) The implementation of guidelines and policies to prevent  
 18 the reporting of other data that may potentially be used to  
 19 identify information relating to a specific individual or entity.

20 (2) The use of data only in summary form in reports and  
 21 responses to information requests. Data that may identify specific  
 22 individuals or entities because of the size or uniqueness of the  
 23 population involved may not be reported in any form.

24 **(b) After June 30, 2014, other agencies of the state shall submit**  
 25 **to the INK on a timely basis relevant data, including data at the**  
 26 **individual level, as requested by the INK executive director.**

27 **(c) After June 30, 2014, the following may submit educational,**  
 28 **workforce, and other relevant data, as applicable, to the INK by**  
 29 **working with and through the INK executive director:**

30 **(1) Private sector employers, groups, associations, agencies,**  
 31 **and other entities.**

32 **(2) Private institutions of higher education.**

33 **(3) Nonaccredited private secondary schools.**

34 SECTION 17. IC 22-4.5-10-6, AS ADDED BY P.L.60-2013,  
 35 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2014]: Sec. 6. (a) The:

37 (1) council, before July 1, ~~2018;~~ **2014;** and

38 (2) governor, after June 30, ~~2018;~~ **2014;**

39 shall provide administrative oversight to the ~~system~~ **INK through the**  
 40 **INK's executive director.**

41 (b) Administrative oversight of the ~~system~~ **INK** includes all the  
 42 following:



- 1 (1) Provide general oversight and direction for the development  
 2 and maintenance of the ~~system~~, **INK, including the**  
 3 **organizational framework for the day to day management of**  
 4 **the INK.**
- 5 (2) Approve an annual budget for the ~~system~~. **INK.**
- 6 (3) Hire staff necessary to administer the ~~system~~. **INK.**
- 7 (4) Develop **and implement** a detailed data security and  
 8 safeguarding plan that includes:
- 9 (A) access by authenticated authorization;
- 10 (B) privacy compliance standards;
- 11 (C) notification and other procedures to protect system data if  
 12 a breach of the ~~system~~ **INK** occurs; and
- 13 (D) policies for data retention and disposition.
- 14 (5) ~~Oversee~~ **Develop and implement policies to provide** routine  
 15 and ongoing compliance with the federal Family Educational  
 16 Rights and Privacy Act (20 U.S.C. 1232g), **IC 22-4-19-6**, and  
 17 other relevant privacy laws and policies.
- 18 (6) **Establish the policy and research agenda for the INK.**
- 19 (6) (7) ~~Review research requirements and~~ Establish policies for  
 20 responding to data requests from the state, local agencies, the  
 21 general assembly, and the public.
- 22 (7) (8) ~~Oversee~~ the development of public access to the ~~system~~  
 23 **INK** in a manner that:
- 24 (A) permits research using the data in aggregated form; and
- 25 (B) cannot provide information that allows the identification  
 26 of a specific individual or entity.
- 27 (8) (9) ~~Identify~~ additional sources of data for the ~~system~~ **INK**  
 28 from among state entities and require those entities to submit  
 29 relevant data to the ~~system~~. **INK.**
- 30 (10) **Submit, not later than September 1, 2015, and not later**  
 31 **than September 1 each year thereafter, to the governor, to the**  
 32 **legislative council in an electronic format under IC 5-14-6, to**  
 33 **the council, and to the governance committee, a report**  
 34 **covering the following for the most recent fiscal year:**
- 35 (A) **An update concerning the implementation of the INK**  
 36 **and the governance committee's activities.**
- 37 (B) **A list of all studies performed.**
- 38 (C) **A list of currently stored data that has been**  
 39 **determined no longer necessary to carry out the mission of**  
 40 **the INK.**
- 41 (D) **Any proposed or planned expansions of the data**  
 42 **maintained by the INK.**



- 1                   **(E) Any other recommendations made by the executive**  
 2                   **director or the governance committee.**
- 3           (c) Funding for the development, maintenance, and use of the  
 4 **system INK** may be obtained from any of the following sources:
- 5           (1) Appropriations made by the general assembly for this purpose.  
 6           (2) Grants or other assistance from local educational agencies or  
 7           institutions of higher education.  
 8           (3) Federal grants.  
 9           (4) User fees.  
 10           (5) Grants or amounts received from other public or private  
 11           entities.
- 12           (d) The council (before July 1, ~~2018~~) **2014**) and the governor  
 13 **through the executive director** (after June 30, ~~2018~~) **2014**) may  
 14 contract with public or private entities for the following purposes:
- 15           (1) To develop and maintain the ~~system~~, **INK, including the**  
 16 **analytical and security capabilities of the INK. Contracts**  
 17 **made under this subdivision must include:**
- 18                   **(A) express provisions that safeguard the privacy and**  
 19 **security of the INK; and**
- 20                   **(B) penalties for failure to comply with the provisions**  
 21 **described in clause (A).**
- 22           (2) To conduct research in support of the activities and objectives  
 23 listed in section 4 of this chapter.  
 24           (3) To conduct research on topics at the request of the council, the  
 25 governor, or the general assembly.
- 26           SECTION 18. IC 22-4.5-10-7 IS ADDED TO THE INDIANA  
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 28 [EFFECTIVE JULY 1, 2014]: **Sec. 7. (a) The INK governance**  
 29 **committee is established.**
- 30           **(b) The governance committee consists of at least the following**  
 31 **nine (9) members:**
- 32           (1) **The commissioner of the department of workforce**  
 33 **development, or the commissioner's designee with authority**  
 34 **to act on behalf of the commissioner.**
- 35           (2) **The commissioner of the commission for higher education,**  
 36 **or the commissioner's designee with authority to act on behalf**  
 37 **of the commissioner.**
- 38           (3) **The state superintendent of public instruction, or the state**  
 39 **superintendent's designee with authority to act on behalf of**  
 40 **the state superintendent.**
- 41           (4) **One (1) member representing private colleges and**  
 42 **universities appointed by the governor.**



- 1           **(5) One (1) member representing the business community in**  
 2           **Indiana appointed by the governor.**
- 3           **(6) Two (2) members of the house of representatives**  
 4           **appointed by the speaker of the house of representatives. The**  
 5           **members appointed under this subdivision:**
- 6               **(A) may not be members of the same political party; and**  
 7               **(B) serve in a nonvoting advisory capacity.**
- 8           **(7) Two (2) members of the senate appointed by the president**  
 9           **pro tempore of the senate. The members appointed under this**  
 10           **subdivision:**
- 11               **(A) may not be members of the same political party; and**  
 12               **(B) serve in a nonvoting advisory capacity.**
- 13           **(c) The governor may appoint additional members to the**  
 14           **governance committee as necessary to ensure the continued success**  
 15           **of the INK.**
- 16           **(d) A member of the governance committee appointed by the**  
 17           **governor serves at the pleasure of the governor.**
- 18           **(e) The governor shall make the initial appointments under this**  
 19           **section not later than July 15, 2014.**
- 20           **(f) A vacancy on the governance committee is filled in the same**  
 21           **manner as the original appointment.**
- 22           **(g) The governor shall appoint the chair of the governance**  
 23           **committee from its members. The chair serves for one (1) year, or**  
 24           **until a successor is selected.**
- 25           **(h) The duties of the governance committee are to advise the**  
 26           **governor and the executive director concerning the development,**  
 27           **operation, and maintenance of the INK.**
- 28           **(i) The governance committee shall meet at least quarterly or at**  
 29           **the call of the chair.**
- 30           **(j) A majority of the members of the governance committee**  
 31           **constitutes a quorum for the purpose of conducting business. The**  
 32           **affirmative vote of a majority of the members of the governance**  
 33           **committee is required for the governance committee to take official**  
 34           **action.**
- 35           **SECTION 19. IC 22-4.5-10-8 IS ADDED TO THE INDIANA**  
 36           **CODE AS A NEW SECTION TO READ AS FOLLOWS**  
 37           **[EFFECTIVE JULY 1, 2014]: Sec. 8. (a) The governor shall appoint**  
 38           **an INK executive director who serves at the pleasure of the**  
 39           **governor.**
- 40           **(b) The executive director is responsible for the administration**  
 41           **of the INK.**
- 42           **(c) The executive director shall do all the following:**



- 1           **(1) Work with the governance committee, state agencies, and**  
 2           **other entities participating in the INK to develop and**  
 3           **implement appropriate policies and procedures concerning**  
 4           **the INK's data quality, integrity, transparency, security, and**  
 5           **confidentiality.**  
 6           **(2) Coordinate the provision and delivery of data to ensure**  
 7           **that research project timelines and deliverables to**  
 8           **stakeholders are met.**  
 9           **(3) Provide reports concerning the INK and the executive**  
 10           **director's activities to the governor and the governance**  
 11           **committee.**  
 12           **(4) Work with the governance committee and other state**  
 13           **agencies participating in the INK to establish the following:**  
 14               **(A) A standard compliance time frame for the submission**  
 15               **of data to the INK.**  
 16               **(B) Interagency policies and agreements to ensure equal**  
 17               **access to the INK.**  
 18               **(C) Interagency policies and agreements to ensure the**  
 19               **ongoing success of the INK.**  
 20           **(5) Perform other duties as assigned by the governor.**  
 21           SECTION 20. IC 22-4.5-10-9 IS ADDED TO THE INDIANA  
 22           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 23           [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) Each member of the**  
 24           **governance committee who is not a state employee or is not a**  
 25           **member of the general assembly is entitled to the following:**  
 26               **(1) The salary per diem provided under IC 4-10-11-2.1(b).**  
 27               **(2) Reimbursement for traveling expenses as provided under**  
 28               **IC 4-13-1-4.**  
 29               **(3) Other expenses actually incurred in connection with the**  
 30               **member's duties as provided in the state policies and**  
 31               **procedures established by the Indiana department of**  
 32               **administration and approved by the budget agency.**  
 33           **(b) Each member of the governance committee who is a state**  
 34           **employee but not a member of the general assembly is entitled to**  
 35           **the following:**  
 36               **(1) Reimbursement for traveling expenses as provided under**  
 37               **IC 4-13-1-4.**  
 38               **(2) Other expenses actually incurred in connection with the**  
 39               **member's duties as provided in the state policies and**  
 40               **procedures established by the Indiana department of**  
 41               **administration and approved by the budget agency.**  
 42           **(c) Each member of the governance committee who is a member**



1 of the general assembly is entitled to the same:

- 2 (1) per diem;  
 3 (2) mileage; and  
 4 (3) travel allowances;

5 established by the legislative council and paid to members of the  
 6 general assembly serving on interim study committees. The  
 7 legislative services agency shall pay the allowances specified in this  
 8 subsection from the amounts appropriated for that purpose.

9 SECTION 21. IC 22-4.5-10.5-3, AS ADDED BY P.L.273-2013,  
 10 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2014]: Sec. 3. (a) The department, in consultation with the  
 12 commission for higher education, the department of education, the  
 13 office of the secretary of family and social services, and any other  
 14 agency the department determines is necessary, shall include in the  
 15 Indiana workforce intelligence system network of knowledge  
 16 established by IC 22-4.5-10-3 as added by HB 1002-2013, SECTION  
 17 2, information regarding the middle skill credentials awarded in  
 18 Indiana for the immediately preceding state fiscal year.

19 (b) The information required under subsection (a) must include:

- 20 (1) the aggregate number of enrollees in programs leading to  
 21 middle skill credentials from:  
 22 (A) public institutions of higher education;  
 23 (B) private institutions of higher education;  
 24 (C) postsecondary proprietary educational institutions;  
 25 (D) community colleges;  
 26 (E) area vocational schools;  
 27 (F) high school vocational programs;  
 28 (G) apprenticeship programs; and  
 29 (H) other public or private workforce training programs; and  
 30 (2) aggregate data of industry based certifications awarded as the  
 31 result of the completion of education and employment training  
 32 programs.

33 (c) The department shall publish the information described in  
 34 subsection (b) in the department's annual report.

35 SECTION 22. [EFFECTIVE JANUARY 1, 2014  
 36 (RETROACTIVE)] (a) IC 6-3.1-13-13 and IC 6-3.1-13-14, both as  
 37 amended by this act, apply only to taxable years beginning after  
 38 December 31, 2013.

39 (b) IC 6-3.1-13-15.7 and IC 6-3.1-13-19.7, both as added by this  
 40 act, apply only to taxable years beginning after December 31, 2013.

41 (c) This SECTION expires January 1, 2015.

42 SECTION 23. An emergency is declared for this act.

