

HOUSE BILL No. 1193

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-5-2-48; IC 3-8; IC 3-10-2-6; IC 3-11-2-12; IC 4-1-6-1; IC 4-2; IC 4-3-6-2; IC 4-6-1-2; IC 4-12-1-13; IC 4-15-2.2-1; IC 5-14-3-3.5; IC 20-19-1.

Synopsis: Appointment of state officers. Provides for the appointment of the attorney general by the governor after January 10, 2021. Provides for the state superintendent of public instruction to be appointed by the governor after January 10, 2021. Requires the governor to appoint the state superintendent from a list of three nominations submitted to the governor by the state board of education. Makes conforming and technical amendments.

Effective: Upon passage; January 1, 2017 (retroactive); July 1, 2017.

Ober

January 10, 2017, read first time and referred to Committee on Judiciary.



First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1193

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

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

1 SECTION 1. IC 3-5-2-48 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2017]: Sec. 48. "State office" refers to **the**
3 **following:**

4 **(1) Before January 11, 2021, the** governor, lieutenant governor,
5 secretary of state, auditor of state, treasurer of state,
6 superintendent of public instruction, attorney general, justice of
7 the supreme court, judge of the court of appeals, and judge of the
8 tax court.

9 **(2) After January 10, 2021, the governor, lieutenant governor,**
10 **secretary of state, auditor of state, treasurer of state, justice**
11 **of the supreme court, judge of the court of appeals, and judge**
12 **of the tax court.**

13 SECTION 2. IC 3-8-1-10 IS REPEALED [EFFECTIVE UPON
14 PASSAGE]. Sec. ~~40~~. A candidate for the office of attorney general
15 ~~must:~~

16 ~~(1) have resided in Indiana for at least two (2) years before the~~
17 ~~election; and~~



- 1 (2) have been admitted to the practice of law in Indiana for at
2 least five (5) years upon taking office.
- 3 SECTION 3. IC 3-8-1-10.5 IS REPEALED [EFFECTIVE UPON
4 PASSAGE]. ~~Sec. 10.5. A candidate for the office of state~~
5 ~~superintendent of public instruction must have resided in Indiana for~~
6 ~~at least two (2) years before the election.~~
- 7 SECTION 4. IC 3-8-1-33, AS AMENDED BY P.L.123-2015,
8 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 33. (a) A candidate for
10 an office listed in subsection (b) must file a statement of economic
11 interests.
- 12 (b) Whenever a candidate for any of the following offices is also
13 required to file a declaration of candidacy or is nominated by petition,
14 the candidate shall file a statement of economic interests before filing
15 the declaration of candidacy or declaration of intent to be a write-in
16 candidate, before the petition of nomination is filed, before the
17 certificate of nomination is filed, or before being appointed to fill a
18 candidate vacancy under IC 3-13-1 or IC 3-13-2:
- 19 (1) Governor, lieutenant governor, secretary of state, auditor of
20 state, treasurer of state, attorney general, and state superintendent
21 of public instruction, in accordance with IC 4-2-6-8. **This**
22 **subdivision does not apply to the state superintendent of**
23 **public instruction or attorney general after December 31,**
24 **2016.**
- 25 (2) Senator and representative in the general assembly, in
26 accordance with IC 2-2.2-2.
- 27 (3) Justice of the supreme court, judge of the court of appeals,
28 judge of the tax court, judge of a circuit court, judge of a superior
29 court, judge of a probate court, and prosecuting attorney, in
30 accordance with IC 33-23-11-14 and IC 33-23-11-15.
- 31 (4) A candidate for a local office or school board office, in
32 accordance with IC 3-8-9, except a candidate for a local office
33 described in subdivision (3).
- 34 SECTION 5. IC 3-8-4-2, AS AMENDED BY P.L.169-2015,
35 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 2. (a) A political party
37 shall conduct a state convention to nominate the candidates of the
38 political party for the following offices to be voted on at the next
39 general election:
- 40 (1) Lieutenant governor.
41 (2) Secretary of state.
42 (3) Auditor of state.



- 1 (4) Treasurer of state.
 2 (5) Attorney general. **This subdivision does not apply after**
 3 **December 31, 2016.**
 4 (6) Superintendent of public instruction. **This subdivision does**
 5 **not apply after December 31, 2016.**
 6 (b) The convention may also:
 7 (1) nominate candidates for presidential electors and alternate
 8 electors; and
 9 (2) elect the delegates and alternate delegates to the national
 10 convention of the political party.
 11 (c) If a political party's state convention does not:
 12 (1) nominate candidates for presidential electors and alternate
 13 electors; or
 14 (2) elect the delegates and alternate delegates to the national
 15 convention of the political party;
 16 the candidates shall be nominated or the delegates elected as provided
 17 in the state party's rules.
 18 SECTION 6. IC 3-10-2-6, AS AMENDED BY P.L.216-2015,
 19 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 6. The following public
 21 officials shall be elected in 2016 and every four (4) years thereafter:
 22 (1) Governor.
 23 (2) Lieutenant governor.
 24 (3) Attorney general. **This subdivision does not apply after**
 25 **December 31, 2016.**
 26 (4) Superintendent of public instruction. **This subdivision does**
 27 **not apply after December 31, 2016.**
 28 SECTION 7. IC 3-11-2-12, AS AMENDED BY P.L.21-2016,
 29 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 12. The following offices
 31 shall be placed on the general election ballot in the following order
 32 after the public questions described in section 10(a) of this chapter:
 33 (1) Federal and state offices:
 34 (A) President and Vice President of the United States.
 35 (B) United States Senator.
 36 (C) Governor and lieutenant governor.
 37 (D) Secretary of state.
 38 (E) Auditor of state.
 39 (F) Treasurer of state.
 40 (G) Attorney general. **This clause does not apply after**
 41 **December 31, 2016.**
 42 (H) Superintendent of public instruction. **This clause does not**



- 1 **apply after December 31, 2016.**
 2 (I) United States Representative.
 3 (2) Legislative offices:
 4 (A) State senator.
 5 (B) State representative.
 6 (3) Circuit offices and county judicial offices:
 7 (A) Judge of the circuit court, and unless otherwise specified
 8 under IC 33, with each division separate if there is more than
 9 one (1) judge of the circuit court.
 10 (B) Judge of the superior court, and unless otherwise specified
 11 under IC 33, with each division separate if there is more than
 12 one (1) judge of the superior court.
 13 (C) Judge of the probate court.
 14 (D) Prosecuting attorney.
 15 (E) Clerk of the circuit court.
 16 (4) County offices:
 17 (A) County auditor.
 18 (B) County recorder.
 19 (C) County treasurer.
 20 (D) County sheriff.
 21 (E) County coroner.
 22 (F) County surveyor.
 23 (G) County assessor.
 24 (H) County commissioner. This clause applies only to a county
 25 that is not subject to IC 36-2-2.5.
 26 (I) Single county executive. This clause applies only to a
 27 county that is subject to IC 36-2-2.5.
 28 (J) County council member, except as provided in section 12.4
 29 of this chapter.
 30 (5) Township offices:
 31 (A) Township assessor (only in a township referred to in
 32 IC 36-6-5-1(d)).
 33 (B) Township trustee.
 34 (C) Township board member, except as provided in section
 35 12.4 of this chapter.
 36 (D) Judge of the small claims court.
 37 (E) Constable of the small claims court.
 38 (6) City offices:
 39 (A) Mayor.
 40 (B) Clerk or clerk-treasurer.
 41 (C) Judge of the city court.
 42 (D) City-county council member or common council member,



- 1 except as provided in section 12.4 of this chapter.
 2 (7) Town offices:
 3 (A) Clerk-treasurer.
 4 (B) Judge of the town court.
 5 (C) Town council member, except as provided in section 12.4
 6 of this chapter.

7 SECTION 8. IC 4-1-6-1, AS AMENDED BY P.L.215-2016,
 8 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2017]: Sec. 1. As used in this chapter, the term:

10 (a) "Personal information system" means any recordkeeping
 11 process, whether automated or manual, containing personal
 12 information and the name, personal number, or other identifying
 13 particulars of a data subject.

14 (b) "Personal information" means any information that describes,
 15 locates, or indexes anything about an individual or that affords a basis
 16 for inferring personal characteristics about an individual including, but
 17 not limited to, the individual's education, financial transactions,
 18 medical history, criminal or employment records, finger and voice
 19 prints, photographs, or the individual's presence, registration, or
 20 membership in an organization or activity or admission to an
 21 institution.

22 (c) "Data subject" means an individual about whom personal
 23 information is indexed or may be located under the individual's name,
 24 personal number, or other identifiable particulars, in a personal
 25 information system.

26 (d) "State agency" means every agency, board, commission,
 27 department, bureau, or other entity of the administrative branch of
 28 Indiana state government, except those which are the responsibility of
 29 the auditor of state, treasurer of state, secretary of state, **(before**
 30 **January 11, 2021)** attorney general, **or (before January 11, 2021)**
 31 superintendent of public instruction, and excepting the department of
 32 state police and state educational institutions. **After January 10, 2021,**
 33 **"state agency" includes an agency, a board, a commission, a**
 34 **department, a bureau, or another entity that is the responsibility**
 35 **of the superintendent of public instruction or of the attorney**
 36 **general.**

37 (e) "Confidential" means information which has been so designated
 38 by statute or by promulgated rule or regulation based on statutory
 39 authority.

40 SECTION 9. IC 4-2-1-1.5, AS ADDED BY P.L.43-2007, SECTION
 41 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 42 2017]: Sec. 1.5. (a) Subject to subsection (b), the salary of ~~the~~ **each**



- 1 state elected ~~officials~~ **official** other than the governor is as follows:
- 2 (1) For the lieutenant governor, seventy-six thousand dollars
- 3 (\$76,000) per year. However, the lieutenant governor is not
- 4 entitled to receive per diem allowance for performance of duties
- 5 as president of the senate.
- 6 (2) For the secretary of state, sixty-six thousand dollars (\$66,000)
- 7 per year.
- 8 (3) For the auditor of state, sixty-six thousand dollars (\$66,000)
- 9 per year.
- 10 (4) For the treasurer of state, sixty-six thousand dollars (\$66,000)
- 11 per year.
- 12 (5) For the attorney general, seventy-nine thousand four hundred
- 13 dollars (\$79,400) per year. **This subdivision does not apply after**
- 14 **January 10, 2021.**
- 15 (6) For the state superintendent of public instruction, seventy-nine
- 16 thousand four hundred dollars (\$79,400) per year. **This**
- 17 **subdivision does not apply after January 10, 2021.**
- 18 (b) Beginning January 1, 2008, the part of the total salary of a state
- 19 elected official is increased on January 1 of each year after a year in
- 20 which the general assembly does not amend this section to provide a
- 21 salary increase for the state elected official.
- 22 (c) The percentage by which salaries are increased under this
- 23 section is equal to the statewide average percentage, as determined by
- 24 the budget director, by which the salaries of state employees in the
- 25 executive branch who are in the same or a similar salary bracket
- 26 exceed, for the current state fiscal year, the salaries of executive branch
- 27 state employees in the same or a similar salary bracket that were in
- 28 effect on January 1 of the immediately preceding year.
- 29 (d) The amount of a salary increase under this section is equal to the
- 30 amount determined by applying the percentage increase for the
- 31 particular year to the salary of the state elected official, as previously
- 32 adjusted under this section, that is in effect on January 1 of the
- 33 immediately preceding year.
- 34 (e) A state elected official is not entitled to receive a salary increase
- 35 under this section on January 1 of a state fiscal year in which state
- 36 employees described in subsection (c) do not receive a statewide
- 37 average salary increase.
- 38 (f) If a salary increase is required under this section, an amount
- 39 sufficient to pay for the salary increase is appropriated from the state
- 40 general fund.
- 41 SECTION 10. IC 4-2-6-1, AS AMENDED BY P.L.123-2015,
- 42 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2017]: Sec. 1. (a) As used in this chapter, and unless the
2 context clearly denotes otherwise:

3 (1) "Advisory body" means an authority, a board, a commission,
4 a committee, a task force, or other body designated by any name
5 of the executive department that is authorized only to make
6 nonbinding recommendations.

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

15 (A) The judicial department of state government.

16 (B) The legislative department of state government.

17 (C) A state educational institution.

18 (D) A political subdivision.

19 (3) "Appointing authority" means the following:

20 (A) Except as provided in clause (B), the chief administrative
21 officer of an agency. The term does not include a state officer.

22 (B) For purposes of section 16 of this chapter, "appointing
23 authority" means:

24 (i) an elected officer;

25 (ii) the chief administrative officer of an agency; or

26 (iii) an individual or group of individuals who have the
27 power by law or by lawfully delegated authority to make
28 appointments.

29 (4) "Assist" means to:

30 (A) help;

31 (B) aid;

32 (C) advise; or

33 (D) furnish information to;

34 a person. The term includes an offer to do any of the actions in
35 clauses (A) through (D).

36 (5) "Business relationship" includes the following:

37 (A) Dealings of a person with an agency seeking, obtaining,
38 establishing, maintaining, or implementing:

39 (i) a pecuniary interest in a contract or purchase with the
40 agency; or

41 (ii) a license or permit requiring the exercise of judgment or
42 discretion by the agency.



- 1 (B) The relationship a lobbyist has with an agency.
 2 (C) The relationship an unregistered lobbyist has with an
 3 agency.
 4 (6) "Commission" refers to the state ethics commission created
 5 under section 2 of this chapter.
 6 (7) "Compensation" means any money, thing of value, or financial
 7 benefit conferred on, or received by, any person in return for
 8 services rendered, or for services to be rendered, whether by that
 9 person or another.
 10 (8) "Direct line of supervision" means the chain of command in
 11 which the superior affects, or has the authority to affect, the terms
 12 and conditions of the subordinate's employment, including
 13 making decisions about work assignments, compensation,
 14 grievances, advancements, or performance evaluation.
 15 (9) "Employee" means an individual, other than a state officer,
 16 who is employed by an agency on a full-time, a part-time, a
 17 temporary, an intermittent, or an hourly basis. The term includes
 18 an individual who contracts with an agency for personal services.
 19 (10) "Employer" means any person from whom a state officer or
 20 employee or the officer's or employee's spouse received
 21 compensation.
 22 (11) "Financial interest" means an interest:
 23 (A) in a purchase, sale, lease, contract, option, or other
 24 transaction between an agency and any person; or
 25 (B) involving property or services.
 26 The term includes an interest arising from employment or
 27 prospective employment for which negotiations have begun. The
 28 term does not include an interest of a state officer or employee in
 29 the common stock of a corporation unless the combined holdings
 30 in the corporation of the state officer or the employee, that
 31 individual's spouse, and that individual's unemancipated children
 32 are more than one percent (1%) of the outstanding shares of the
 33 common stock of the corporation. The term does not include an
 34 interest that is not greater than the interest of the general public
 35 or any state officer or any state employee.
 36 (12) "Information of a confidential nature" means information:
 37 (A) obtained by reason of the position or office held; and
 38 (B) which:
 39 (i) a public agency is prohibited from disclosing under
 40 IC 5-14-3-4(a);
 41 (ii) a public agency has the discretion not to disclose under
 42 IC 5-14-3-4(b) and that the agency has not disclosed; or



- 1 (iii) is not in a public record, but if it were, would be
 2 confidential.
- 3 (13) "Person" means any individual, proprietorship, partnership,
 4 unincorporated association, trust, business trust, group, limited
 5 liability company, or corporation, whether or not operated for
 6 profit, or a governmental agency or political subdivision.
- 7 (14) "Political subdivision" means a county, city, town, township,
 8 school district, municipal corporation, special taxing district, or
 9 other local instrumentality. The term includes an officer of a
 10 political subdivision.
- 11 (15) "Property" has the meaning set forth in IC 35-31.5-2-253.
- 12 (16) "Relative" means any of the following:
- 13 (A) A spouse.
 14 (B) A parent or stepparent.
 15 (C) A child or stepchild.
 16 (D) A brother, sister, stepbrother, or stepsister.
 17 (E) A niece or nephew.
 18 (F) An aunt or uncle.
 19 (G) A daughter-in-law or son-in-law.
- 20 For purposes of this subdivision, an adopted child of an individual
 21 is treated as a natural child of the individual. For purposes of this
 22 subdivision, the terms "brother" and "sister" include a brother or
 23 sister by the half blood.
- 24 (17) "Represent" means to do any of the following on behalf of a
 25 person:
- 26 (A) Attend an agency proceeding.
 27 (B) Write a letter.
 28 (C) Communicate with an employee of an agency.
- 29 (18) "Special state appointee" means a person who is:
- 30 (A) not a state officer or employee; and
 31 (B) elected or appointed to an authority, a board, a
 32 commission, a committee, a council, a task force, or other
 33 body designated by any name that:
- 34 (i) is authorized by statute or executive order; and
 35 (ii) functions in a policy or an advisory role in the executive
 36 (including the administrative) department of state
 37 government, including a separate body corporate and politic.
- 38 (19) "State officer" means any of the following:
- 39 (A) The governor.
 40 (B) The lieutenant governor.
 41 (C) The secretary of state.
 42 (D) The auditor of state.



- 1 (E) The treasurer of state.
- 2 (F) The attorney general. **This clause does not apply after**
- 3 **January 10, 2021.**
- 4 (G) The superintendent of public instruction. **This clause does**
- 5 **not apply after January 10, 2021.**
- 6 (20) The masculine gender includes the masculine and feminine.
- 7 (21) The singular form of any noun includes the plural wherever
- 8 appropriate.
- 9 (b) The definitions in IC 4-2-7 apply throughout this chapter.
- 10 SECTION 11. IC 4-2-6-8, AS AMENDED BY P.L.23-2011,
- 11 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 12 JULY 1, 2017]: Sec. 8. (a) The following persons shall file a written
- 13 financial disclosure statement:
- 14 (1) The governor, lieutenant governor, secretary of state, auditor
- 15 of state, treasurer of state, attorney general, and state
- 16 superintendent of public instruction. **This subdivision does not**
- 17 **apply to the state superintendent of public instruction or the**
- 18 **attorney general after January 10, 2021.**
- 19 (2) Any candidate for one (1) of the offices in subdivision (1) who
- 20 is not the holder of one (1) of those offices.
- 21 (3) Any person who is the appointing authority of an agency.
- 22 (4) The director of each division of the **Indiana** department of
- 23 administration.
- 24 (5) Any purchasing agent within the procurement division of the
- 25 **Indiana** department of administration.
- 26 (6) Any agency employee, special state appointee, former agency
- 27 employee, or former special state appointee with final purchasing
- 28 authority.
- 29 (7) The chief investment officer employed by the Indiana public
- 30 retirement system.
- 31 (8) Any employee of the Indiana public retirement system whose
- 32 duties include the recommendation, selection, and management
- 33 of:
- 34 (A) the investments of the funds administered by the Indiana
- 35 public retirement system;
- 36 (B) the investment options offered in the annuity savings
- 37 accounts in the public employees' retirement fund and the
- 38 Indiana state teachers' retirement fund;
- 39 (C) the investment options offered in the legislators' defined
- 40 contribution plan; or
- 41 (D) investment managers, investment advisors, and other
- 42 investment service providers of the Indiana public retirement



- 1 system.
- 2 (9) An employee required to do so by rule adopted by the
- 3 inspector general.
- 4 (b) The statement shall be filed with the inspector general as
- 5 follows:
- 6 (1) Not later than February 1 of every year, in the case of the state
- 7 officers and employees enumerated in subsection (a).
- 8 (2) If the individual has not previously filed under subdivision (1)
- 9 during the present calendar year and is filing as a candidate for a
- 10 state office listed in subsection (a)(1), before filing a declaration
- 11 of candidacy under IC 3-8-2 or IC 3-8-4-11, petition of
- 12 nomination under IC 3-8-6, or declaration of intent to be a
- 13 write-in candidate under IC 3-8-2-2.5, or before a certificate of
- 14 nomination is filed under IC 3-8-7-8, in the case of a candidate for
- 15 one (1) of the state offices (unless the statement has already been
- 16 filed when required under IC 3-8-4-11).
- 17 (3) Not later than sixty (60) days after employment or taking
- 18 office, unless the previous employment or office required the
- 19 filing of a statement under this section.
- 20 (4) Not later than thirty (30) days after leaving employment or
- 21 office, unless the subsequent employment or office requires the
- 22 filing of a statement under this section.
- 23 The statement must be made under affirmation.
- 24 (c) The statement shall set forth the following information for the
- 25 preceding calendar year or, in the case of a state officer or employee
- 26 who leaves office or employment, the period since a previous statement
- 27 was filed:
- 28 (1) The name and address of any person known:
- 29 (A) to have a business relationship with the agency of the state
- 30 officer or employee or the office sought by the candidate; and
- 31 (B) from whom the state officer, candidate, or the employee,
- 32 or that individual's spouse or unemancipated children received
- 33 a gift or gifts having a total fair market value in excess of one
- 34 hundred dollars (\$100).
- 35 (2) The location of all real property in which the state officer,
- 36 candidate, or the employee or that individual's spouse or
- 37 unemancipated children has an equitable or legal interest either
- 38 amounting to five thousand dollars (\$5,000) or more or
- 39 comprising ten percent (10%) of the state officer's, candidate's, or
- 40 the employee's net worth or the net worth of that individual's
- 41 spouse or unemancipated children. An individual's primary
- 42 personal residence need not be listed, unless it also serves as



- 1 income property.
- 2 (3) The names and the nature of the business of the employers of
- 3 the state officer, candidate, or the employee and that individual's
- 4 spouse.
- 5 (4) The following information about any sole proprietorship
- 6 owned or professional practice operated by the state officer,
- 7 candidate, or the employee or that individual's spouse:
- 8 (A) The name of the sole proprietorship or professional
- 9 practice.
- 10 (B) The nature of the business.
- 11 (C) Whether any clients are known to have had a business
- 12 relationship with the agency of the state officer or employee or
- 13 the office sought by the candidate.
- 14 (D) The name of any client or customer from whom the state
- 15 officer, candidate, employee, or that individual's spouse
- 16 received more than thirty-three percent (33%) of the state
- 17 officer's, candidate's, employee's, or that individual's spouse's
- 18 nonstate income in a year.
- 19 (5) The name of any partnership of which the state officer,
- 20 candidate, or the employee or that individual's spouse is a member
- 21 and the nature of the partnership's business.
- 22 (6) The name of any corporation (other than a church) of which
- 23 the state officer, candidate, or the employee or that individual's
- 24 spouse is an officer or a director and the nature of the
- 25 corporation's business.
- 26 (7) The name of any corporation in which the state officer,
- 27 candidate, or the employee or that individual's spouse or
- 28 unemancipated children own stock or stock options having a fair
- 29 market value in excess of ten thousand dollars (\$10,000).
- 30 However, if the stock is held in a blind trust, the name of the
- 31 administrator of the trust must be disclosed on the statement
- 32 instead of the name of the corporation. A time or demand deposit
- 33 in a financial institution or insurance policy need not be listed.
- 34 (8) The name and address of the most recent former employer.
- 35 (9) Additional information that the person making the disclosure
- 36 chooses to include.
- 37 Any such state officer, candidate, or employee may file an amended
- 38 statement upon discovery of additional information required to be
- 39 reported.
- 40 (d) A person who:
- 41 (1) fails to file a statement required by rule or this section in a
- 42 timely manner; or



1 (2) files a deficient statement;
 2 upon a majority vote of the commission, is subject to a civil penalty at
 3 a rate of not more than ten dollars (\$10) for each day the statement
 4 remains delinquent or deficient. The maximum penalty under this
 5 subsection is one thousand dollars (\$1,000).

6 (e) A person who intentionally or knowingly files a false statement
 7 commits a Class A infraction.

8 SECTION 12. IC 4-3-6-2, AS AMENDED BY P.L.215-2016,
 9 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2017]: Sec. 2. As used in this chapter:

11 (1) "Agency" means any executive or administrative department,
 12 commission, council, board, bureau, division, service, office,
 13 officer, administration, or other establishment in the executive or
 14 administrative branch of the state government not provided for by
 15 the constitution. The term "agency":

16 (A) does not include the secretary of state, the auditor of state,
 17 the treasurer of state, the lieutenant governor, **(before**
 18 **January 11, 2021)** the state superintendent of public
 19 instruction, and **(before January 11, 2021)** the attorney
 20 general, nor the departments of which they are, by the statutes
 21 first adopted setting out their duties, the administrative heads;
 22 **and**

23 **(B) after January 10, 2021, includes the state**
 24 **superintendent of public instruction, the attorney general,**
 25 **and the departments of which the superintendent of public**
 26 **instruction and the attorney general are, by the statutes**
 27 **first adopted setting out their respective duties, the**
 28 **administrative head.**

29 (2) "Reorganization" means:

30 (A) the transfer of the whole or any part of any agency, or of
 31 the whole or any part of the functions of an agency, to the
 32 jurisdiction and control of any other agency;

33 (B) the abolition of all or any part of the functions of any
 34 agency;

35 (C) the consolidation or coordination of the whole or any part
 36 of any agency, or of the whole or any part of the functions of
 37 an agency, with the whole or any part of any other agency or
 38 the functions of an agency;

39 (D) the consolidation or coordination of any part of any agency
 40 or the functions of an agency, with any other part of the same
 41 agency or the functions of the agency;

42 (E) the authorization of any officer to delegate any of the



1 officer's functions; or
 2 (F) the abolition of the whole or any part of any agency which
 3 agency or part does not have, or upon the taking effect of a
 4 reorganization plan will not have, any functions.

5 SECTION 13. IC 4-6-1-2 IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 2. (a)
 7 There is created the office of **the** attorney general. ~~for the state to be~~

8 (b) **The office of the attorney general shall be** administered by an
 9 attorney general. ~~who~~

10 (c) **This subsection applies to the attorney general elected at the**
 11 **November 8, 2016, general election. The attorney general** shall be
 12 elected under IC 3-10-2-6 by the voters of the state. The term of office
 13 of the attorney general is four (4) years, beginning on the second
 14 Monday in January after election and continuing until a successor is
 15 ~~elected and qualified.~~ **appointed under subsection (d).**
 16 **Notwithstanding any other law, if the attorney general elected at**
 17 **the November 8, 2016, general election does not complete the term**
 18 **of office described in this subsection, the governor shall appoint an**
 19 **individual as attorney general in the manner provided in**
 20 **subsection (d).**

21 (d) **After January 10, 2021, the governor shall appoint an**
 22 **individual as attorney general. The individual appointed under this**
 23 **subsection serves at the governor's pleasure and at a salary**
 24 **determined by the governor.**

25 SECTION 14. IC 4-12-1-13, AS AMENDED BY P.L.213-2015,
 26 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2017]: Sec. 13. (a) During the interval between sessions of the
 28 general assembly, the budget agency shall make regular or, at the
 29 request of the governor, special inspections of the respective
 30 institutions of the state supported by public funds. The budget agency
 31 shall report regularly to the governor relative to the physical condition
 32 of such institutions, and any contemplated action of the institution on
 33 a new or important matter, and on any other subject which such agency
 34 may deem pertinent or on which the governor may require information.
 35 The budget agency shall likewise familiarize itself with the best and
 36 approved practices in each of such institutions and supply such
 37 information to other institutions to make their operation more efficient
 38 and economical.

39 (b) Except as to officers and employees of state educational
 40 institutions, the executive secretary of the governor, the administrative
 41 assistants to the governor, the elected officials, and persons whose
 42 salaries or compensation are fixed by the governor pursuant to law, the



1 annual compensation of all persons employed by agencies of the state
2 shall be subject to the approval of the budget agency. Except as
3 otherwise provided by IC 4-15-2.2, the budget agency shall establish
4 classifications and schedules for fixing compensation, salaries, and
5 wages of all classes and types of employees of any state agency or state
6 agencies, and any and all other such classifications affecting
7 compensation as the budget agency shall deem necessary or desirable.
8 The classifications and schedules thus established shall be filed in the
9 office of the budget agency. Requests by an appointing authority for
10 salary and wage adjustments or personal service payments coming
11 within such classifications and schedules shall become effective when
12 approved by, and upon the terms of approval fixed by, the budget
13 agency. All personnel requests pertaining to the staffing of programs
14 or agencies supported in whole or in part by federal funds are subject
15 to review and approval by the state personnel department under
16 IC 4-15-2.2.

17 (c) The budget agency shall review and approve, for the sufficiency
18 of funds, all payments for personal services which are submitted to the
19 auditor of state for payment.

20 (d) The budget agency shall review all contracts for personal
21 services or other services and no contract for personal services or other
22 services may be entered into by any agency of the state before the
23 written approval of the budget agency is given. Each demand for
24 payment submitted by an agency to the auditor of state under these
25 contracts must be accompanied by a copy of the budget agency
26 approval. No payment may be made by the auditor of state without
27 such approval. However, this subsection does not apply to a contract
28 entered into by:

29 (1) a state educational institution; or

30 (2) an agency of the state if the contract is not required to be
31 approved by the budget agency under IC 4-13-2-14.1.

32 (e) The budget agency shall review and approve the policy and
33 procedures governing travel prepared by the department of
34 administration under IC 4-13-1, before the travel policies and
35 procedures are distributed.

36 (f) Except as provided in subsections (g), (h), and (i), the budget
37 agency may adopt such policies and procedures not inconsistent with
38 law as it may deem advisable to facilitate and carry out the powers and
39 duties of the agency, including the execution and administration of all
40 appropriations made by law. IC 4-22-2 does not apply to these policies
41 and procedures.

42 (g) The budget agency may not enforce or apply any policy or



1 procedure, unless specifically authorized by this chapter or an
 2 applicable statute, against or in relation to the following officials or
 3 agencies, unless the official or agency consents to comply with the
 4 policy or procedure, or emergency circumstances justify extraordinary
 5 measures to protect the state's budget or fiscal reserves:

- 6 (1) The judicial department of the state.
- 7 (2) The general assembly, the legislative services agency, or any
 8 other entity of the legislative department of the state.
- 9 (3) The attorney general. **This subdivision does not apply after
 10 January 10, 2021.**
- 11 (4) The auditor of state.
- 12 (5) The secretary of state.
- 13 (6) The superintendent of public instruction. **This subdivision
 14 does not apply after January 10, 2021.**
- 15 (7) The treasurer of state.

16 (h) The budget agency may not enforce a policy or procedure
 17 against an official or an agency ~~specified in subsection (g)(1) through~~
 18 ~~(g)(7) to which subsection (g) applies~~ by refusing to allot money from
 19 the personal services/fringe benefits contingency fund to the official or
 20 agency.

21 (i) The budget agency may not withhold or refuse to allot
 22 appropriations for a state educational institution without review by the
 23 budget committee.

24 SECTION 15. IC 4-15-2.2-1, AS AMENDED BY P.L.121-2016,
 25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2017]: Sec. 1. (a) Except as provided in subsection (b), this
 27 chapter applies to employees of a governmental entity that exercises
 28 any of the executive powers of the state under the direction of the
 29 governor or lieutenant governor.

30 (b) This chapter does not apply to the following:

- 31 (1) The legislative department of state government.
- 32 (2) The judicial department of state government.
- 33 (3) The following state elected officers and their personal staffs:
 34 (A) The governor.
 35 (B) The lieutenant governor.
 36 (C) The secretary of state.
 37 (D) The treasurer of state.
 38 (E) The auditor of state.
 39 (F) The superintendent of public instruction. **This clause does
 40 not apply after January 10, 2021.**
 41 (G) The attorney general. **This clause does not apply after
 42 January 10, 2021.**



- 1 (4) A body corporate and politic of the state created by state
2 statute.
- 3 (5) A political subdivision (as defined in IC 36-1-2-13).
- 4 (6) An inmate who is working in a state penal, charitable,
5 correctional, or benevolent institution.
- 6 (7) The state police department.
- 7 (c) This subsection does not apply to a political subdivision, the
8 ports of Indiana (established by IC 8-10-1-3), or the northern Indiana
9 commuter transportation district (established under IC 8-5-15). The
10 chief executive officer of a governmental entity that is exempt from this
11 chapter under subsection (b) may elect to have this chapter apply to all
12 or a part of the entity's employees by submitting a written notice of the
13 election to the director.
- 14 SECTION 16. IC 5-14-3-3.5, AS AMENDED BY P.L.177-2005,
15 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2017]: Sec. 3.5. (a) As used in this section, "state agency" has
17 the meaning set forth in IC 4-13-1-1. The term does not include the
18 office of the following elected state officials:
- 19 (1) Secretary of state.
- 20 (2) Auditor.
- 21 (3) Treasurer.
- 22 (4) Attorney general. **This subdivision does not apply after**
23 **January 10, 2021.**
- 24 (5) Superintendent of public instruction. **This subdivision does**
25 **not apply after January 10, 2021.**
- 26 However, each state office described in subdivisions (1) through (5)
27 and the judicial department of state government may use the computer
28 gateway administered by the office of technology established by
29 IC 4-13.1-2-1, subject to the requirements of this section.
- 30 (b) As an additional means of inspecting and copying public
31 records, a state agency may provide enhanced access to public records
32 maintained by the state agency.
- 33 (c) If the state agency has entered into a contract with a third party
34 under which the state agency provides enhanced access to the person
35 through the third party's computer gateway or otherwise, all of the
36 following apply to the contract:
- 37 (1) The contract between the state agency and the third party must
38 provide for the protection of public records in accordance with
39 subsection (d).
- 40 (2) The contract between the state agency and the third party may
41 provide for the payment of a reasonable fee to the state agency by
42 either:



- 1 (A) the third party; or
 2 (B) the person.
- 3 (d) A contract required by this section must provide that the person
 4 and the third party will not engage in the following:
 5 (1) Unauthorized enhanced access to public records.
 6 (2) Unauthorized alteration of public records.
 7 (3) Disclosure of confidential public records.
- 8 (e) A state agency shall provide enhanced access to public records
 9 only through the computer gateway administered by the office of
 10 technology.
- 11 SECTION 17. IC 20-19-1-1, AS ADDED BY P.L.1-2005,
 12 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 1. (a) **Before January**
 14 **1, 2017**, the state superintendent shall be elected under IC 3-10-2-6 by
 15 the voters of Indiana.
- 16 (b) The term of office of the state superintendent is four (4) years:
 17 (1) beginning on the second Monday in January after election;
 18 and
 19 (2) continuing until a successor is elected **or appointed** and
 20 qualified.
- 21 (c) **This section expires July 1, 2021.**
- 22 SECTION 18. IC 20-19-1-1.1 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2017]: Sec. 1.1. (a) **After January 10, 2021,**
 25 **the governor shall appoint an individual to be the state**
 26 **superintendent from the names submitted to the governor under**
 27 **subsection (c).**
- 28 (b) **The individual appointed under this section serves at the**
 29 **pleasure of and at a salary determined by the governor.**
- 30 (c) **When a vacancy occurs in the office of state superintendent,**
 31 **the state board shall submit the nominations of three (3) candidates**
 32 **for the vacancy and certify them to the governor as promptly as**
 33 **possible, but not later than sixty (60) days after the time the**
 34 **vacancy occurs. If it is known that a vacancy will occur at a**
 35 **definite future date but the vacancy has not yet occurred, the state**
 36 **board must, not later than sixty (60) days after receiving notice of**
 37 **the vacancy, make nominations and submit to the governor the**
 38 **names of three (3) individuals nominated for the future vacancy.**
 39 **The state board shall submit, from those names the state board**
 40 **considers for a vacancy under this subsection, the names of only**
 41 **the most highly qualified candidates to be state superintendent.**
- 42 (d) **The state superintendent is the chief executive officer of the**



1 **department.**
2 **SECTION 19. An emergency is declared for this act.**

