



Reprinted  
February 15, 2019

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## HOUSE BILL No. 1223

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DIGEST OF HB 1223 (Updated February 14, 2019 12:44 pm - DI 125)

**Citations Affected:** IC 4-2; IC 4-15; IC 4-21.5; IC 4-33; IC 5-2; IC 16-19; IC 16-21; IC 16-25; IC 16-27; IC 16-28; IC 22-9; IC 23-2; IC 23-19; noncode.

**Synopsis:** Administrative law judges. Establishes the office of administrative law proceedings (office) within the state personnel department to hear certain administrative proceedings that result in a finding of fact determining the legal rights, duties, or privileges of a party after an opportunity for an evidentiary hearing. Specifies the administrative proceedings over which the office has jurisdiction. Provides a list of agencies over whose administrative proceedings the administrative law judges from the office do not preside. Provides that the office shall have a director who is responsible for administering the office, hiring administrative law judges, and assigning administrative law judges to administrative proceedings. Makes conforming amendments.

**Effective:** Upon passage; July 1, 2019; January 1, 2020.

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**Steuerwald, Bosma, Borders,  
DeLaney**

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January 10, 2019, read first time and referred to Committee on Judiciary.  
February 11, 2019, amended, reported — Do Pass.  
February 14, 2019, read second time, amended, ordered engrossed.

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HB 1223—LS 7070/DI 125





Reprinted  
February 15, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1223

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

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

- 1 SECTION 1. IC 4-2-7-3, AS AMENDED BY P.L.72-2014,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 3. The inspector general shall do the  
4 following:
- 5 (1) Initiate, supervise, and coordinate investigations.
  - 6 (2) Recommend policies and carry out other activities designed to  
7 deter, detect, and eradicate fraud, waste, abuse, mismanagement,  
8 and misconduct in state government.
  - 9 (3) Receive complaints alleging the following:
    - 10 (A) A violation of the code of ethics.
    - 11 (B) Bribery (IC 35-44.1-1-2).
    - 12 (C) Official misconduct (IC 35-44.1-1-1).
    - 13 (D) Conflict of interest (IC 35-44.1-1-4).
    - 14 (E) Profiteering from public service (IC 35-44.1-1-5).
    - 15 (F) A violation of the executive branch lobbying rules.
    - 16 (G) A violation of a statute or rule relating to the purchase of  
17 goods or services by a current or former employee, state

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- 1 officer, special state appointee, lobbyist, or person who has a  
 2 business relationship with an agency.
- 3 (4) If the inspector general has reasonable cause to believe that a  
 4 crime has occurred or is occurring, report the suspected crime to:  
 5 (A) the governor; and  
 6 (B) appropriate state or federal law enforcement agencies and  
 7 prosecuting authorities having jurisdiction over the matter.
- 8 (5) Adopt rules under IC 4-22-2 to implement IC 4-2-6 and this  
 9 chapter.
- 10 (6) Adopt rules under IC 4-22-2 and section 5 of this chapter to  
 11 implement a code of ethics.
- 12 (7) Ensure that every:  
 13 (A) employee;  
 14 (B) state officer;  
 15 (C) special state appointee; and  
 16 (D) person who has a business relationship with an agency;  
 17 is properly trained in the code of ethics.
- 18 (8) Provide advice to an agency on developing, implementing,  
 19 and enforcing policies and procedures to prevent or reduce the  
 20 risk of fraudulent or wrongful acts within the agency.
- 21 (9) Recommend legislation to the governor and general assembly  
 22 to strengthen public integrity laws, including the code of ethics  
 23 for state officers, employees, special state appointees, and persons  
 24 who have a business relationship with an agency, including  
 25 whether additional specific state officers, employees, or special  
 26 state appointees should be required to file a financial disclosure  
 27 statement under IC 4-2-6-8.
- 28 (10) Annually submit a report to the legislative council detailing  
 29 the inspector general's activities. The report must be in an  
 30 electronic format under IC 5-14-6.
- 31 (11) Prescribe and provide forms for statements required to be  
 32 filed under IC 4-2-6 or this chapter.
- 33 (12) Accept and file information that:  
 34 (A) is voluntarily supplied; and  
 35 (B) exceeds the requirements of this chapter.
- 36 (13) Inspect financial disclosure forms.
- 37 (14) Notify persons who fail to file forms required under IC 4-2-6  
 38 or this chapter.
- 39 (15) Develop a filing, a coding, and an indexing system required  
 40 by IC 4-2-6 and IC 35-44.1-1.
- 41 (16) Prepare interpretive and educational materials and programs.
- 42 (17) Adopt rules under IC 4-22-2 and section 9 of this chapter to



1           implement a statewide code of judicial conduct for administrative  
2           law judges. The inspector general may adopt emergency rules in  
3           the manner provided under IC 4-22-2-37.1 to implement a  
4           statewide code of judicial conduct for administrative law judges.

5           SECTION 2. IC 4-2-7-9 IS REPEALED [EFFECTIVE UPON  
6           PASSAGE]. Sec. 9: (a) The inspector general shall adopt rules under  
7           IC 4-22-2 establishing a statewide code of judicial conduct for  
8           administrative law judges. The statewide code of judicial conduct for  
9           administrative law judges must apply to every person acting as an  
10          administrative law judge for a state agency.

11          (b) The inspector general:

12           (1) shall review 312 IAC 3-1-2.5 and 315 IAC 1-1-2 in adopting  
13           a statewide code of judicial conduct for administrative law judges;  
14           and

15           (2) may base the statewide code of judicial conduct for  
16           administrative law judges on 312 IAC 3-1-2.5 and 315 IAC 1-1-2.

17          (c) A state agency may adopt rules under IC 4-22-2 to establish a  
18          supplemental code of judicial conduct for a person acting as an  
19          administrative law judge for that agency; if the supplemental code is at  
20          least as restrictive as the statewide code of judicial conduct for  
21          administrative law judges.

22          (d) The inspector general may adopt emergency rules in the manner  
23          provided under IC 4-22-2-37.1 to implement a statewide code of  
24          judicial conduct for administrative law judges.

25          (e) The statewide code of judicial conduct for administrative law  
26          judges shall be enforced under IC 4-21.5. The inspector general is not  
27          responsible for enforcing the statewide code of judicial conduct for  
28          administrative law judges or for investigating a possible violation of the  
29          statewide code.

30          SECTION 3. IC 4-15-2.2-15, AS ADDED BY P.L.229-2011,  
31          SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32          UPON PASSAGE]: Sec. 15. The director shall do the following:

33           (1) Direct and supervise all administrative and technical activities  
34           of the department.

35           (2) Survey the administrative organization and procedures,  
36           including personnel procedures, of all state agencies, and submit  
37           to the governor measures to do the following among state  
38           agencies:

39           (A) Secure greater efficiency and economy.

40           (B) Minimize the duplication of activities.

41           (C) Effect better organization and procedures.

42           (3) Develop personnel policies, methods, procedures, and



- 1 standards for all state agencies.
- 2 (4) Establish and maintain a roster of all employees in the state
- 3 civil service.
- 4 (5) Prepare, or cause to be prepared, a classification and pay plan
- 5 for the state civil service.
- 6 (6) Administer the classification and pay plan prepared under
- 7 subdivision (5).
- 8 (7) Allocate each position in the state civil service to its proper
- 9 class.
- 10 (8) Approve individuals for appointment to positions in the state
- 11 civil service.
- 12 (9) Approve employees for transfer, demotion, or promotion
- 13 within the state civil service.
- 14 (10) Approve employees for suspension, layoff, or dismissal from
- 15 the state civil service.
- 16 (11) Rate the service of employees.
- 17 (12) Arrange, in cooperation with the directors of the divisions of
- 18 the service, for employee training.
- 19 (13) Make available employee relations specialists to help
- 20 employees:
- 21 (A) resolve employment related problems; and
- 22 (B) understand the procedures that are available for redress of
- 23 grievances that the employee relations specialists do not
- 24 resolve.
- 25 (14) Investigate systems of appointment and promotion in
- 26 operation in various departments or divisions of the state
- 27 government.
- 28 (15) Investigate and approve the need for existing and new
- 29 positions in the state civil service.
- 30 (16) Investigate periodically the operation and effectiveness of
- 31 this chapter and rules adopted under this chapter.
- 32 (17) Implement, administer, and enforce this chapter and rules
- 33 and policies adopted under this chapter.
- 34 (18) Appoint employees, experts, and special assistants, as
- 35 necessary, to effectively carry out this chapter.
- 36 (19) Perform any other lawful acts that the director considers
- 37 necessary or desirable to carry out this chapter.
- 38 (20) Perform any other duties imposed by this chapter or assigned
- 39 by the governor.
- 40 **(21) Provide offices, rooms, and staff assistance to the office**
- 41 **of administrative law proceedings established by**
- 42 **IC 4-15-10.5-7.**



1 SECTION 4. IC 4-15-10.5 IS ADDED TO THE INDIANA CODE  
 2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 3 UPON PASSAGE]:

4 **Chapter 10.5. Office of Administrative Law Proceedings**

5 **Sec. 1. (a) Beginning July 1, 2020, this chapter applies when an**  
 6 **agency assigns, appoints, or otherwise makes use of an individual**  
 7 **to act in the capacity of an administrative law judge to preside over**  
 8 **administrative proceedings to review a disputed agency action for**  
 9 **the agency.**

10 **(b) Except as provided in subsection (c) and section 2 of this**  
 11 **chapter, this chapter applies to each state agency that employs or**  
 12 **engages one (1) or more administrative law judges to adjudicate**  
 13 **contested cases.**

14 **(c) This chapter does not apply to an agency that uses a board**  
 15 **or commission to act in the capacity of an administrative law judge**  
 16 **to preside over administrative proceedings, and should not be**  
 17 **construed as limiting an agency's ability to use its board or**  
 18 **commission to act in the capacity of an administrative law judge to**  
 19 **preside over administrative proceedings to review a disputed**  
 20 **agency action for the agency.**

21 **Sec. 2. This chapter does not apply to:**

- 22 (1) the department of workforce development;
- 23 (2) the unemployment insurance review board of the
- 24 department of workforce development;
- 25 (3) the worker's compensation board of Indiana;
- 26 (4) the Indiana utility regulatory commission;
- 27 (5) the department of state revenue;
- 28 (6) the department of local government finance;
- 29 (7) the Indiana board of tax review;
- 30 (8) the natural resources commission;
- 31 (9) the office of environmental adjudication;
- 32 (10) the Indiana education employment relations board; or
- 33 (11) any other agency or proceeding determined by the
- 34 governor to be exempt from this chapter for good cause.

35 **Sec. 3. As used in this chapter, "administrative law judge"**  
 36 **means an individual who presides over an administrative**  
 37 **proceeding that results in a finding of fact determining the legal**  
 38 **rights, duties, or privileges of a party after an opportunity for an**  
 39 **evidentiary hearing.**

40 **Sec. 4. As used in this chapter, "agency" means an authority,**  
 41 **board, branch, bureau, commission, committee, council,**  
 42 **department, division, office, service, or other instrumentality of the**



1 executive, including the administrative, department of state  
2 government. The term does not include any of the following:

- 3 (1) Any body corporate and politic set up as an  
4 instrumentality of the state.  
5 (2) Any private, nonprofit, government related corporation.  
6 (3) The judicial department of state government.  
7 (4) The legislative department of state government.  
8 (5) A state educational institution.  
9 (6) A political subdivision.

10 Sec. 5. As used in this chapter, "director" means the director of  
11 the office of administrative law proceedings.

12 Sec. 6. As used in this chapter, "office" means the office of  
13 administrative law proceedings established by section 7 of this  
14 chapter. The term includes the director.

15 Sec. 7. The office of administrative law proceedings is  
16 established as a separate department within the state personnel  
17 department.

18 Sec. 8. The office shall have a director who is responsible for  
19 administering the office. The governor shall appoint the director.

20 Sec. 9. The state personnel department shall provide offices,  
21 rooms, and staff assistance to the director for the office.

22 Sec. 10. The director shall do the following:

- 23 (1) Hire administrative law judges and other employees as  
24 necessary to carry out the purposes of this chapter.  
25 (2) Assign administrative law judges from the office to preside  
26 over administrative proceedings.  
27 (3) Adopt rules under IC 4-22-2 establishing a code of judicial  
28 conduct for administrative law judges. The code of judicial  
29 conduct for administrative law judges applies to each person  
30 acting as an administrative law judge for the office.  
31 (4) Receive complaints alleging violations of the code of  
32 judicial conduct for administrative law judges, investigate the  
33 complaints, and take administrative or disciplinary action as  
34 deemed appropriate and warranted.  
35 (5) Establish and administer a program to train and educate  
36 administrative law judges.  
37 (6) Require all administrative law judges for the office to  
38 annually complete a number of hours of training and  
39 education determined by the director.  
40 (7) Provide and coordinate education for administrative law  
41 judges on the code of judicial conduct for administrative law  
42 judges, professionalism, administrative practices, and other





1 subjects necessary to carry out the purposes of this chapter.  
 2 (8) Render advisory opinions to administrative law judges  
 3 concerning the code of judicial conduct for administrative law  
 4 judges. Information and advice contained in an advisory  
 5 opinion are considered:

6 (A) specific to the person who requests the opinion and to  
 7 the facts presented; and

8 (B) confidential records under IC 5-14-3-4(b)(6).

9 (9) Consult with agency heads on hiring and performance  
 10 evaluations of administrative law judges for the agencies of  
 11 the agency heads.

12 Sec. 11. The office may:

13 (1) enter into contracts or agreements; and

14 (2) adopt rules under IC 4-22-2;

15 necessary to carry out the purposes of this chapter.

16 Sec. 12. (a) Beginning July 1, 2020, and except as provided in  
 17 sections 1 and 2 of this chapter, the office has jurisdiction over all  
 18 administrative proceedings concerning agency administrative  
 19 actions under:

20 (1) IC 4-21.5; or

21 (2) any other statute that requires or allows the office to take  
 22 action.

23 (b) Notwithstanding anything in this chapter or any other  
 24 statute to the contrary, the office shall not be considered the  
 25 ultimate authority in any administrative proceeding, and a decision  
 26 by the office in an administrative proceeding is not a final agency  
 27 action.

28 Sec. 13. (a) The director shall assign one (1) or more  
 29 administrative law judges to:

30 (1) one (1) or more agencies to handle all administrative  
 31 proceedings filed with that agency or agencies; or

32 (2) preside over any administrative proceeding filed within an  
 33 agency.

34 (b) When assigning an administrative law judge to an agency or  
 35 an administrative proceeding, the director shall consider an  
 36 administrative law judge's experience, technical competence, and  
 37 specialized knowledge.

38 Sec. 14. (a) The procedures of the office in an administrative  
 39 proceeding are governed by:

40 (1) IC 4-21.5; or

41 (2) if IC 4-21.5 does not apply, any other statute that governs  
 42 an agency's administrative proceedings.



1           **(b) The office shall render its decisions in writing.**

2           **Sec. 15. An administrative law judge employed by the office**  
3 **must be:**

4           **(1) a citizen of Indiana; and**

5           **(2) an attorney in good standing admitted to the practice of**  
6 **law in Indiana.**

7           **Sec. 16. An agency must provide office space, hearing rooms,**  
8 **and administrative support for administrative proceedings for the**  
9 **agency.**

10          SECTION 5. IC 4-21.5-1-2 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. "Administrative law  
12 judge" refers to:

13          **(1) before July 1, 2020,** an individual or panel of individuals  
14 acting in the capacity of an administrative law judge in a  
15 proceeding; **and**

16          **(2) after June 30, 2020:**

17               **(A) an administrative law judge assigned to preside over a**  
18 **proceeding by the director of the office of administrative**  
19 **law proceedings; or**

20               **(B) a board or commission acting in the capacity of an**  
21 **administrative law judge to preside over a proceeding for**  
22 **the agency.**

23          SECTION 6. IC 4-21.5-1-8.5 IS ADDED TO THE INDIANA  
24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
25 [EFFECTIVE JULY 1, 2019]: **Sec. 8.5. "Office of administrative law**  
26 **proceedings" refers to the office of administrative law proceedings**  
27 **established by IC 4-15-10.5-7. The term includes an administrative**  
28 **law judge or administrative law judges assigned to a proceeding by**  
29 **the office of administrative law proceedings.**

30          SECTION 7. IC 4-21.5-3-7, AS AMENDED BY P.L.6-2012,  
31 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2019]: Sec. 7. (a) To qualify for review of a personnel action  
33 to which IC 4-15-2.2 applies, a person must comply with  
34 IC 4-15-2.2-42. To qualify for review of any other order described in  
35 section 4, 5, or 6 of this chapter, a person must petition for review in a  
36 writing that does the following:

37               (1) States facts demonstrating that:

38                       **(A) the petitioner is a person to whom the order is specifically**  
39 **directed;**

40                       **(B) the petitioner is aggrieved or adversely affected by the**  
41 **order; or**

42                       **(C) the petitioner is entitled to review under any law.**



1 (2) Includes, with respect to determinations of notice of program  
 2 reimbursement and audit findings described in section 6(a)(3) and  
 3 6(a)(4) of this chapter, a statement of issues that includes:

4 (A) the specific findings, action, or determination of the office  
 5 of Medicaid policy and planning or of a contractor of the  
 6 office of Medicaid policy and planning from which the  
 7 provider is appealing;

8 (B) the reason the provider believes that the finding, action, or  
 9 determination of the office of Medicaid policy and planning or  
 10 of a contractor of the office of Medicaid policy and planning  
 11 was in error; and

12 (C) with respect to each finding, action, or determination of  
 13 the office of Medicaid policy and planning or of a contractor  
 14 of the office of Medicaid policy and planning, the statutes or  
 15 rules that support the provider's contentions of error.

16 Not more than thirty (30) days after filing a petition for review  
 17 under this section, and upon a finding of good cause by the  
 18 administrative law judge, a person may amend the statement of  
 19 issues contained in a petition for review to add one (1) or more  
 20 additional issues.

21 (3) Is filed:

22 (A) with respect to an order described in section 4, 5, 6(a)(1),  
 23 6(a)(2), or 6(a)(5) of this chapter, with the ultimate authority  
 24 for the agency issuing the order within fifteen (15) days after  
 25 the person is given notice of the order or any longer period set  
 26 by statute; or

27 (B) with respect to a determination described in section 6(a)(3)  
 28 or 6(a)(4) of this chapter, with the office of Medicaid policy  
 29 and planning not more than one hundred eighty (180) days  
 30 after the hospital is provided notice of the determination.

31 The issuance of an amended notice of program reimbursement by  
 32 the office of Medicaid policy and planning does not extend the  
 33 time within which a hospital must file a petition for review from  
 34 the original notice of program reimbursement under clause (B),  
 35 except for matters that are the subject of the amended notice of  
 36 program reimbursement.

37 If the petition for review is denied, the petition shall be treated as a  
 38 petition for intervention in any review initiated under subsection (d).

39 (b) If an agency denies a petition for review under subsection (a)  
 40 and the petitioner is not allowed to intervene as a party in a proceeding  
 41 resulting from the grant of the petition for review of another person, the  
 42 agency shall serve a written notice on the petitioner that includes the



1 following:

2 (1) A statement that the petition for review is denied.

3 (2) A brief explanation of the available procedures and the time

4 limit for seeking administrative review of the denial under

5 subsection (c).

6 (c) **Before July 1, 2020**, an agency shall assign an administrative

7 law judge, **and after June 30, 2020, an agency shall request**

8 **assignment of an administrative law judge by the office of**

9 **administrative law proceedings**, to conduct a preliminary hearing on

10 the issue of whether a person is qualified under subsection (a) to obtain

11 review of an order when a person requests reconsideration of the denial

12 of review in a writing that:

13 (1) states facts demonstrating that the person filed a petition for

14 review of an order described in section 4, 5, or 6 of this chapter;

15 (2) states facts demonstrating that the person was denied review

16 without an evidentiary hearing; and

17 (3) is filed with the ultimate authority for the agency denying the

18 review within fifteen (15) days after the notice required by

19 subsection (b) was served on the petitioner.

20 Notice of the preliminary hearing shall be given to the parties, each

21 person who has a pending petition for intervention in the proceeding,

22 and any other person described by section 5(d) of this chapter. The

23 resulting order must be served on the persons to whom notice of the

24 preliminary hearing must be given and include a statement of the facts

25 and law on which it is based.

26 (d) If a petition for review is granted, the petitioner becomes a party

27 to the proceeding and:

28 (1) **before July 1, 2020**, the agency shall assign the matter to an

29 administrative law judge or, **after June 30, 2020, request**

30 **assignment of an administrative law judge by the office of**

31 **administrative law proceedings; or**

32 (2) certify the matter to another agency for the assignment of an

33 administrative law judge (if a statute transfers responsibility for

34 a hearing on the matter to another agency).

35 The agency granting the administrative review or the agency to which

36 the matter is transferred may conduct informal proceedings to settle the

37 matter to the extent allowed by law.

38 SECTION 8. IC 4-21.5-3-8.5, AS ADDED BY P.L.72-2014,

39 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

40 JULY 1, 2019]: Sec. 8.5. (a) An agency may share an administrative

41 law judge with another agency:

42 (1) to avoid bias, prejudice, interest in the outcome, or another



- 1 conflict of interest;  
 2 (2) if a party requests a change of administrative law judge;  
 3 (3) to ease scheduling difficulties; or  
 4 (4) for another good cause.  
 5 An agency may adopt rules under IC 4-22-2 to implement this  
 6 subsection.  
 7 (b) To the extent practicable, an administrative law judge must have  
 8 expertise in the area of law being adjudicated.  
 9 (c) An agency shall post on the agency's Internet web site the:  
 10 (1) name;  
 11 (2) salary and other remuneration; and  
 12 (3) relevant professional experience;  
 13 of every person who serves as an administrative law judge for the  
 14 agency.  
 15 **(d) This section expires June 30, 2020.**  
 16 SECTION 9. IC 4-21.5-3-9, AS AMENDED BY P.L.72-2014,  
 17 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18 JULY 1, 2019]: Sec. 9. (a) Except to the extent that a statute other than  
 19 this article limits an agency's discretion to select an administrative law  
 20 judge, the ultimate authority for an agency may:  
 21 (1) act as an administrative law judge;  
 22 (2) designate one (1) or more members of the ultimate authority  
 23 (if the ultimate authority is a panel of individuals) to act as an  
 24 administrative law judge; or  
 25 (3) **before July 1, 2020**, designate one (1) or more:  
 26 (A) attorneys licensed to practice law in Indiana; or  
 27 (B) persons who served as administrative law judges for a state  
 28 agency before January 1, 2014;  
 29 to act as an administrative law judge. **After June 30, 2020, the**  
 30 **ultimate authority for an agency may request assignment of**  
 31 **an administrative law judge by the office of administrative**  
 32 **law proceedings.**  
 33 A person designated under subdivision (3) is not required to be an  
 34 employee of the agency. A designation under subdivision (2) or (3)  
 35 may be made in advance of the commencement of any particular  
 36 proceeding for a generally described class of proceedings or may be  
 37 made for a particular proceeding. A general designation may provide  
 38 procedures for the assignment of designated individuals to particular  
 39 proceedings.  
 40 (b) An agency may not knowingly assign an individual to serve  
 41 alone or with others as an administrative law judge who is subject to  
 42 disqualification under this chapter.



1 (c) If the **administrative law judge assigned to the proceeding**  
 2 believes that the judge's impartiality might reasonably be questioned,  
 3 or believes that the judge's personal bias, prejudice, or knowledge of a  
 4 disputed evidentiary fact might influence the decision, ~~an individual~~  
 5 ~~assigned to serve alone or with others as an the~~ administrative law  
 6 judge shall:

- 7 (1) withdraw as the administrative law judge; or  
 8 (2) inform the parties of the potential basis for disqualification,  
 9 place a brief statement of this basis on the record of the  
 10 proceeding, and allow the parties an opportunity to petition for  
 11 disqualification under subsection (d).

12 (d) Any party to a proceeding may petition for the disqualification  
 13 of an ~~individual serving alone or with others as an~~ administrative law  
 14 judge upon discovering facts establishing grounds for disqualification  
 15 under this chapter. The administrative law judge assigned to the  
 16 proceeding shall determine whether to grant the petition, stating facts  
 17 and reasons for the determination.

18 (e) If the administrative law judge ruling on the disqualification  
 19 issue is not the ultimate authority for the agency, the party petitioning  
 20 for disqualification may petition the ultimate authority in writing for  
 21 review of the ruling within ten (10) days after notice of the ruling is  
 22 served. The ultimate authority shall conduct proceedings described by  
 23 section 28 of this chapter to review the petition and affirm, modify, or  
 24 dissolve the ruling within thirty (30) days after the petition is filed. A  
 25 determination by the ultimate authority under this subsection is a final  
 26 order subject to judicial review under IC 4-21.5-5.

27 ~~(e)~~ (f) If a substitute is required for an administrative law judge who  
 28 is disqualified or becomes unavailable for any other reason, the  
 29 substitute must be appointed in accordance with subsection (a).

30 ~~(f)~~ (g) Any action taken by a duly appointed substitute for a  
 31 disqualified or unavailable administrative law judge is as effective as  
 32 if taken by the latter.

33 ~~(g)~~ (h) If there is a reasonable likelihood that the ultimate authority  
 34 will be called upon to:

- 35 (1) review; or  
 36 (2) issue a final order with respect to;

37 a matter pending before or adjudicated by an administrative law judge,  
 38 the provisions of section 11 of this chapter that apply to an  
 39 administrative law judge or to a person communicating with an  
 40 administrative law judge apply to a member of the ultimate authority  
 41 and to a person communicating with a member of the ultimate  
 42 authority.



1 SECTION 10. IC 4-21.5-3-10, AS AMENDED BY P.L.32-2011,  
 2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2019]: Sec. 10. (a) ~~Any individual serving or designated to~~  
 4 ~~serve alone or with others~~ as An administrative law judge is subject to  
 5 disqualification for:

- 6 (1) bias, prejudice, or interest in the outcome of a proceeding;  
 7 (2) failure to dispose of the subject of a proceeding in an orderly  
 8 and reasonably prompt manner after a written request by a party;  
 9 (3) unless waived or extended with the written consent of all  
 10 parties or for good cause shown, failure to issue an order not later  
 11 than ninety (90) days after the latest of:

12 (A) the filing of a motion to dismiss or a motion for summary  
 13 judgment under section 23 of this chapter that is filed after  
 14 June 30, 2011;

15 (B) the conclusion of a hearing that begins after June 30, 2011;  
 16 or

17 (C) the completion of any schedule set for briefing or for  
 18 submittal of proposed findings of fact and conclusions of law  
 19 for a disposition under clauses (A) or (B); or

- 20 (4) any cause for which a judge of a court may be disqualified.

21 **Before July 1, 2020**, nothing in this subsection prohibits an individual  
 22 who is an employee of an agency from serving as an administrative law  
 23 judge.

24 (b) This subsection does not apply to a proceeding concerning a  
 25 regulated occupation (as defined in IC 25-1-7-1), except for a  
 26 proceeding concerning a water well driller (as described in IC 25-39-3)  
 27 or an out of state mobile health care entity regulated by the state  
 28 department of health. An individual who is disqualified under  
 29 subsection (a)(2) or (a)(3) shall provide the parties a list of at least  
 30 three (3) special administrative law judges who meet the requirements  
 31 of

32 (1) IC 4-21.5-7-6, if the case is pending in the office of  
 33 environmental adjudication.

34 (2) IC 14-10-2-2, if the case is pending before the division of  
 35 hearings of the natural resources commission; or

36 (3) **subject to subsection (d)**, any other statute or rule governing  
 37 qualification to serve an agency other than those described in  
 38 subdivision (1) or (2).

39 Subject to subsection (c), the parties may agree to the selection of one  
 40 (1) individual from the list.

41 (c) If the parties do not agree to the selection of an individual as  
 42 provided in subsection (b) not later than ten (10) days after the parties



1 are provided a list of judges under subsection (b), a special  
 2 administrative law judge who meets the requirements of subsection (b)  
 3 shall be selected under the procedure set forth in Trial Rule 79(D),  
 4 79(E), or 79(F).

5 **(d) This subsection applies after June 30, 2020. If an**  
 6 **administrative law judge is disqualified under this section, the**  
 7 **director of the office of administrative law proceedings shall assign**  
 8 **another administrative law judge.**

9 SECTION 11. IC 4-21.5-3-13 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) An individual  
 11 who has served as investigator, prosecutor, or advocate in a proceeding  
 12 or in its preadjudicative stage may not serve as an administrative law  
 13 judge or assist or advise the administrative law judge in the same  
 14 proceeding.

15 (b) An individual who is subject to the authority, direction, or  
 16 discretion of an individual who has served as investigator, prosecutor,  
 17 or advocate in a proceeding or in its preadjudicative stage may not  
 18 serve as an administrative law judge or assist or advise the  
 19 administrative law judge in the same proceeding.

20 (c) An individual who has made a determination of probable cause  
 21 or other equivalent preliminary determination in a proceeding may  
 22 serve as an administrative law judge or assist or advise the  
 23 administrative law judge in the same proceeding, unless a party  
 24 demonstrates grounds for disqualification under section 10 of this  
 25 chapter. **This subsection expires June 30, 2020.**

26 (d) An individual may serve as an administrative law judge or a  
 27 person presiding under sections 28, 29, 30, and 31 of this chapter at  
 28 successive stages of the same proceeding, unless a party demonstrates  
 29 grounds for disqualification under section 10 of this chapter. **This**  
 30 **subsection expires June 30, 2020.**

31 (e) A violation of this section is subject to the sanctions under  
 32 sections 36 and 37 of this chapter.

33 SECTION 12. IC 4-21.5-3.5-21 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 21. (a) If the parties do  
 35 not reach an agreement on any matter as a result of mediation, the  
 36 mediator shall report the lack of an agreement without comment or  
 37 recommendation to the administrative law judge assigned to the  
 38 proceeding. With the consent of the parties, the mediator's report may  
 39 also identify any pending motions or outstanding legal issues,  
 40 discovery process, or other action by any party that, if resolved or  
 41 completed, would facilitate the possibility of a settlement.

42 (b) An agreement as a result of mediation must be in writing and





1 signed by the parties. The agreement must be filed with the  
 2 administrative law judge assigned to the proceeding. If the agreement  
 3 is complete on all issues, it must be accompanied by a joint stipulation  
 4 of disposition. Upon approval of a joint stipulation of disposition by the  
 5 administrative law judge, it has the same force and effect as an agreed  
 6 order approved by ~~an~~ **the** administrative law judge. ~~from the agency~~  
 7 ~~involved.~~

8 (c) An approved joint stipulation of disposition under this chapter  
 9 is considered a contract between the parties.

10 SECTION 13. IC 4-33-3-23 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 23. (a) A commission  
 12 member, ~~or before July 1, 2020~~, an administrative law judge appointed  
 13 by the commission, ~~or, after June 30, 2020~~, **an administrative law**  
 14 **judge (as defined in IC 4-21.5-1-2)** may do the following:

15 (1) Conduct a hearing authorized under this article.

16 (2) Recommend findings of fact and decisions to the commission.

17 (b) The commission member or administrative law judge conducting  
 18 a hearing has all the powers and rights granted to the commission. A  
 19 hearing under this article shall be conducted under IC 4-21.5.

20 (c) When conducting a public hearing, the commission shall not  
 21 limit the number of speakers who may testify. However, the  
 22 commission may set reasonable time limits on the length of an  
 23 individual's testimony or the total amount of time allotted to proponents  
 24 and opponents of an issue before the commission.

25 SECTION 14. IC 4-33-19-4, AS ADDED BY P.L.227-2007,  
 26 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JANUARY 1, 2020]: Sec. 4. The commission shall hire ~~an~~  
 28 ~~administrative law judge~~, attorneys and other personnel necessary to  
 29 carry out the division's duties under this chapter.

30 SECTION 15. IC 4-33-19-8, AS ADDED BY P.L.227-2007,  
 31 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2019]: Sec. 8. (a) A memorandum of understanding required  
 33 by section 7 of this chapter must describe the responsibilities of each  
 34 participating agency in coordinating the agencies' administrative  
 35 enforcement actions with respect to suspected violations of  
 36 IC 35-45-5-3, IC 35-45-5-3.5, and IC 35-45-5-4.

37 (b) Each party to the memorandum of understanding required by  
 38 section 7 of this chapter must agree to permit the license revocation  
 39 actions subject to this chapter to be heard, **before July 1, 2020**, by an  
 40 administrative law judge employed by the division, **and after June 30,**  
 41 **2020, an administrative law judge (as defined in IC 4-21.5-1-2).**

42 (c) A memorandum of understanding required by section 7 of this



1 chapter must set forth the administrative procedures applicable to each  
2 revocation action conducted under this chapter.

3 SECTION 16. IC 4-33-22-48, AS ADDED BY P.L.113-2010,  
4 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2019]: Sec. 48. A licensee who has been subjected to  
6 disciplinary sanctions may be required by the commission to pay the  
7 costs of the proceeding. The licensee's ability to pay shall be  
8 considered when costs are assessed. If the licensee fails to pay the  
9 costs, a suspension may not be imposed solely upon the licensee's  
10 inability to pay the amount assessed. These costs are limited to costs  
11 for the following:

- 12 (1) Court reporters.
- 13 (2) Transcripts.
- 14 (3) Certification of documents.
- 15 (4) Photo duplication.
- 16 (5) Witness attendance and mileage fees.
- 17 (6) Postage.
- 18 (7) Expert witnesses.
- 19 (8) Depositions.
- 20 (9) Notarizations.
- 21 (10) **Before July 1, 2020**, administrative law judges.

22 SECTION 17. IC 5-2-1-12.5, AS ADDED BY P.L.52-2005,  
23 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JULY 1, 2019]: Sec. 12.5. (a) The board may revoke a diploma,  
25 certificate, badge, or other document showing compliance and  
26 qualification issued by the board for any of the following reasons:

- 27 (1) The officer has been convicted of:
  - 28 (A) a felony; or
  - 29 (B) two (2) or more misdemeanors that would cause a  
30 reasonable person to believe that the officer is potentially  
31 dangerous or violent or has a propensity to violate the law.
- 32 (2) The officer has been found not guilty of a felony by reason of  
33 mental disease or defect.
- 34 (3) The officer's diploma, certificate, badge, or other document  
35 showing compliance and qualification was issued in error or was  
36 issued on the basis of information later determined to be false.

37 (b) A person who knows of cause for the revocation of an officer's  
38 diploma, certificate, badge, or other document showing compliance and  
39 qualification shall inform the officer's hiring or appointing authority or  
40 the board. A person who makes a good faith report of cause for  
41 revocation of an officer's diploma, certificate, badge, or other document  
42 showing compliance and qualification is immune from civil liability.



1 (c) If the chief executive officer receives a report of cause for  
2 revocation concerning an officer within the chief executive officer's  
3 agency, the chief executive officer shall:

4 (1) cause the internal affairs division (or a similar unit) of the  
5 agency to investigate the report without unnecessary delay; or

6 (2) request that the investigation be conducted by a law  
7 enforcement agency other than the law enforcement agency to  
8 which the subject of the investigation belongs.

9 (d) If a hiring or appointing authority receives a report of cause for  
10 revocation concerning the chief executive officer, the hiring or  
11 appointing authority shall cause an appropriate investigative agency to  
12 investigate without unnecessary delay.

13 (e) If the board receives a report or otherwise learns of cause for  
14 revocation concerning a law enforcement officer or chief executive  
15 officer, the board shall consider the report and direct the executive  
16 director to notify the subject officer's hiring or appointing authority  
17 about the report and request an investigation. The hiring or appointing  
18 authority shall cause an investigation to be conducted by an appropriate  
19 investigative agency without unnecessary delay.

20 (f) When a hiring or appointing authority completes an investigation  
21 of cause for revocation, the hiring or appointing authority shall forward  
22 a complete report of its investigation, findings, and recommendations,  
23 if any, to the board. The hiring or appointing authority shall also  
24 forward to the board a description of any administrative or disciplinary  
25 action taken as a result of the investigation not later than sixty (60)  
26 days after the hiring or appointing authority takes administrative or  
27 disciplinary action.

28 (g) Except as provided in subsection (h), if the board receives the  
29 results of an investigation described in subsection (f), the board shall  
30 conduct a hearing on the report, considering the report, the  
31 recommendations, and any additional information. The board shall  
32 provide the officer who is the subject of the report with notice and an  
33 opportunity to be heard. The board may appoint the executive director  
34 or another qualified person to present the report and the results of the  
35 investigation to the board. In determining whether to revoke the subject  
36 officer's diploma, certificate, badge, or other document showing  
37 compliance and qualification, the board shall consider the opinion and  
38 testimony of the hiring or appointing authority. If the board determines  
39 that cause for revocation exists, the board may revoke the subject  
40 officer's diploma, certificate, badge, or other document showing  
41 compliance and qualification. The board shall send notice of revocation  
42 by certified mail to the subject officer's hiring or appointing authority.



1 The subject officer may pursue judicial review of the board's action  
2 under IC 4-21.5-5-13.

3 (h) When the board receives the results of an investigation described  
4 in subsection (f), the board may, instead of conducting a hearing under  
5 subsection (g):

6 **(1) before July 1, 2020**, direct the executive director or another  
7 qualified person to serve as an administrative law judge; **or**

8 **(2) after June 30, 2020, request assignment of an**  
9 **administrative law judge assigned by the office of**  
10 **administrative law proceedings established by IC 4-15-10.5-7;**

11 to conduct the hearing described in subsection (g). If the administrative  
12 law judge determines that cause for revocation exists, the  
13 administrative law judge shall revoke the subject officer's diploma,  
14 certificate, badge, or other document showing compliance and  
15 qualification and notify the subject officer by certified mail of the  
16 decision, with notice of the subject officer's right to appeal to the board  
17 not later than fifteen (15) days after receipt of the notice. An appeal to  
18 the board must be in writing and may be decided by the board without  
19 a hearing. The board shall notify the subject officer of the board's  
20 appellate decision under this subsection by certified mail. The subject  
21 officer may pursue judicial review of the board's action under  
22 IC 4-21.5-5-13.

23 (i) An officer whose diploma, certificate, badge, or other document  
24 showing compliance and qualification has been revoked may apply to  
25 the board for reinstatement. The application for reinstatement:

26 (1) must be in writing; and

27 (2) must show:

28 (A) that the cause for revocation no longer exists legally; or

29 (B) that reinstatement is otherwise appropriate and that the  
30 applicant poses no danger to the public and can perform as a  
31 law enforcement officer according to the board's standards.

32 The board may direct the executive director to investigate the  
33 application for reinstatement and make a report to the board. The board  
34 shall consider the application and notify the applicant by certified mail  
35 of the board's decision.

36 SECTION 18. IC 16-19-10-7 IS AMENDED TO READ AS  
37 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) This section does  
38 not apply to medical or epidemiological information protected from  
39 disclosure under IC 16-41-8-1 or data or information that is  
40 confidential under IC 16-21-6-7 or IC 16-39-5-3.

41 (b) Except as provided in subsection (c), medical or epidemiological  
42 information:



1 (1) collected from or volunteered by a person; and

2 (2) that results in or from:

3 (A) a public health surveillance;

4 (B) a public health investigation; or

5 (C) an epidemiological investigation or study;

6 may be released only in a form that protects the identity of a person  
7 whose medical or epidemiological information was obtained.

8 (c) Medical or epidemiological information described in subsection  
9 (b) may be released in a form that does not protect the identity of a  
10 person whose medical or epidemiological information was obtained if:

11 (1) the person consents in writing to the release of the person's  
12 medical or epidemiological information; or

13 (2) the investigation or study results in an administrative or a  
14 judicial proceeding and release of the medical or epidemiological  
15 information is ordered by, **before July 1, 2020**, the administrative  
16 law judge, **after June 30, 2020, the administrative law judge**  
17 **(as defined in IC 4-21.5-1-2)**, or the court.

18 SECTION 19. IC 16-21-4-2 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The state  
20 department shall appoint an appeals panel consisting of three (3)  
21 members as follows:

22 (1) One (1) member of the executive board.

23 (2) One (1) attorney admitted to the practice of law in Indiana.

24 (3) One (1) individual with qualifications determined by the state  
25 department.

26 (b) An employee of the state department may not be a member of  
27 the panel.

28 (c) The panel shall conduct proceedings for review of an order  
29 issued by **before July 1, 2020**, an administrative law judge under this  
30 chapter, **or, after June 30, 2020, an administrative law judge (as**  
31 **defined in IC 4-21.5-1-2)**. The panel is the ultimate authority under  
32 IC 4-21.5.

33 SECTION 20. IC 16-25-5-7 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) For an appeal  
35 under section 6 of this chapter, the executive board shall appoint an  
36 appeals panel consisting of three (3) members as follows:

37 (1) One (1) member of the executive board.

38 (2) One (1) attorney admitted to the practice of law in Indiana.

39 (3) One (1) individual with qualifications determined by the  
40 executive board.

41 (b) An employee of the state department may not be a member of  
42 the appeals panel.



1 (c) The appeals panel shall conduct proceedings for review of an  
 2 order issued by, **before July 1, 2020**, an administrative law judge  
 3 under this chapter, **or, after June 30, 2020, an administrative law**  
 4 **judge (as defined in IC 4-21.5-1-2)**. The appeals panel is the ultimate  
 5 authority under IC 4-21.5.

6 (d) The costs of the proceedings, including the fees of the appeals  
 7 panel, shall be paid as follows:

8 (1) By the hospice, if the appeals panel finds in favor of the state  
 9 department.

10 (2) By the state department, if the appeals panel finds in favor of  
 11 the hospice.

12 SECTION 21. IC 16-27-1-14 IS AMENDED TO READ AS  
 13 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 14. (a) The executive  
 14 board shall appoint an appeals panel consisting of three (3) members  
 15 as follows:

16 (1) One (1) member of the executive board.

17 (2) One (1) attorney admitted to the practice of law in Indiana  
 18 who is not an employee of the state department.

19 (3) One (1) individual with qualifications determined by the  
 20 executive board.

21 (b) An employee of the state department may not be a member of  
 22 the panel.

23 (c) The panel shall conduct proceedings for review of an order  
 24 issued by, **before July 1, 2020**, an administrative law judge under this  
 25 chapter, **or, after June 30, 2020, an administrative law judge (as**  
 26 **defined in IC 4-21.5-1-2)**. The panel is the ultimate authority under  
 27 IC 4-21.5.

28 SECTION 22. IC 16-27-4-22, AS ADDED BY P.L.212-2005,  
 29 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2019]: Sec. 22. (a) In response to a request for review of an  
 31 order referred to in subsection (c), the executive board shall appoint an  
 32 appeals panel that consists of three (3) members as follows:

33 (1) One (1) member of the executive board.

34 (2) One (1) attorney admitted to the practice of law in Indiana.

35 (3) One (1) individual with qualifications determined by the  
 36 executive board.

37 (b) An employee of the state department may not be a member of  
 38 the panel.

39 (c) The panel shall conduct proceedings for review of an order  
 40 issued by, **before July 1, 2020**, an administrative law judge under this  
 41 chapter, **or, after June 30, 2020, an administrative law judge (as**  
 42 **defined in IC 4-21.5-1-2)**. The panel is the ultimate authority under



1 IC 4-21.5.

2 SECTION 23. IC 16-28-10-1, AS AMENDED BY P.L.141-2014,  
3 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2019]: Sec. 1. (a) Hearings under this article shall be  
5 conducted in accordance with IC 4-21.5.

6 (b) Except for hearings held on the adoption of rules, an  
7 administrative law judge must meet the following conditions:

8 (1) Be admitted to the practice of law in Indiana.

9 (2) Not be an employee of the state.

10 **This subsection expires June 30, 2020.**

11 ~~(b)~~ (c) A health facility shall pay the costs of appointing an  
12 administrative law judge if the administrative law judge finds in favor  
13 of the state. However, if the administrative law judge finds in favor of  
14 the health facility, the state shall pay the costs of appointing the  
15 administrative law judge.

16 SECTION 24. IC 16-28-10-2 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The executive  
18 board shall appoint an appeals panel consisting of three (3) members  
19 as follows:

20 (1) One (1) member of the executive board.

21 (2) One (1) attorney admitted to the practice of law in Indiana.

22 (3) One (1) individual with qualifications determined by the  
23 executive board.

24 (b) An employee of the state may not be a member of the panel.

25 (c) An appeals panel shall conduct proceedings for review of an  
26 order issued by, **before July 1, 2020**, an administrative law judge  
27 under this chapter, **or, after June 30, 2020, an administrative law**  
28 **judge (as defined in IC 4-21.5-1-2)**. The panel is the ultimate  
29 authority under IC 4-21.5.

30 (d) The cost of the proceedings, including the fees of the appeals  
31 panel, shall be paid as follows:

32 (1) By the health facility if the panel finds in favor of the state.

33 (2) By the state if the panel finds in favor of the health facility.

34 SECTION 25. IC 22-9-1-6, AS AMENDED BY P.L.136-2018,  
35 SECTION 126, IS AMENDED TO READ AS FOLLOWS  
36 [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) The commission shall  
37 establish and maintain a permanent office in the city of Indianapolis.

38 (b) Except as it concerns judicial review, the commission may adopt  
39 rules under IC 4-22-2 to implement this chapter.

40 (c) The commission shall formulate policies to effectuate the  
41 purposes of this chapter and make recommendations to agencies and  
42 officers of the state or local subdivisions thereof to effectuate such



1 policies. The several departments, commissions, divisions, authorities,  
2 boards, bureaus, agencies, and officers of the state or any political  
3 subdivision or agency thereof shall furnish the commission, upon its  
4 request, all records, papers, and information in their possession relating  
5 to any matter before the commission.

6 (d) The commission shall receive and investigate complaints  
7 alleging discriminatory practices. The commission shall not hold  
8 hearings in the absence of a complaint. All investigations of complaints  
9 shall be conducted by staff members of the civil rights commission or  
10 their agents.

11 (e) The commission may create such advisory agencies and  
12 conciliation councils, local or statewide, as will aid in effectuating the  
13 purposes of this chapter. The commission may itself, or it may  
14 empower these agencies and councils to:

15 (1) study the problems of discrimination in the areas covered by  
16 section 2 of this chapter when based on race, religion, color, sex,  
17 handicap, national origin, or ancestry; and

18 (2) foster through community effort, or otherwise, good will  
19 among the groups and elements of the population of the state.

20 These agencies and councils may make recommendation to the  
21 commission for the development of policies and procedures in general.  
22 Advisory agencies and conciliation councils created by the commission  
23 shall be composed of representative citizens serving without pay, but  
24 with reimbursement for reasonable and necessary actual expenses.

25 (f) The commission may issue such publications and such results of  
26 investigations and research as in its judgment will tend to promote  
27 good will and minimize or eliminate discrimination because of race,  
28 religion, color, sex, handicap, national origin, or ancestry.

29 (g) The commission shall prevent any person from discharging,  
30 expelling, or otherwise discriminating against any other person because  
31 the person filed a complaint, testified in any hearing before this  
32 commission, or in any way assisted the commission in any matter under  
33 its investigation.

34 (h) The commission may hold hearings, subpoena witnesses, compel  
35 their attendance, administer oaths, take the testimony of any person  
36 under oath, and require the production for examination of any books  
37 and papers relating to any matter under investigation or in question  
38 before the commission. The commission may make rules as to the  
39 issuance of subpoenas by individual commissioners. Contumacy or  
40 refusal to obey a subpoena issued under this section shall constitute a  
41 contempt. All hearings shall be held within Indiana at a location  
42 determined by the commission. A citation of contempt may be issued





1 upon application by the commission to the circuit or superior court in  
 2 the county in which the hearing is held or in which the witness resides  
 3 or transacts business.

4 (i) The commission may:

5 **(1) before July 1, 2020, appoint administrative law judges other**  
 6 **than commissioners; and**

7 **(2) after June 30, 2020, request assignment of an**  
 8 **administrative law judge (as defined in IC 4-21.5-1-2);**

9 when an appointment is deemed necessary by a majority of the  
 10 commission. The administrative law judges shall be members in good  
 11 standing before the bar of Indiana and shall be appointed by the  
 12 chairman of the commission. An administrative law judge appointed  
 13 under this subsection shall have the same powers and duties as a  
 14 commissioner sitting as an administrative law judge. However, the  
 15 administrative law judge may not issue subpoenas.

16 (j) The commission shall state its findings of fact after a hearing  
 17 and, if the commission finds a person has engaged in an unlawful  
 18 discriminatory practice, shall cause to be served on this person an order  
 19 requiring the person to cease and desist from the unlawful  
 20 discriminatory practice and requiring the person to take further  
 21 affirmative action as will effectuate the purposes of this chapter,  
 22 including but not limited to the power:

23 (1) to restore **the** complainant's losses incurred as a result of  
 24 discriminatory treatment, as the commission may deem necessary  
 25 to assure justice; however, except in discriminatory practices  
 26 involving veterans, this specific provision when applied to orders  
 27 pertaining to employment shall include only wages, salary, or  
 28 commissions;

29 (2) to require the posting of notice setting forth the public policy  
 30 of Indiana concerning civil rights and **the** respondent's  
 31 compliance with the policy in places of public accommodations;

32 (3) to require proof of compliance to be filed by **the** respondent  
 33 at periodic intervals; and

34 (4) to require a person who has been found to be in violation of  
 35 this chapter and who is licensed by a state agency authorized to  
 36 grant a license to show cause to the licensing agency why the  
 37 person's license should not be revoked or suspended.

38 When an employer has been found to have committed a discriminatory  
 39 practice in employment by failing to employ an applicant on the basis  
 40 that the applicant is a veteran, the order to restore the veteran's losses  
 41 may include placing the veteran in the employment position with the  
 42 employer for which the veteran applied.



1 (k) Judicial review of a cease and desist order or other affirmative  
2 action as referred to in this chapter may be obtained under IC 22-9-8.  
3 If no proceeding to obtain judicial review is instituted within thirty (30)  
4 days from receipt of notice by a person that an order has been made by  
5 the commission, the commission, if it determines that the person upon  
6 whom the cease and desist order has been served is not complying or  
7 is making no effort to comply, may obtain a decree of a court for the  
8 enforcement of the order in circuit or superior court upon showing that  
9 the person is subject to the commission's jurisdiction and resides or  
10 transacts business within the county in which the petition for  
11 enforcement is brought.

12 (l) If, upon all the evidence, the commission shall find that a person  
13 has not engaged in any unlawful practice or violation of this chapter,  
14 the commission shall state its findings of facts and shall issue and  
15 cause to be served on the complainant an order dismissing the  
16 complaint as to the person.

17 (m) The commission may furnish technical assistance requested by  
18 persons subject to this chapter to further compliance with this chapter  
19 or with an order issued under this chapter.

20 (n) The commission shall promote the creation of local civil rights  
21 agencies to cooperate with individuals, neighborhood associations, and  
22 state, local, and other agencies, both public and private, including  
23 agencies of the federal government and of other states.

24 (o) The commission may reduce the terms of conciliation agreed to  
25 by the parties to writing (to be called a consent agreement) that the  
26 parties and a majority of the commissioners shall sign. When signed,  
27 the consent agreement shall have the same effect as a cease and desist  
28 order issued under subsection (j). If the commission determines that a  
29 party to the consent agreement is not complying with it, the  
30 commission may obtain enforcement of the consent agreement in a  
31 circuit or superior court upon showing that the party is not complying  
32 with the consent agreement and the party is subject to the commission's  
33 jurisdiction and resides or transacts business within the county in  
34 which the petition for enforcement is brought.

35 (p) In lieu of investigating a complaint and holding a hearing under  
36 this section, the commission may issue an order based on findings and  
37 determinations by the federal Department of Housing and Urban  
38 Development or the federal Equal Employment Opportunity  
39 Commission concerning a complaint that has been filed with one (1) of  
40 these federal agencies and with the commission. The commission shall  
41 adopt by rule standards under which the commission may issue such an  
42 order.



1 (q) Upon notice that a complaint is the subject of an action in a  
 2 federal court, the commission shall immediately cease investigation of  
 3 the complaint and may not conduct hearings or issue findings of fact or  
 4 orders concerning that complaint.

5 SECTION 26. IC 23-2-5-11, AS AMENDED BY P.L.126-2012,  
 6 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2019]: Sec. 11. (a) The commissioner may do the following:

8 (1) Adopt rules under IC 4-22-2 to implement this chapter.

9 (2) Make investigations and examinations:

10 (A) in connection with any application for licensure under this  
 11 chapter or with any license already granted; or

12 (B) whenever it appears to the commissioner, upon the basis  
 13 of a complaint or information, that reasonable grounds exist  
 14 for the belief that an investigation or examination is necessary  
 15 or advisable for the more complete protection of the interests  
 16 of the public.

17 (3) Charge as costs of investigation or examination all reasonable  
 18 expenses, including a per diem prorated upon the salary of the  
 19 commissioner or employee and actual traveling and hotel  
 20 expenses. All reasonable expenses are to be paid by the party or  
 21 parties under investigation or examination if the party has violated  
 22 this chapter.

23 (4) Issue notices and orders, including cease and desist notices  
 24 and orders, after making an investigation or examination under  
 25 subdivision (2). The commissioner shall notify the person that an  
 26 order or notice has been issued, the reasons for it, and that a  
 27 hearing will be set not later than fifteen (15) business days after  
 28 the commissioner receives a written request from the person  
 29 requesting a hearing if the original order issued by the  
 30 commissioner was a summary suspension, summary revocation,  
 31 or denial of a license and not later than forty-five (45) business  
 32 days after the commissioner receives a written request from the  
 33 person requesting a hearing for all other orders.

34 (5) Sign all orders, official certifications, documents, or papers  
 35 issued under this chapter or delegate the authority to sign any of  
 36 those items to a deputy.

37 (6) Hold and conduct hearings.

38 (7) Hear evidence.

39 (8) Conduct inquiries with or without hearings.

40 (9) Receive reports of investigators or other officers or employees  
 41 of the state of Indiana or of any municipal corporation or  
 42 governmental subdivision within the state.



- 1 (10) Administer oaths, or cause them to be administered.  
 2 (11) Subpoena witnesses, and compel them to attend and testify.  
 3 (12) Compel the production of books, records, and other  
 4 documents.  
 5 (13) Order depositions to be taken of any witness residing within  
 6 or without the state. The depositions shall be taken in the manner  
 7 prescribed by law for depositions in civil actions and made  
 8 returnable to the commissioner.  
 9 (14) Order that each witness appearing under the commissioner's  
 10 order to testify before the commissioner shall receive the fees and  
 11 mileage allowances provided for witnesses in civil cases.  
 12 (15) Provide interpretive opinions or issue determinations that the  
 13 commissioner will not institute a proceeding or an action under  
 14 this chapter against a specified person for engaging in a specified  
 15 act, practice, or course of business if the determination is  
 16 consistent with this chapter. The commissioner may adopt rules  
 17 to establish fees for individuals requesting an interpretive opinion  
 18 or a determination under this subdivision. A person may not  
 19 request an interpretive opinion or a determination concerning an  
 20 activity that:  
 21 (A) occurred before; or  
 22 (B) is occurring on;  
 23 the date the opinion or determination is requested.  
 24 (16) Subject to subsection (f), designate a multistate automated  
 25 licensing system and repository, established and operated by a  
 26 third party, to serve as the sole entity responsible for:  
 27 (A) processing applications for:  
 28 (i) licenses under this chapter; and  
 29 (ii) renewals of licenses under this chapter; and  
 30 (B) performing other services that the commissioner  
 31 determines are necessary for the orderly administration of the  
 32 division's licensing system.  
 33 A multistate automated licensing system and repository described  
 34 in this subdivision may include the Nationwide Mortgage  
 35 Licensing System and Registry established by the Conference of  
 36 State Bank Supervisors and the American Association of  
 37 Residential Mortgage Regulators. The commissioner may take  
 38 any action necessary to allow the division to participate in a  
 39 multistate automated licensing system and repository.  
 40 (b) If a witness, in any hearing, inquiry, or investigation conducted  
 41 under this chapter, refuses to answer any question or produce any item,  
 42 the commissioner may file a written petition with the circuit or superior



1 court in the county where the hearing, investigation, or inquiry in  
 2 question is being conducted requesting a hearing on the refusal. The  
 3 court shall hold a hearing to determine if the witness may refuse to  
 4 answer the question or produce the item. If the court determines that  
 5 the witness, based upon the witness's privilege against  
 6 self-incrimination, may properly refuse to answer or produce an item,  
 7 the commissioner may make a written request that the court grant use  
 8 immunity to the witness. Upon written request of the commissioner, the  
 9 court shall grant use immunity to a witness. The court shall instruct the  
 10 witness, by written order or in open court, that:

- 11 (1) any evidence the witness gives, or evidence derived from that  
 12 evidence, may not be used in any criminal proceedings against  
 13 that witness, unless the evidence is volunteered by the witness or  
 14 is not responsive to a question; and  
 15 (2) the witness must answer the questions asked and produce the  
 16 items requested.

17 A grant of use immunity does not prohibit evidence that the witness  
 18 gives in a hearing, investigation, or inquiry from being used in a  
 19 prosecution for perjury under IC 35-44.1-2-1. If a witness refuses to  
 20 give the evidence after the witness has been granted use immunity, the  
 21 court may find the witness in contempt.

22 (c) In any prosecution, action, suit, or proceeding based upon or  
 23 arising out of this chapter, the commissioner may sign a certificate  
 24 showing compliance or noncompliance with this chapter by any person.  
 25 This shall constitute prima facie evidence of compliance or  
 26 noncompliance with this chapter and shall be admissible in evidence  
 27 in any action at law or in equity to enforce this chapter.

28 (d) If:

- 29 (1) a person disobeys any lawful:  
 30 (A) subpoena issued under this chapter; or  
 31 (B) order or demand requiring the production of any books,  
 32 accounts, papers, records, documents, or other evidence or  
 33 information as provided in this chapter; or  
 34 (2) a witness refuses to:  
 35 (A) appear when subpoenaed;  
 36 (B) testify to any matter about which the witness may be  
 37 lawfully interrogated; or  
 38 (C) take or subscribe to any oath required by this chapter;

39 the circuit or superior court of the county in which the hearing, inquiry,  
 40 or investigation in question is held, if demand is made or if, upon  
 41 written petition, the production is ordered to be made, or the  
 42 commissioner or, **before July 1, 2020**, a hearing officer appointed by



1 the commissioner, **or, after June 30, 2020, an administrative law**  
 2 **judge assigned, after request by the commissioner, by the office of**  
 3 **administrative law proceedings established by IC 4-15-10.5-7,** shall  
 4 compel compliance with the lawful requirements of the subpoena,  
 5 order, or demand, compel the production of the necessary or required  
 6 books, papers, records, documents, and other evidence and  
 7 information, and compel any witness to attend in any Indiana county  
 8 and to testify to any matter about which the witness may lawfully be  
 9 interrogated, and to take or subscribe to any oath required.

10 (e) If a person fails, refuses, or neglects to comply with a court order  
 11 under this section, the person shall be punished for contempt of court.

12 (f) The commissioner's authority to designate a multistate automated  
 13 licensing system and repository under subsection (a)(16) is subject to  
 14 the following:

15 (1) The commissioner may not require any person that is not  
 16 required to be licensed under this chapter, or any employee or  
 17 agent of a person that is not required to be licensed under this  
 18 chapter, to:

19 (A) submit information to; or

20 (B) participate in;

21 the multistate automated licensing system and repository.

22 (2) The commissioner may require a person required under this  
 23 chapter to submit information to the multistate automated  
 24 licensing system and repository to pay a processing fee considered  
 25 reasonable by the commissioner.

26 SECTION 27. IC 23-19-6-2, AS AMENDED BY P.L.126-2012,  
 27 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2019]: Sec. 2. (a) The commissioner may:

29 (1) conduct public or private investigations within or outside this  
 30 state which the commissioner considers necessary or appropriate  
 31 to determine whether a person has violated, is violating, or is  
 32 about to violate this article or a rule adopted or order issued under  
 33 this article, or to aid in the enforcement of this article or in the  
 34 adoption of rules and forms under this article;

35 (2) require or permit a person to testify, file a statement, or  
 36 produce a record, under oath or otherwise as the commissioner  
 37 determines, as to all the facts and circumstances concerning a  
 38 matter to be investigated or about which an action or proceeding  
 39 is to be instituted; and

40 (3) publish a record concerning an action, proceeding, or an  
 41 investigation under, or a violation of, this article or a rule adopted  
 42 or order issued under this article if the commissioner determines



- 1           it is necessary or appropriate in the public interest and for the  
2           protection of investors.
- 3           (b) For the purpose of an investigation under this article, the  
4           commissioner or the commissioner's designated officer may administer  
5           oaths and affirmations, subpoena witnesses, seek compulsion of  
6           attendance, take evidence, require the filing of statements, and require  
7           the production of any records that the commissioner considers relevant  
8           or material to the investigation. Upon order of the commissioner, ~~or~~  
9           **before July 1, 2020**, a hearing officer appointed by the commissioner,  
10          **or, after June 30, 2020, an administrative law judge assigned, after**  
11          **request by the commissioner, by the office of administrative law**  
12          **proceedings established by IC 4-15-10.5-7**, in any hearing,  
13          depositions may be taken in the manner prescribed by law for  
14          depositions in civil actions and made returnable to the commissioner,  
15          ~~or~~ a hearing officer appointed by the commissioner, **or administrative**  
16          **law judge.**
- 17          (c) If a person does not appear or refuses to testify, file a statement,  
18          or produce records, or otherwise does not obey a subpoena as required  
19          by this article, the commissioner, ~~or before July 1, 2020, a hearing~~  
20          officer appointed by the commissioner, **or, after June 30, 2020, an**  
21          **administrative law judge assigned, after request by the**  
22          **commissioner, by the office of administrative law proceedings**  
23          **established by IC 4-15-10.5-7**, may apply to the circuit or superior  
24          court in the county where the hearing, investigation, or inquiry in  
25          question is being conducted to enforce compliance. The court may:
- 26               (1) hold the person in contempt;
  - 27               (2) order the person to appear before the commissioner, ~~or~~  
28               hearing officer appointed by the commissioner, **or**  
29               **administrative law judge;**
  - 30               (3) order the person to testify about the matter under investigation  
31               or in question;
  - 32               (4) order the production of records;
  - 33               (5) grant injunctive relief, including restricting or prohibiting the  
34               offer or sale of securities or the providing of investment advice;
  - 35               (6) impose a civil penalty of not more than twenty thousand  
36               dollars (\$20,000) for each violation; and
  - 37               (7) grant any other necessary or appropriate relief.
- 38          (d) This section does not preclude a person from applying to the  
39          circuit or superior court in the county where the hearing, investigation,  
40          or inquiry in question is being conducted for relief from a request to  
41          appear, testify, file a statement, produce records, or obey a subpoena.
- 42          (e) If a witness, in any hearing, inquiry, or investigation conducted



1 under this article, refuses to answer any question or produce any item,  
2 the commissioner may file a written petition with the circuit or superior  
3 court in the county where the hearing, investigation, or inquiry in  
4 question is being conducted requesting a hearing on the refusal. The  
5 court shall hold a hearing to determine if the witness may refuse to  
6 answer the question or produce the item. If the court determines that  
7 the witness, based upon the witness's privilege against  
8 self-incrimination, may properly refuse to answer or produce an item,  
9 the commissioner may make a written request that the court grant use  
10 immunity to the witness. Upon written request of the commissioner, the  
11 court shall grant use immunity to a witness. The court shall instruct the  
12 witness, by written order or in open court, that:

13 (1) any evidence the witness gives, or evidence derived from that  
14 evidence, may not be used in any criminal proceedings against  
15 that witness, unless the evidence is volunteered by the witness or  
16 is not responsive to a question; and

17 (2) the witness must answer the questions asked and produce the  
18 items requested. A grant of use immunity does not prohibit the  
19 use of evidence that the witness gives in a hearing, investigation,  
20 or inquiry from being used in a prosecution for perjury under  
21 IC 35-44.1-2-1. If a witness refuses to give the evidence after the  
22 witness has been granted use immunity, the court may find the  
23 witness in contempt.

24 (f) At the request of the securities regulator of another state or a  
25 foreign jurisdiction, the commissioner may provide assistance if the  
26 requesting regulator states that it is conducting an investigation to  
27 determine whether a person has violated, is violating, or is about to  
28 violate a law or rule of the other state or foreign jurisdiction relating to  
29 securities matters that the requesting regulator administers or enforces.  
30 The commissioner may provide the assistance by using the authority to  
31 investigate and the powers conferred by this section as the  
32 commissioner determines is necessary or appropriate. The assistance  
33 may be provided without regard to whether the conduct described in  
34 the request would also constitute a violation of this article or other law  
35 of this state if occurring in this state. In deciding whether to provide the  
36 assistance, the commissioner may consider whether the requesting  
37 regulator is permitted and has agreed to provide assistance reciprocally  
38 within its state or foreign jurisdiction to the commissioner on securities  
39 matters when requested; whether compliance with the request would  
40 violate or prejudice the public policy of this state; and the availability  
41 of resources and employees of the commissioner to carry out the  
42 request for assistance.





1 (g) In any prosecution, action, suit, or proceeding based upon or  
 2 arising out of or under the provisions of this article, a certificate duly  
 3 signed by the commissioner showing compliance or noncompliance  
 4 with the provisions of this article, respecting the security in question or  
 5 respecting compliance or noncompliance of this article, by any issuer,  
 6 broker-dealer, investment advisor, or agent, shall constitute prima facie  
 7 evidence of compliance or noncompliance with the provisions of this  
 8 article, as the case may be, and shall be admissible in evidence in any  
 9 action at law or in equity to enforce this article.

10 (h) Each witness who shall appear before the commissioner or a  
 11 hearing officer appointed by the commissioner by order shall receive  
 12 for the witness's attendance the fees and mileage provided for witnesses  
 13 in civil cases, which shall be audited and paid by the state in the same  
 14 manner as other expenses of the securities division are audited and paid  
 15 upon the presentation of proper vouchers sworn to by the witnesses and  
 16 approved by the commissioner. However, no witnesses subpoenaed at  
 17 the instance of parties other than the commissioner, or a hearing officer  
 18 appointed by the commissioner shall be entitled to any fee or  
 19 compensation from the state.

20 SECTION 28. [EFFECTIVE JULY 1, 2019] **(a) Notwithstanding**  
 21 **the amendments made by this act or the provisions added by this**  
 22 **act (including the establishment of the office of administrative law**  
 23 **proceedings), in the case of a matter pending before an**  
 24 **administrative law judge at any time during the period after June**  
 25 **30, 2019, and before July 1, 2020, the matter should be decided by**  
 26 **the administrative law judge under the laws in effect before their**  
 27 **amendment by this act.**

28 **(b) Notwithstanding the amendments made by this act or the**  
 29 **provisions added by this act (including the establishment of the**  
 30 **office of administrative law proceedings), a contract in effect on**  
 31 **July 1, 2020, between an agency and an administrative law judge**  
 32 **terminates on the termination date provided in the contract. A**  
 33 **contract may not be extended or renewed by the agency.**

34 **(c) This SECTION expires July 1, 2022.**

35 SECTION 29. An emergency is declared for this act.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1223, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 11.

Page 2, line 14, delete "JULY 1, 2019:]" and insert "UPON PASSAGE]:".

Page 3, line 22, delete "Provide rooms" and insert "**Provide offices, rooms,**".

Page 3, line 23, after "administrative" insert "**law**".

Page 3, line 23, delete "IC 4-15-10.5-6." and insert "**IC 4-15-10.5-7.**".

Page 3, line 26, delete "JULY 1, 2019:]" and insert "UPON PASSAGE]:".

Page 3, line 27, after "Administrative" insert "**Law**".

Page 3, line 28, delete "This" and insert "**(a) Beginning July 1, 2020, this**".

Page 3, line 31, delete "This", begin a new paragraph and insert:

**"(b) Except as provided in subsection (c) and section 2 of this chapter, this chapter applies to each state agency that employs or engages one (1) or more administrative law judges to adjudicate contested cases.**

**(c) This**".

Page 3, run in lines 31 through 32.

Page 3, line 39, delete "to reviews subject to" and insert "**to:**

- (1) the department of workforce development;**
- (2) the unemployment insurance review board of the department of workforce development;**
- (3) the worker's compensation board of Indiana;**
- (4) the Indiana utility regulatory commission;**
- (5) the department of state revenue;**
- (6) the department of local government finance;**
- (7) the Indiana board of tax review;**
- (8) the natural resources commission;**
- (9) the office of environmental adjudication;**
- (10) the Indiana education employment relations board; or**
- (11) any other agency or proceeding determined by the governor to be exempt from this chapter for good cause."**

Page 3, delete line 40.



Page 3, line 42, delete "assigned by the director to preside" and insert "who presides".

Page 4, between lines 3 and 4, begin a new paragraph and insert:

**"Sec. 4. As used in this chapter, "agency" means an authority, board, branch, bureau, commission, committee, council, department, division, office, service, or other instrumentality of the executive, including the administrative, department of state government. The term does not include any of the following:**

- (1) Any body corporate and politic set up as an instrumentality of the state.**
- (2) Any private, nonprofit, government related corporation.**
- (3) The judicial department of state government.**
- (4) The legislative department of state government.**
- (5) A state educational institution.**
- (6) A political subdivision."**

Page 4, line 4, delete "4." and insert "5."

Page 4, line 5, after "administrative" insert "law".

Page 4, line 6, delete "5." and insert "6."

Page 4, line 7, after "administrative" insert "law".

Page 4, line 7, delete "6" and insert "7".

Page 4, line 9, delete "6." and insert "7."

Page 4, line 9, after "administrative" insert "law".

Page 4, line 10, delete "department on" and insert "department."

Page 4, delete line 11.

Page 4, line 12, delete "7." and insert "8."

Page 4, line 14, delete "8." and insert "9."

Page 4, line 14, delete "provide rooms" and insert "provide offices, rooms,".

Page 4, line 15, after "assistance" insert "to the director".

Page 4, line 16, delete "9." and insert "10."

Page 4, between lines 20 and 21, begin a new line block indented and insert:

**"(3) Adopt rules under IC 4-22-2 establishing a code of judicial conduct for administrative law judges. The code of judicial conduct for administrative law judges applies to each person acting as an administrative law judge for the office.**

**(4) Receive complaints alleging violations of the code of judicial conduct for administrative law judges, investigate the complaints, and take administrative or disciplinary action as deemed appropriate and warranted.**

**(5) Establish and administer a program to train and educate administrative law judges.**



**(6) Require all administrative law judges for the office to annually complete a number of hours of training and education determined by the director.**

**(7) Provide and coordinate education for administrative law judges on the code of judicial conduct for administrative law judges, professionalism, administrative practices, and other subjects necessary to carry out the purposes of this chapter.**

**(8) Render advisory opinions to administrative law judges concerning the code of judicial conduct for administrative law judges. Information and advice contained in an advisory opinion are considered:**

**(A) specific to the person who requests the opinion and to the facts presented; and**

**(B) confidential records under IC 5-14-3-4(b)(6).**

**(9) Consult with agency heads on hiring and performance evaluations of administrative law judges for the agencies of the agency heads."**

Page 4, line 21, delete "10." and insert "11."

Page 4, line 25, delete "11. (a) Except" and insert "**12. (a) Beginning July 1, 2020, and except**".

Page 4, line 25, delete "1, 2, and 12" and insert "**1 and 2**".

Page 4, delete lines 36 through 42.

Page 5, delete lines 1 through 14, begin a new paragraph and insert:

**"Sec. 13. (a) The director shall assign one (1) or more administrative law judges to:**

**(1) one (1) or more agencies to handle all administrative proceedings filed with that agency or agencies; or**

**(2) preside over any administrative proceeding filed within an agency."**

Page 5, line 15, after "to an" insert "**agency or an**".

Page 5, delete lines 25 through 32.

Page 5, line 33, delete "16." and insert "**15**".

Page 5, between lines 37 and 38, begin a new paragraph and insert:

**"Sec. 16. An agency must provide office space, hearing rooms, and administrative support for administrative proceedings for the agency."**

Page 5, line 41, delete "January 1," and insert "**July 1**".

Page 6, line 2, delete "December 31, 2019:" and insert "**June 30, 2020**".

Page 6, line 4, after "administrative" insert "**law**".

Page 6, line 11, after "administrative" insert "**law**".

Page 6, line 12, after "administrative" insert "**law**".



Page 6, line 13, delete "IC 4-15-10.5-6." and insert "**IC 4-15-10.5-7.**".

Page 6, line 15, after "administrative" insert "**law**".

Page 7, line 34, delete "January 1," and insert "**July 1,**".

Page 7, line 35, delete "December 31, 2019," and insert "**June 30, 2020,**".

Page 7, line 37, after "administrative" insert "**law**".

Page 8, line 14, delete "January 1," and insert "**July 1,**".

Page 8, line 15, delete "December 31, 2019," and insert "**June 30, 2020,**".

Page 8, line 17, after "administrative" insert "**law**".

Page 9, line 1, delete "January 1, 2020." and insert "**June 30, 2020.**".

Page 9, line 11, delete "January 1," and insert "**July 1,**".

Page 9, line 15, delete "December 31, 2019," and insert "**June 30, 2020,**".

Page 9, line 17, after "of administrative" insert "**law**".

Page 11, line 7, delete "January 1," and insert "**July 1,**".

Page 11, line 33, delete "December 31, 2019." and insert "**June 30, 2020.**".

Page 11, line 35, after "administrative" insert "**law**".

Page 12, line 11, delete "January 1, 2020." and insert "**June 30, 2020.**".

Page 12, line 16, delete "January 1, 2020." and insert "**June 30, 2020.**".

Page 12, line 40, delete "January 1," and insert "**July 1,**".

Page 12, line 41, delete "December 31, 2019," and insert "**June 30, 2020,**".

Page 12, line 42, delete "assigned by the office of administrative" and insert "**(as defined in IC 4-21.5-1-2)**".

Page 13, line 1, delete "proceedings,".

Page 13, line 26, delete "January 1," and insert "**July 1,**".

Page 13, line 28, delete "December 31, 2019," and insert "**June 30, 2020,**".

Page 13, line 28, delete "assigned by the" and insert "**(as defined in IC 4-21.5-1-2)**".

Page 13, delete line 29.

Page 14, line 9, delete "January 1," and insert "**July 1,**".

Page 15, line 36, delete "January 1," and insert "**July 1,**".

Page 15, line 39, delete "December 31, 2019," and insert "**June 30, 2020,**".

Page 15, line 41, after "administrative" insert "**law**".

Page 15, line 41, delete "IC 4-15-10.5-6;" and insert "**IC**



**4-15-10.5-7;**

Page 16, delete lines 25 through 42.

Delete pages 17 through 23.

Page 24, delete lines 1 through 16.

Page 24, line 38, delete "January 1," and insert "**July 1**,".

Page 24, line 39, delete "December 31, 2019," and insert "**June 30, 2020**,".

Page 24, line 40, delete "assigned by the office of" and insert "**(as defined in IC 4-21.5-1-2)**,".

Page 24, line 41, delete "administrative proceedings established by IC 4-15-10.5-6,".

Page 25, line 12, delete "January 1," and insert "**July 1**,".

Page 25, line 13, delete "December 31, 2019," and insert "**June 30, 2020**,".

Page 25, line 14, delete "assigned by the office of administrative proceedings" and insert "**(as defined in IC 4-21.5-1-2)**,".

Page 25, line 15, delete "established by IC 4-15-10.5-6,".

Page 25, line 28, delete "January 1," and insert "**July 1**,".

Page 25, line 29, delete "December 31, 2019," and insert "**June 30, 2020**,".

Page 25, line 30, delete "assigned by the office of administrative proceedings" and insert "**(as defined in IC 4-21.5-1-2)**,".

Page 25, line 31, delete "established by IC 4-15-10.5-6,".

Page 26, line 9, delete "January 1," and insert "**July 1**,".

Page 26, line 10, delete "December 31, 2019," and insert "**June 30, 2020**,".

Page 26, line 11, delete "assigned by the office of administrative proceedings" and insert "**(as defined in IC 4-21.5-1-2)**,".

Page 26, line 12, delete "established by IC 4-15-10.5-6,".

Page 26, line 26, delete "January 1," and insert "**July 1**,".

Page 26, line 27, delete "December 31, 2019," and insert "**June 30, 2020**,".

Page 26, line 28, delete "assigned by the office of administrative proceedings" and insert "**(as defined in IC 4-21.5-1-2)**,".

Page 26, line 29, delete "established by IC 4-15-10.5-6,".

Page 26, line 39, delete "January 1, 2020." and insert "**June 30, 2020**,".

Page 27, line 13, delete "January 1," and insert "**July 1**,".

Page 27, line 14, delete "December 31, 2019," and insert "**June 30, 2020**,".

Page 27, line 15, delete "assigned by the office of administrative proceedings" and insert "**(as defined in IC 4-21.5-1-2)**,".



- Page 27, line 16, delete "established by IC 4-15-10.5-6."
- Page 27, delete lines 22 through 42.
- Delete pages 28 through 44.
- Page 45, delete lines 1 through 20.
- Page 46, line 34, delete "January 1," and insert "**July 1**,".
- Page 46, line 36, delete "December 31, 2019," and insert "**June 30, 2020**,".
- Page 46, line 37, delete "by the office of administrative" and insert "**(as defined in IC 4-21.5-1-2)**";
- Page 46, delete line 38.
- Page 51, line 30, delete "January 1," and insert "**July 1**,".
- Page 51, line 31, delete "December 31, 2019," and insert "**June 30, 2020**,".
- Page 51, line 33, after "administrative" insert "**law**".
- Page 51, line 33, delete "IC 4-15-10.5-6," and insert "**IC 4-15-10.5-7**,".
- Page 52, line 39, delete "January 1," and insert "**July 1**,".
- Page 52, line 40, delete "December 31, 2019," and insert "**June 30, 2020**,".
- Page 52, line 42, delete "proceedings established by IC 4-15-10.5-6," and insert "**law proceedings established by IC 4-15-10.5-7**,".
- Page 53, line 7, delete "January 1," and insert "**July 1**,".
- Page 53, line 8, delete "December 31, 2019," and insert "**June 30, 2020**,".
- Page 53, line 10, after "administrative" insert "**law**".
- Page 53, line 11, delete "IC 4-15-10.5-6," and insert "**IC 4-15-10.5-7**,".
- Page 55, delete lines 8 through 33.
- Page 55, line 36, after "administrative" insert "**law**".
- Page 55, line 39, delete "January 1," and insert "**July 1**,".
- Page 56, line 2, after "administrative" insert "**law**".
- Page 56, line 3, delete "2019," and insert "**2020**,".



Page 56, after line 6, begin a new paragraph and insert:  
"SECTION 28. **An emergency is declared for this act.**"  
Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1223 as introduced.)

TORR

Committee Vote: yeas 11, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1223 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-2-7-3, AS AMENDED BY P.L.72-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The inspector general shall do the following:

- (1) Initiate, supervise, and coordinate investigations.
- (2) Recommend policies and carry out other activities designed to deter, detect, and eradicate fraud, waste, abuse, mismanagement, and misconduct in state government.
- (3) Receive complaints alleging the following:
  - (A) A violation of the code of ethics.
  - (B) Bribery (IC 35-44.1-1-2).
  - (C) Official misconduct (IC 35-44.1-1-1).
  - (D) Conflict of interest (IC 35-44.1-1-4).
  - (E) Profiteering from public service (IC 35-44.1-1-5).
  - (F) A violation of the executive branch lobbying rules.
  - (G) A violation of a statute or rule relating to the purchase of goods or services by a current or former employee, state officer, special state appointee, lobbyist, or person who has a business relationship with an agency.
- (4) If the inspector general has reasonable cause to believe that a crime has occurred or is occurring, report the suspected crime to:
  - (A) the governor; and
  - (B) appropriate state or federal law enforcement agencies and

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- prosecuting authorities having jurisdiction over the matter.
- (5) Adopt rules under IC 4-22-2 to implement IC 4-2-6 and this chapter.
  - (6) Adopt rules under IC 4-22-2 and section 5 of this chapter to implement a code of ethics.
  - (7) Ensure that every:
    - (A) employee;
    - (B) state officer;
    - (C) special state appointee; and
    - (D) person who has a business relationship with an agency;
 is properly trained in the code of ethics.
  - (8) Provide advice to an agency on developing, implementing, and enforcing policies and procedures to prevent or reduce the risk of fraudulent or wrongful acts within the agency.
  - (9) Recommend legislation to the governor and general assembly to strengthen public integrity laws, including the code of ethics for state officers, employees, special state appointees, and persons who have a business relationship with an agency, including whether additional specific state officers, employees, or special state appointees should be required to file a financial disclosure statement under IC 4-2-6-8.
  - (10) Annually submit a report to the legislative council detailing the inspector general's activities. The report must be in an electronic format under IC 5-14-6.
  - (11) Prescribe and provide forms for statements required to be filed under IC 4-2-6 or this chapter.
  - (12) Accept and file information that:
    - (A) is voluntarily supplied; and
    - (B) exceeds the requirements of this chapter.
  - (13) Inspect financial disclosure forms.
  - (14) Notify persons who fail to file forms required under IC 4-2-6 or this chapter.
  - (15) Develop a filing, a coding, and an indexing system required by IC 4-2-6 and IC 35-44.1-1.
  - (16) Prepare interpretive and educational materials and programs.
  - (17) ~~Adopt rules under IC 4-22-2 and section 9 of this chapter to implement a statewide code of judicial conduct for administrative law judges. The inspector general may adopt emergency rules in the manner provided under IC 4-22-2-37.1 to implement a statewide code of judicial conduct for administrative law judges.~~
- SECTION 2. IC 4-2-7-9 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 9: (a) The inspector general shall adopt rules under



IC 4-22-2 establishing a statewide code of judicial conduct for administrative law judges. The statewide code of judicial conduct for administrative law judges must apply to every person acting as an administrative law judge for a state agency:

(b) The inspector general:

(1) shall review 312 IAC 3-1-2.5 and 315 IAC 1-1-2 in adopting a statewide code of judicial conduct for administrative law judges; and

(2) may base the statewide code of judicial conduct for administrative law judges on 312 IAC 3-1-2.5 and 315 IAC 1-1-2.

(c) A state agency may adopt rules under IC 4-22-2 to establish a supplemental code of judicial conduct for a person acting as an administrative law judge for that agency, if the supplemental code is at least as restrictive as the statewide code of judicial conduct for administrative law judges.

(d) The inspector general may adopt emergency rules in the manner provided under IC 4-22-2-37.1 to implement a statewide code of judicial conduct for administrative law judges.

(e) The statewide code of judicial conduct for administrative law judges shall be enforced under IC 4-21.5. The inspector general is not responsible for enforcing the statewide code of judicial conduct for administrative law judges or for investigating a possible violation of the statewide code:".

Renumber all SECTIONS consecutively.

(Reference is to HB 1223 as printed February 12, 2019.)

STEUERWALD

