



January 19, 2024

SENATE BILL No. 200

DIGEST OF SB 200 (Updated January 17, 2024 12:54 pm - DI 55)

Citations Affected: IC 4-13; IC 5-10; IC 22-2.

Synopsis: Nonprofit loan center loans for state employees. Provides that not later than: (1) September 1, 2024, in the case of a state agency other than a state educational institution or a school corporation; (2) September 1, 2025, in the case of a state agency that is a state educational institution; or (3) September 1, 2026, in the case of a state agency that is a school corporation; a state agency shall partner with each nonprofit loan center (NLC) operating in Indiana to become a participating employer in the NLC's nonprofit loan center program (NLC program) by offering voluntary payroll deductions for eligible full-time employees to make payments toward the balance of a nonprofit loan center loan (NLC loan) made by a nonprofit loan center lender (NLC lender). Provides that after becoming a participating employer in an NLC program, a state agency shall allow an eligible employee to: (1) voluntarily request and establish payroll deductions for an NLC loan at any time; and (2) revoke the employee's authorization for payroll deductions for an NLC loan at any time; including any time that falls outside a designated open enrollment
(Continued next page)

Effective: July 1, 2024.

Deery, Bassler, Walker G, Qaddoura

January 9, 2024, read first time and referred to Committee on Insurance and Financial Institutions.

January 18, 2024, amended, reported favorably — Do Pass.

SB 200—LS 6692/DI 101



Digest Continued

period for employee benefits. Defines an "NLC loan" as a loan that meets certain requirements with respect to the principal amount, loan term, finance charge, authorized fees, method of repayment, and other loan terms. Authorizes the state comptroller to authorize the electronic transfer of funds from the state treasury to a designated NLC lender in payment of an NLC loan on behalf of an eligible employee who has voluntarily given the state comptroller written authorization, through the eligible employee's employing state agency, to make the transfer. Specifies that: (1) a loan made under the bill's provisions; or (2) a person that makes a loan under the bill's provisions; is subject to the requirements of the Uniform Consumer Credit Code chapter governing consumer loans. Provides that a depository institution may make a loan under the same terms and conditions that apply with respect to a nonprofit loan center loan to an employee of: (1) a state agency; or (2) any other employer; as long as the loan is made in compliance with any applicable law. Allows a wage assignment to be made for the purpose of making payment to a depository institution in repayment of a loan that is made to the employee by the depository institution under the same terms and conditions that apply with respect to an NLC loan. Authorizes the electronic transfer of funds from the state treasury on behalf of an employee of a state agency in payment of a loan made by a depository institution to the employee under the same terms and conditions that apply to an NLC loan.



January 19, 2024

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

SENATE BILL No. 200

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

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

1 SECTION 1. IC 4-13-2-7, AS AMENDED BY THE TECHNICAL
2 CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS
3 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:
4 Sec. 7. (a) Subject to this chapter and other laws not inconsistent with
5 this chapter, the ~~auditor of state~~ **comptroller** shall, respecting all
6 agencies of the state, do the following:
7 (1) Maintain the centralized accounting records for the state, keep
8 the general books of accounts on a double entry basis, and
9 maintain accounts as will reflect in detail or in summary, all
10 assets, liabilities, reserves, surpluses, revenues and receipts,
11 appropriations, allotments, expenditures, and encumbrances
12 except as otherwise provided in this chapter. The accounting
13 records and procedures must provide complete fiscal control over
14 all agencies of the state and over all activities carried on by them
15 and be upon forms, records, and systems approved by the state

SB 200—LS 6692/DI 101



- 1 board of accounts.
- 2 (2) Examine every receipt, account, bill, claim, refund, and
 3 demand against the state arising from activities carried on by
 4 agencies of the state, approve each legal, correct, and proper
 5 claim, designate the account to be charged therefor, and issue the
 6 ~~auditor's~~ **state comptroller's** warrant in payment thereof. The
 7 ~~auditor of state~~ **comptroller** may authorize the disbursement
 8 through electronic funds transfer in conformity with IC 4-8.1-2-7.
 9 All warrants and electronic funds transfers shall be payable to the
 10 vendor or claimant and in no instance shall the ~~auditor~~ **state**
 11 **comptroller** issue any warrant or make any electronic funds
 12 transfer payable to an officer or agency in payment of several
 13 claims where the officer is to distribute or pay to the several
 14 claimants the amount due, except in the case of special
 15 disbursement officers as provided for in this chapter. However,
 16 the ~~auditor of state~~ **comptroller** shall not be required to audit
 17 claims for any refunds made pursuant to IC 6-6-1.1 and
 18 IC 6-6-2.5.
- 19 (3) Examine each and every payroll or salary voucher submitted
 20 for payment by each state officer or state agency and shall issue
 21 the ~~auditor's~~ **state comptroller's** warrant in payment, payable to
 22 the officer or employee or claimant, except as provided in
 23 subdivision (5). In no instance shall the ~~auditor~~ **state comptroller**
 24 issue the ~~auditor's~~ **state comptroller's** warrant payable to any
 25 officer or agency in payment of a payroll or schedule to be
 26 distributed or paid to employees by the officer or agency.
- 27 (4) Keep an earnings record for each employee that shows gross
 28 compensation, net compensation, items withheld for federal tax,
 29 public employees' retirement, teachers' retirement, or other
 30 retirement, and any other deductions authorized to be deducted
 31 from earnings, and shall, as required by law, make settlement with
 32 the proper officers, agents, or agencies for the deductions.
- 33 (5) Authorize the electronic transfer of funds from the state
 34 treasury to a designated deposit account in payment of a payroll
 35 or salary voucher on behalf of a state employee who has given the
 36 ~~auditor~~ **state comptroller** written authorization to make the
 37 transfer under IC 4-15-5.9-2.
- 38 **(6) Authorize the electronic transfer of funds from the state**
 39 **treasury to a designated nonprofit loan center lender (as**
 40 **defined in IC 5-10-9.5-5) in payment of a nonprofit loan**
 41 **center loan (as defined in IC 5-10-9.5-6) on behalf of an**
 42 **eligible employee (as defined in IC 5-10-9.5-3) who has**



1 voluntarily given the state comptroller written authorization,
 2 through the eligible employee's state agency, to make the
 3 transfer under IC 5-10-9.5-10(d).

4 (7) Authorize the electronic transfer of funds from the state
 5 treasury to a depository institution (as defined in
 6 IC 24-4.5-1-301.5(12)) in payment of a loan that is made to an
 7 employee of a state agency (as defined in IC 5-10-9.5-8) by the
 8 depository institution (as defined in IC 24-4.5-1-301.5(12))
 9 under the same terms and conditions that apply with respect
 10 to a nonprofit loan center loan, as set forth in
 11 IC 5-10-9.5-6(a)(1) through IC 5-10-9.5-6(a)(15), as long as the
 12 employee has voluntarily given the state comptroller written
 13 authorization, through the employee's state agency, to make
 14 the transfer.

15 ~~(6)~~ (8) Accept all documents and reports showing evidences of
 16 the collection of state revenues by state agencies, evidences of the
 17 deposit of the revenues, and evidences of the receipt thereof by
 18 the treasurer of state and designate the fund or account to be
 19 credited.

20 ~~(7)~~ (9) Have all other powers and duties respecting all agencies of
 21 the state as may be imposed upon the ~~auditor~~ **state comptroller**
 22 by law or transferred to the ~~auditor~~ **state comptroller** by this
 23 chapter.

24 (b) The ~~auditor~~ of state **comptroller** may issue a warrant or make
 25 an electronic funds transfer in conformity with IC 4-8.1-2-7 to a person
 26 who:

- 27 (1) has a contract with the state; and
- 28 (2) is entitled to payment under that contract;

29 without the certification required by IC 5-11-10-1.

30 (c) The ~~auditor~~ **state comptroller** may not issue a warrant or make
 31 an electronic funds transfer under subsection (b) except in accordance
 32 with procedures adopted by the state board of accounts.

33 (d) The ~~auditor~~ **state comptroller** is not personally liable for a
 34 warrant issued or an electronic funds transfer made under subsection
 35 (b) if:

- 36 (1) the ~~auditor~~ **state comptroller** complies with the procedures
 37 described in subsection (c); and
- 38 (2) funds are appropriated and available to pay the warrant or
 39 electronic funds transfer.

40 (e) This subsection applies to a payment of less than five thousand
 41 dollars (\$5,000). Notwithstanding any other law, the ~~auditor~~ of state
 42 **comptroller** may elect to:



- 1 (1) not preaudit a payment; and
 2 (2) process the payment with the state agency authorizing the
 3 payment.

4 The state agency is accountable to the state board of accounts under the
 5 board's post payment auditing procedures.

6 SECTION 2. IC 5-10-9.5 IS ADDED TO THE INDIANA CODE
 7 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2024]:

9 **Chapter 9.5. Payroll Payments to Nonprofit Loan Center**
 10 **Lenders**

11 **Sec. 1. As used in this chapter, "consumer reporting agency that**
 12 **compiles and maintains files on consumers on a nationwide basis"**
 13 **has the meaning set forth in 15 U.S.C. 1681a(p).**

14 **Sec. 2. As used in this chapter, "depository institution" has the**
 15 **meaning set forth in IC 24-4.5-1-301.5(12).**

16 **Sec. 3. As used in this chapter, "eligible employee" means an**
 17 **individual who:**

- 18 (1) is employed full time by a state agency; and
 19 (2) resides in a community in Indiana that is served by a
 20 nonprofit loan center.

21 **Sec. 4. As used in this chapter, "nonprofit loan center", or**
 22 **"NLC", means a nonprofit organization that operates a nonprofit**
 23 **loan center program that is offered to residents in one (1) or more**
 24 **communities in Indiana.**

25 **Sec. 5. As used in this chapter, "nonprofit loan center lender",**
 26 **or "NLC lender", means a lender that is:**

- 27 (1) licensed by the department of financial institutions under
 28 IC 24-4.5-3; and
 29 (2) regularly engaged in making nonprofit loan center loans
 30 through a nonprofit loan center program.

31 **Sec. 6. (a) As used in this chapter, "nonprofit loan center loan",**
 32 **or "NLC loan", means a loan that is offered through a nonprofit**
 33 **loan center program and that meets the following requirements:**

- 34 (1) The loan is made primarily for personal, family, or
 35 household purposes.
 36 (2) The principal (as defined in IC 24-4.5-3-107(3)) of the loan
 37 does not exceed one thousand dollars (\$1,000).
 38 (3) The term of the loan is at least twelve (12) months.
 39 (4) The loan finance charge, calculated according to the
 40 actuarial method, does not exceed eighteen percent (18%) per
 41 year on the unpaid balances of the principal (as defined in
 42 IC 24-4.5-3-107(3)).



- 1 **(5) Any prepaid finance charge (however denominated by the**
 2 **NLC lender) that is imposed under IC 24-4.5-3-201(3)(d):**
 3 **(A) does not exceed thirty-five dollars (\$35); and**
 4 **(B) notwithstanding IC 24-4.5-3-201(10), may, at the**
 5 **option of the NLC lender, be refunded to the borrower**
 6 **upon the borrower's completion of one (1) or more**
 7 **consumer financial education courses.**
- 8 **(6) The loan is not subject to any additional permitted charges**
 9 **under IC 24-4.5-3-202 other than the charge permitted under**
 10 **IC 24-4.5-3-202(1)(f) for each returned payment by a bank or**
 11 **other depository institution of a dishonored check, electronic**
 12 **funds transfer, negotiable order of withdrawal, or share draft**
 13 **issued by the borrower, as applicable.**
- 14 **(7) The loan is not subject to any other fees or charges not**
 15 **described in subdivisions (4) through (6) other than the**
 16 **following, at the option of the NLC lender:**
 17 **(A) A delinquency charge permitted under**
 18 **IC 24-4.5-3-203.5 on any installment or minimum payment**
 19 **due that is not paid in full not later than ten (10) days after**
 20 **its scheduled due date.**
 21 **(B) An application fee or administrative fee (however**
 22 **denominated by the NLC lender) that:**
 23 **(i) does not exceed thirty-five dollars (\$35);**
 24 **(ii) is not a condition for, or an incident to, the extension**
 25 **of credit; and**
 26 **(iii) is imposed by the NLC lender on all applicants for a**
 27 **loan, regardless of whether a loan is made.**
- 28 **(8) The NLC lender does not take a security interest in any**
 29 **real or personal property of the borrower in connection with**
 30 **the loan.**
- 31 **(9) The borrower is not subject to a credit check, or any other**
 32 **investigation into the borrower's creditworthiness, in**
 33 **connection with the loan application, other than verification**
 34 **that the borrower:**
 35 **(A) is employed full time by an employer that participates**
 36 **in the nonprofit loan center program;**
 37 **(B) has an open checking account in a depository**
 38 **institution; and**
 39 **(C) meets any applicable monthly gross income**
 40 **requirements that the NLC lender has established with**
 41 **respect to different loan amounts or ranges of loan**
 42 **amounts.**



- 1 **(10) The loan application may be completed online through**
 2 **the NLC lender's website.**
 3 **(11) The proceeds of the loan are deposited directly into the**
 4 **borrower's checking account with a depository institution.**
 5 **(12) Repayment of the loan may be made through payroll**
 6 **deductions that:**
 7 **(A) are made by the borrower's employer on the**
 8 **borrower's behalf; and**
 9 **(B) are:**
 10 **(i) voluntarily authorized by the borrower; and**
 11 **(ii) revokable by the borrower at any time;**
 12 **in compliance with IC 24-4.5-3-403.**
 13 **(13) Approval of the loan is not conditioned on the borrower's**
 14 **authorization of payroll deductions for repayment of the loan.**
 15 **(14) The loan is not subject to a prepayment penalty or fee.**
 16 **(15) The borrower's payments on the loan are reported to at**
 17 **least one (1) consumer reporting agency that compiles and**
 18 **maintains files on consumers on a nationwide basis.**
 19 **(b) The term does not include a small loan (as defined in**
 20 **IC 24-4.5-7-104) that is subject to IC 24-4.5-7.**
 21 **Sec. 7. As used in this chapter, "nonprofit loan center**
 22 **program", or "NLC program", means a loan program that is:**
 23 **(1) operated by a nonprofit loan center and offered to**
 24 **residents in one (1) or more communities in Indiana; and**
 25 **(2) made available:**
 26 **(A) by one (1) or more employers that partner with a**
 27 **nonprofit loan center lender that makes loans through the**
 28 **program; and**
 29 **(B) to employees as an employee benefit;**
 30 **at no cost to the employer.**
 31 **Sec. 8. (a) As used in this chapter, "state agency" means any**
 32 **authority, board, branch, commission, committee, department,**
 33 **division, or other instrumentality of the executive (including the**
 34 **administrative), judicial, or legislative branch of state government.**
 35 **The term includes the following:**
 36 **(1) A state elected official's office.**
 37 **(2) A state educational institution (as defined in**
 38 **IC 21-7-13-32).**
 39 **(3) A body corporate and politic of the state created by state**
 40 **statute.**
 41 **(b) The term does not include a political subdivision (as defined**
 42 **in IC 36-1-2-13), except for a school corporation (as defined in**



- 1 IC 36-1-2-17).
- 2 Sec. 9. As used in this chapter, "statewide coordinator" means
- 3 a nonprofit organization that is responsible for:
- 4 (1) recruiting local lenders;
- 5 (2) engaging employers;
- 6 (3) raising additional capital for lending through local NLC
- 7 lenders; and
- 8 (4) providing other support for local NLC lenders;
- 9 in connection with NLC programs in Indiana.
- 10 Sec. 10. (a) Not later than:
- 11 (1) September 1, 2024, in the case of a state agency that is not:
- 12 (A) a state educational institution (as defined in
- 13 IC 21-7-13-32); or
- 14 (B) a school corporation (as defined in IC 36-1-2-17);
- 15 (2) September 1, 2025, in the case of a state agency that is a
- 16 state educational institution (as defined in IC 21-7-13-32); or
- 17 (3) September 1, 2026, in the case of a state agency that is a
- 18 school corporation (as defined in IC 36-1-2-17);
- 19 a state agency shall partner with each NLC operating in Indiana to
- 20 become a participating employer in the NLC's nonprofit loan
- 21 center program by offering voluntary payroll deductions for
- 22 eligible employees who enter into an NLC loan offered by an NLC
- 23 lender.
- 24 (b) The statewide coordinator shall provide any necessary
- 25 assistance to enable state agencies to become participating
- 26 employers in each NLC program operating in Indiana, as required
- 27 by subsection (a). In providing assistance under this subsection, the
- 28 statewide coordinator may work with any of the following, as
- 29 appropriate:
- 30 (1) An individual state agency, including:
- 31 (A) the board of trustees for an individual state
- 32 educational institution (as defined in IC 21-7-13-32); or
- 33 (B) the governing body of a school corporation (as defined
- 34 in IC 36-1-2-17).
- 35 (2) The state personnel department.
- 36 (3) The legislative council.
- 37 (4) The office of judicial administration.
- 38 (5) Individual NLC lenders making loans through the NLC
- 39 program.
- 40 (c) After becoming a participating employer as required under
- 41 subsection (a), a state agency shall offer as an employee benefit the
- 42 opportunity for the state agency's eligible employees to make



1 payments toward the balance of an NLC loan through voluntary
 2 recurring payroll deductions under IC 22-2-6-2(b)(10). A state
 3 agency shall:

4 (1) allow an eligible employee to:

5 (A) voluntarily request and establish payroll deductions
 6 under this subsection at any time; and

7 (B) revoke the employee's authorization for payroll
 8 deductions under this subsection at any time;

9 including any time that falls outside a designated open
 10 enrollment period for employee benefits, in the manner set
 11 forth in subsection (d); and

12 (2) agree, in a signed writing, to an employee's request for
 13 payroll deductions under this subsection, as required by
 14 IC 22-2-6-2(a)(1)(D).

15 The statewide coordinator shall provide any necessary assistance
 16 to enable state agencies to offer and administer payroll deductions
 17 under this subsection, including by communicating or promoting
 18 the availability of the payroll deductions as an employee benefit for
 19 eligible employees. In providing this assistance, the statewide
 20 coordinator may work with any of the entities set forth in
 21 subsection (b)(1) through (b)(5).

22 (d) Upon receiving approval for an NLC loan, an eligible
 23 employee may make a written request, in accordance with
 24 IC 22-2-6-2(a), to the state agency employing the eligible employee,
 25 that a specified portion of any compensation due from the state
 26 agency to the eligible employee be credited to the eligible
 27 employee's account with the applicable NLC lender to be applied
 28 as payment toward the NLC loan balance. Upon receipt of an
 29 eligible employee's request to a state agency under this subsection,
 30 the state comptroller, or another appropriate official or payroll
 31 administrator, shall:

32 (1) draw a warrant in favor of the NLC lender set forth in the
 33 eligible employee's request;

34 (2) in the event more than one (1) eligible employee of the
 35 state agency designates the same NLC lender, draw a single
 36 warrant in favor of the NLC lender for the total amount due
 37 on behalf of the eligible employees and transmit the warrant
 38 to the NLC lender identifying each eligible employee and the
 39 amount to be credited to each eligible employee's account; or

40 (3) make a direct deposit to the NLC lender by electronic
 41 funds transfer;

42 in the manner set forth in IC 4-15-5.9-2(a). An eligible employee's



1 written or electronic request under this subsection shall authorize
 2 in advance the direct credit by warrant or electronic funds transfer
 3 of the specified portion of the eligible employee's earnings each
 4 time a payroll warrant or electronic funds transfer is issued on the
 5 eligible employee's behalf. The eligible employee's written or
 6 electronic authorization must designate an NLC lender and an
 7 account number to which the payment is to be credited. The
 8 eligible employee's authorization remains in effect until the eligible
 9 employee revokes it in writing or by electronic means.

10 Sec. 11. Any:

11 (1) loan made under this chapter; or

12 (2) person (as defined in IC 24-4.5-1-301.5) that makes a loan
 13 under this chapter;

14 is subject to the requirements of IC 24-4.5-3 and any related rules,
 15 orders, or guidance documents adopted or issued by the
 16 department of financial institutions.

17 Sec. 12. This chapter does not prohibit a depository institution
 18 (as defined in IC 24-4.5-1-301.5(12)) from making a loan under the
 19 same terms and conditions that apply with respect to an NLC loan,
 20 as set forth in section 6(a)(1) through 6(a)(15) of this chapter, to an
 21 employee of:

22 (1) a state agency; or

23 (2) any other employer;

24 as long as the loan is made in compliance with any applicable law.

25 SECTION 3. IC 22-2-6-2, AS AMENDED BY P.L.147-2019,
 26 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2024]: Sec. 2. (a) Any assignment of the wages of an
 28 employee is valid only if all of the following conditions are satisfied:

29 (1) The assignment is:

30 (A) in writing;

31 (B) signed by the employee personally;

32 (C) by its terms revocable at any time by the employee upon
 33 written notice to the employer; and

34 (D) agreed to in writing by the employer.

35 (2) An executed copy of the assignment is delivered to the
 36 employer within ten (10) days after its execution.

37 (3) The assignment is made for a purpose described in subsection
 38 (b).

39 (b) A wage assignment under this section may be made for the
 40 purpose of paying any of the following:

41 (1) Premium on a policy of insurance obtained for the employee
 42 by the employer.



- 1 (2) Pledge or contribution of the employee to a charitable or
2 nonprofit organization.
- 3 (3) Purchase price of bonds or securities, issued or guaranteed by
4 the United States.
- 5 (4) Purchase price of shares of stock, or fractional interests in
6 shares of stock, of the employing company, or of a company
7 owning the majority of the issued and outstanding stock of the
8 employing company, whether purchased from such company, in
9 the open market or otherwise. However, if such shares are to be
10 purchased on installments pursuant to a written purchase
11 agreement, the employee has the right under the purchase
12 agreement at any time before completing purchase of such shares
13 to cancel said agreement and to have repaid promptly the amount
14 of all installment payments which theretofore have been made.
- 15 (5) Dues to become owing by the employee to a labor
16 organization of which the employee is a member.
- 17 (6) Purchase price of merchandise, goods, or food offered by the
18 employer and sold to the employee, for the employee's benefit,
19 use, or consumption, at the written request of the employee.
- 20 (7) Amount of a loan made to the employee by the employer and
21 evidenced by a written instrument executed by the employee
22 subject to the amount limits set forth in section 4(c) of this
23 chapter.
- 24 (8) Contributions, assessments, or dues of the employee to a
25 hospital service or a surgical or medical expense plan or to an
26 employees' association, trust, or plan existing for the purpose of
27 paying pensions or other benefits to said employee or to others
28 designated by the employee.
- 29 (9) Payment to any credit union, nonprofit organizations, or
30 associations of employees of such employer organized under any
31 law of this state or of the United States.
- 32 (10) Payment to any person or organization regulated under the
33 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit
34 to the employee's account by electronic transfer or as otherwise
35 designated by the employee.
- 36 **(11) Payment to a depository institution (as defined in**
37 **IC 24-4.5-1-301.5(12)) in repayment of a loan that is made to**
38 **the employee by the depository institution (as defined in**
39 **IC 24-4.5-1-301.5(12)) under the same terms and conditions**
40 **that apply with respect to a nonprofit loan center loan, as set**
41 **forth in section IC 5-10-9.5-6(a)(1) through**
42 **IC 5-10-9.5-6(a)(15).**



- 1 ~~(11)~~ **(12)** Premiums on policies of insurance and annuities
 2 purchased by the employee on the employee's life.
 3 ~~(12)~~ **(13)** The purchase price of shares or fractional interest in
 4 shares in one (1) or more mutual funds.
 5 ~~(13)~~ **(14)** A judgment owed by the employee if the payment:
 6 (A) is made in accordance with an agreement between the
 7 employee and the creditor; and
 8 (B) is not a garnishment under IC 34-25-3.
 9 ~~(14)~~ **(15)** The purchase, rental, or use of uniforms, shirts, pants,
 10 or other ~~job-related~~ **job related** clothing at an amount not to
 11 exceed the direct cost paid by an employer to an external vendor
 12 for those items.
 13 ~~(15)~~ **(16)** The purchase of equipment or tools necessary to fulfill
 14 the duties of employment at an amount not to exceed the direct
 15 cost paid by an employer to an external vendor for those items.
 16 ~~(16)~~ **(17)** Reimbursement for education or employee skills
 17 training. However, a wage assignment may not be made if the
 18 education or employee skills training benefits were provided, in
 19 whole or in part, through an economic development incentive
 20 from any federal, state, or local program.
 21 ~~(17)~~ **(18)** An advance for:
 22 (A) payroll; or
 23 (B) vacation;
 24 pay.
 25 ~~(18)~~ **(19)** The employee's drug education and addiction treatment
 26 services under IC 12-23-23.
 27 (c) The interest rate charged on amounts loaned or advanced to an
 28 employee and repaid under subsection (b) may not exceed the bank
 29 prime loan interest rate as reported by the Board of Governors of the
 30 Federal Reserve System or any successor rate, plus four percent (4%).
 31 (d) The total amount of wages subject to assignment under
 32 subsection ~~(b)(14)~~ **and (b)(15) and (b)(16)** may not exceed the lesser
 33 of:
 34 (1) two thousand five hundred dollars (\$2,500) per year; or
 35 (2) five percent (5%) of the employee's weekly disposable
 36 earnings (as defined in IC 24-4.5-5-105(1)(a)).
 37 (e) Except as provided under 29 CFR Parts 1910, 1915, 1917, 1918,
 38 and 1926, an employee shall not be charged or subject to a wage
 39 assignment under subsection ~~(b)(14)~~ **or (b)(15) or (b)(16)** for
 40 protective equipment including personal protective equipment
 41 identified under 29 CFR Parts 1910, 1915, 1917, 1918, and 1926.



COMMITTEE REPORT

Madam President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 200, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, between lines 3 and 4, begin a new line block indented and insert:

"(7) Authorize the electronic transfer of funds from the state treasury to a depository institution (as defined in IC 24-4.5-1-301.5(12)) in payment of a loan that is made to an employee of a state agency (as defined in IC 5-10-9.5-8) by the depository institution (as defined in IC 24-4.5-1-301.5(12)) under the same terms and conditions that apply with respect to a nonprofit loan center loan, as set forth in IC 5-10-9.5-6(a)(1) through IC 5-10-9.5-6(a)(15), as long as the employee has voluntarily given the state comptroller written authorization, through the employee's state agency, to make the transfer."

Page 3, line 4, delete "(7)" and insert "(8)".

Page 3, line 9, delete "(8)" and insert "(9)".

Page 9, after line 5, begin a new paragraph and insert:

"Sec. 12. This chapter does not prohibit a depository institution (as defined in IC 24-4.5-1-301.5(12)) from making a loan under the same terms and conditions that apply with respect to an NLC loan, as set forth in section 6(a)(1) through 6(a)(15) of this chapter, to an employee of:

- (1) a state agency; or**
- (2) any other employer;**

as long as the loan is made in compliance with any applicable law.

SECTION 3. IC 22-2-6-2, AS AMENDED BY P.L.147-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 2. (a) Any assignment of the wages of an employee is valid only if all of the following conditions are satisfied:

- (1) The assignment is:
 - (A) in writing;
 - (B) signed by the employee personally;
 - (C) by its terms revocable at any time by the employee upon written notice to the employer; and
 - (D) agreed to in writing by the employer.
- (2) An executed copy of the assignment is delivered to the employer within ten (10) days after its execution.

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- (3) The assignment is made for a purpose described in subsection (b).
- (b) A wage assignment under this section may be made for the purpose of paying any of the following:
- (1) Premium on a policy of insurance obtained for the employee by the employer.
 - (2) Pledge or contribution of the employee to a charitable or nonprofit organization.
 - (3) Purchase price of bonds or securities, issued or guaranteed by the United States.
 - (4) Purchase price of shares of stock, or fractional interests in shares of stock, of the employing company, or of a company owning the majority of the issued and outstanding stock of the employing company, whether purchased from such company, in the open market or otherwise. However, if such shares are to be purchased on installments pursuant to a written purchase agreement, the employee has the right under the purchase agreement at any time before completing purchase of such shares to cancel said agreement and to have repaid promptly the amount of all installment payments which theretofore have been made.
 - (5) Dues to become owing by the employee to a labor organization of which the employee is a member.
 - (6) Purchase price of merchandise, goods, or food offered by the employer and sold to the employee, for the employee's benefit, use, or consumption, at the written request of the employee.
 - (7) Amount of a loan made to the employee by the employer and evidenced by a written instrument executed by the employee subject to the amount limits set forth in section 4(c) of this chapter.
 - (8) Contributions, assessments, or dues of the employee to a hospital service or a surgical or medical expense plan or to an employees' association, trust, or plan existing for the purpose of paying pensions or other benefits to said employee or to others designated by the employee.
 - (9) Payment to any credit union, nonprofit organizations, or associations of employees of such employer organized under any law of this state or of the United States.
 - (10) Payment to any person or organization regulated under the Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit to the employee's account by electronic transfer or as otherwise designated by the employee.
 - (11) Payment to a depository institution (as defined in**



IC 24-4.5-1-301.5(12)) in repayment of a loan that is made to the employee by the depository institution (as defined in IC 24-4.5-1-301.5(12)) under the same terms and conditions that apply with respect to a nonprofit loan center loan, as set forth in section IC 5-10-9.5-6(a)(1) through IC 5-10-9.5-6(a)(15).

~~(11)~~ **(12)** Premiums on policies of insurance and annuities purchased by the employee on the employee's life.

~~(12)~~ **(13)** The purchase price of shares or fractional interest in shares in one (1) or more mutual funds.

~~(13)~~ **(14)** A judgment owed by the employee if the payment:

(A) is made in accordance with an agreement between the employee and the creditor; and

(B) is not a garnishment under IC 34-25-3.

~~(14)~~ **(15)** The purchase, rental, or use of uniforms, shirts, pants, or other ~~job-related~~ **job related** clothing at an amount not to exceed the direct cost paid by an employer to an external vendor for those items.

~~(15)~~ **(16)** The purchase of equipment or tools necessary to fulfill the duties of employment at an amount not to exceed the direct cost paid by an employer to an external vendor for those items.

~~(16)~~ **(17)** Reimbursement for education or employee skills training. However, a wage assignment may not be made if the education or employee skills training benefits were provided, in whole or in part, through an economic development incentive from any federal, state, or local program.

~~(17)~~ **(18)** An advance for:

(A) payroll; or

(B) vacation;

pay.

~~(18)~~ **(19)** The employee's drug education and addiction treatment services under IC 12-23-23.

(c) The interest rate charged on amounts loaned or advanced to an employee and repaid under subsection (b) may not exceed the bank prime loan interest rate as reported by the Board of Governors of the Federal Reserve System or any successor rate, plus four percent (4%).

(d) The total amount of wages subject to assignment under subsection ~~(b)(14)~~ and (b)(15) **and (b)(16)** may not exceed the lesser of:

(1) two thousand five hundred dollars (\$2,500) per year; or

(2) five percent (5%) of the employee's weekly disposable earnings (as defined in IC 24-4.5-5-105(1)(a)).



(e) Except as provided under 29 CFR Parts 1910, 1915, 1917, 1918, and 1926, an employee shall not be charged or subject to a wage assignment under subsection ~~(b)(14)~~ or (b)(15) or **(b)(16)** for protective equipment including personal protective equipment identified under 29 CFR Parts 1910, 1915, 1917, 1918, and 1926."

and when so amended that said bill do pass.

(Reference is to SB 200 as introduced.)

BALDWIN, Chairperson

Committee Vote: Yeas 8, Nays 0.

