



March 25, 2021

ENGROSSED SENATE BILL No. 316

DIGEST OF SB 316 (Updated March 25, 2021 11:38 am - DI 133)

Citations Affected: IC 10-17; IC 21-14.

Synopsis: Military and veterans matters. Changes the definition of a "qualified service member" for purposes of eligibility under the military family relief fund (fund). Requires the Indiana veterans' affairs commission (commission) to: (1) develop, adopt, and issue a policy listing the disallowable separation codes of each branch of the armed forces; and (2) review the policy for amendment and adopt any necessary amendments before July 1 of each year. Provides that the
(Continued next page)

Effective: July 1, 2021.

Garten, Tomes, Boots, Baldwin, Houchin

(HOUSE SPONSOR — BARTELS)

January 12, 2021, read first time and referred to Committee on Veterans Affairs and The Military.

February 2, 2021, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

February 11, 2021, amended, reported favorably — Do Pass.

February 15, 2021, read second time, ordered engrossed. Engrossed.

February 16, 2021, read third time, passed. Yeas 46, nays 0.

HOUSE ACTION

March 2, 2021, read first time and referred to Committee on Veterans Affairs and Public Safety.

March 16, 2021, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

March 25, 2021, reported — Do Pass.

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Digest Continued

department of veterans' affairs (department) may use not more than 10% of the average annual license plate revenue to cover direct costs associated with the marketing and promotion of the military relief fund. Specifies that the department may not use any of the amount for administrative costs, including payroll or any other overhead expenses. Provides that the department may deny an incomplete application for a grant under the fund if all required documentation is not received within 30 days after the date the applicant filed the application. Provides that, if an applicant appeals a denial of tuition and fee exemption benefits (benefits) not later than 15 days before the start of the semester for which the benefits would apply, the commission shall make a reasonable effort to issue a final order before the start of the semester.



March 25, 2021

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 316

A BILL FOR AN ACT to amend the Indiana Code concerning military and veterans.

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

1 SECTION 1. IC 10-17-12-0.7, AS AMENDED BY P.L.99-2016,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 0.7. The purpose of the fund established in section
4 8 of this chapter is to provide short term financial assistance, including
5 emergency one (1) time grants, to families of qualified service
6 members. ~~for hardships that result from the qualified service members'~~
7 ~~military service.~~

8 SECTION 2. IC 10-17-12-3.7 IS ADDED TO THE INDIANA
9 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2021]: **Sec. 3.7. As used in this chapter,**
11 **"court martial" has the meaning set forth in IC 10-16-1-8.**

12 SECTION 3. IC 10-17-12-7.5, AS AMENDED BY P.L.42-2020,
13 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2021]: Sec. 7.5. (a) As used in this chapter, "qualified service
15 member" means, **before the commission's issuance of the**
16 **disallowable separation codes list for each branch of the armed**
17 **forces described in section 10.5 of this chapter,** an individual who is

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1 an Indiana resident and who:

2 (1) is:

3 (A) a member of the armed forces of the United States or the
4 national guard (as defined in IC 5-9-4-4); and

5 (B) serving on or has served on active duty during a time of
6 national conflict or war; or

7 (2) has:

8 (A) served on active duty during a time of national conflict or
9 war in:

10 (i) the armed forces of the United States; or

11 (ii) the national guard (as defined in IC 5-9-4-4); and

12 (B) been discharged from the armed forces of the United
13 States or the national guard under honorable conditions.

14 **(b) As used in this chapter, "qualified service member" means,**
15 **after the commission's issuance of the disallowable separation**
16 **codes list for each branch of the armed forces described in section**
17 **10.5 of this chapter, an individual who is an Indiana resident and**
18 **who:**

19 **(1) is serving on active duty in:**

20 **(A) the armed forces of the United States; or**

21 **(B) the national guard (as defined in IC 5-9-4-4); or**

22 **(2) has served in or been discharged from the armed forces of**
23 **the United States or the national guard under conditions other**
24 **than the following:**

25 **(A) Discharge by court martial.**

26 **(B) Acceptance of a discharge to avoid a court martial.**

27 **(C) Discharge for having committed any of the following:**

28 **(i) An offense against the security of the United States,**
29 **including spying, mutiny, or treason.**

30 **(ii) An act of willful or persistent misconduct, including**
31 **desertion.**

32 **(iii) A sexual or violent offense against another person,**
33 **including molestation, rape, or assault.**

34 **(iv) An act described on the list of disallowable**
35 **separation codes adopted under section 10.5 of this**
36 **chapter.**

37 SECTION 4. IC 10-17-12-9, AS AMENDED BY P.L.198-2016,
38 SECTION 635, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) The fund consists of the
40 following:

41 (1) Appropriations made by the general assembly.

42 (2) Donations to the fund.



- 1 (3) Interest.
- 2 (4) Money transferred to the fund from other funds.
- 3 (5) Annual supplemental fees collected under IC 9.
- 4 (6) Money from any other source authorized or appropriated for
- 5 the fund.
- 6 (b) The commission shall transfer the money in the fund not
- 7 currently needed to provide assistance or meet the obligations of the
- 8 fund to the veterans' affairs trust fund established by IC 10-17-13-3.
- 9 (c) Money in the fund at the end of a state fiscal year does not revert
- 10 to the state general fund or to any other fund.
- 11 (d) There is annually appropriated to the commission for the
- 12 purposes of this chapter all money in the fund not otherwise
- 13 appropriated to the commission for the purposes of this chapter.
- 14 **(e) The department may use not more than an amount equal to:**
- 15 **(1) the average annual amount of license plate revenue**
- 16 **deposited into the fund as determined using the three (3)**
- 17 **previous state fiscal years; multiplied by**
- 18 **(2) ten percent (10%);**
- 19 **to cover direct costs associated with the marketing and promotion**
- 20 **of the fund in a particular state fiscal year. The department may**
- 21 **not use any of this amount for administrative costs, including**
- 22 **payroll or any other overhead expenses.**
- 23 SECTION 5. IC 10-17-12-10, AS AMENDED BY P.L.42-2020,
- 24 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 25 JULY 1, 2021]: Sec. 10. (a) The commission shall adopt rules under
- 26 IC 4-22-2 for the provision of grants under this chapter. Subject to
- 27 subsection (b), the rules adopted under this section must address the
- 28 following:
- 29 (1) Uniform need determination procedures.
- 30 (2) Eligibility criteria, including income eligibility standards,
- 31 asset limit eligibility standards, and other standards concerning
- 32 when assistance may be provided.
- 33 (3) Application procedures.
- 34 (4) Selection procedures.
- 35 (5) A consideration of the extent to which an individual has used
- 36 assistance available from other assistance programs before
- 37 assistance may be provided to the individual from the fund.
- 38 (6) Other areas in which the commission determines that rules are
- 39 necessary to ensure the uniform administration of the grant
- 40 program under this chapter.
- 41 (b) The following apply to grants awarded under this chapter:
- 42 ~~(1) An applicant is not eligible for a grant from the fund if:~~



- 1 (A) the qualified service member with respect to whom the
2 application is based has been discharged; and
3 (B) the qualified service member's term of qualifying military
4 service was less than twelve (12) months.
- 5 (2) (1) The income eligibility standards must be based on the
6 federal gross income of the qualified service member and the
7 qualified service member's spouse.
- 8 (3) (2) An employee of the department who is otherwise eligible
9 for a grant from the fund must submit the employee's application
10 directly to the commission for review. The department shall have
11 no influence in any part of the employee's application.
- 12 (4) (3) The maximum amount a qualified service member may
13 receive from the fund is two thousand five hundred dollars
14 (\$2,500), unless a higher amount is approved by the commission.
- 15 (5) (4) The commission may consider the following in its analysis
16 of the applicant's request for assistance in excess of two thousand
17 five hundred dollars (\$2,500):
- 18 (A) The department's eligibility determination of the applicant.
19 (B) Facts considered in the department's need determination
20 review and award under 915 IAC 3-6-3 and 915 IAC 3-6-5.
21 (C) The circumstances surrounding the applicant's hardship,
22 **if applicable.**
23 (D) Any substantive changes in the applicant's financial
24 situation after the original application was submitted.
25 (E) Facts that may have been unknown or unavailable at the
26 time of the applicant's original application for assistance.
27 (F) Other compelling circumstances that may justify assistance
28 in excess of the two thousand five hundred dollar (\$2,500)
29 threshold.
- 30 (6) (5) The commission shall approve or deny within sixty (60)
31 days an application for a grant filed with the commission after
32 June 30, 2019, by an employee of the department. ~~However, the~~
33 ~~commission may not act on an incomplete application.~~ The
34 commission shall return an incomplete application with a notation
35 as to omissions. The return of an incomplete application shall be
36 without prejudice.
- 37 SECTION 6. IC 10-17-12-10.5 IS ADDED TO THE INDIANA
38 CODE AS A NEW SECTION TO READ AS FOLLOWS
39 [EFFECTIVE JULY 1, 2021]: **Sec. 10.5. Not later than December 31,**
40 **2021, the commission shall develop, adopt, and issue a policy listing**
41 **the disallowable separation codes of each branch of the armed**
42 **forces. The commission shall review the policy for amendment and**



1 **adopt any necessary amendments before July 1 of each year.**

2 SECTION 7. IC 10-17-12-15, AS ADDED BY P.L.132-2019,
 3 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2021]: Sec. 15. The department may ~~not act on~~ **deny** an
 5 incomplete application **if all required documentation is not received**
 6 **within thirty (30) days after the date the applicant filed the**
 7 **application. If the thirty (30) day deadline falls on a Saturday,**
 8 **Sunday, or legal holiday under a state statute, the deadline for**
 9 **receiving the documentation shall be the next business day.** The
 10 department shall return an incomplete application with a notation as to
 11 omissions. The return of an incomplete application shall be without
 12 prejudice.

13 SECTION 8. IC 21-14-4-6, AS AMENDED BY P.L.112-2019,
 14 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2021]: Sec. 6. (a) An appeal from an adverse determination
 16 under section 5(a) of this chapter must be made in writing to the
 17 veterans' affairs commission not more than ~~fifteen (15) working~~
 18 **forty-five (45) days** following the applicant's receipt of the
 19 determination. A final order must be made by a simple majority of the
 20 veterans' affairs commission not more than ~~fifteen (15)~~ **forty-five (45)**
 21 days following receipt of the written appeal.

22 (b) An appeal from an adverse determination under section 5(b) of
 23 this chapter must be made in writing to the military department
 24 established by IC 10-16-2-1 not more than fifteen (15) working days
 25 following the applicant's receipt of the determination. A final order
 26 must be made not more than fifteen (15) days following receipt of the
 27 written appeal.

28 (c) **If an applicant appeals a denial of tuition and fee exemption**
 29 **benefits not later than fifteen (15) days before the start of the**
 30 **semester for which the tuition and fee exemption benefits would**
 31 **apply, the veterans' affairs commission shall make a reasonable**
 32 **effort to issue a final order before the start of the semester.**



COMMITTEE REPORT

Madam President: The Senate Committee on Veterans Affairs and The Military, to which was referred Senate Bill No. 316, 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 1, delete lines 12 through 17, begin a new paragraph and insert:

"SECTION 3. IC 10-17-12-7.5, AS AMENDED BY P.L.42-2020, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7.5. **(a)** As used in this chapter, "qualified service member" means, **before the commission's issuance of the disallowable separation codes list for each branch of the armed forces described in section 10.5 of this chapter**, an individual who is an Indiana resident and who:

(1) is:

- (A) a member of the armed forces of the United States or the national guard (as defined in IC 5-9-4-4); and
- (B) serving on or has served on active duty during a time of national conflict or war; or

(2) has:

- (A) served on active duty during a time of national conflict or war in:
 - (i) the armed forces of the United States; or
 - (ii) the national guard (as defined in IC 5-9-4-4); and
- (B) been discharged from the armed forces of the United States or the national guard under honorable conditions.

(b) As used in this chapter, "qualified service member" means, after the commission's issuance of the disallowable separation codes list for each branch of the armed forces described in section 10.5 of this chapter, an individual who is an Indiana resident and who:

(1) is serving on active duty in:

- (A) the armed forces of the United States; or**
- (B) the national guard (as defined in IC 5-9-4-4); or**

(2) has served in or been discharged from the armed forces of the United States or the national guard under conditions other than the following:

- (A) Discharge by court martial.**
- (B) Acceptance of a discharge to avoid a court martial.**
- (C) Discharge for having committed any of the following:**
 - (i) An offense against the security of the United States,**



including spying, mutiny, or treason.

(ii) An act of willful or persistent misconduct, including desertion.

(iii) A sexual or violent offense against another person, including molestation, rape, or assault.

(iv) An act described on the list of disallowable separation codes adopted under section 10.5 of this chapter."

Page 2, delete lines 1 through 23.

Page 4, line 24, delete "Before January 1, 2022," and insert "**Not later than December 31, 2021,**".

Page 4, line 25, delete "develop and adopt" and insert "**develop, adopt, and issue**".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 316 as introduced.)

TOMES, Chairperson

Committee Vote: Yeas 7, Nays 1.

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 316, 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, line 18, delete "fifteen" and insert "**ten**".

Page 3, line 18, delete "(15%);" and insert "**(10%);**".

Page 3, line 19, delete "monthly administrative" and insert "**direct**".

Page 3, line 19, delete "operation" and insert "**marketing and promotion**".

Page 3, line 20, delete "and maintenance".

Page 3, line 20, after "year." insert "**The department may not use any of this amount for administrative costs, including payroll or any other overhead expenses.**".

and when so amended that said bill do pass.

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(Reference is to SB 316 as printed February 3, 2021.)

MISHLER, Chairperson

Committee Vote: Yeas 13, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Veterans Affairs and Public Safety, to which was referred Senate Bill 316, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 316 as printed February 12, 2021.)

FRYE R

Committee Vote: Yeas 10, Nays 2

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 316, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to ESB 316 as printed March 16, 2021.)

BROWN T

Committee Vote: Yeas 22, Nays 0

