



February 22, 2017

SENATE BILL No. 517

DIGEST OF SB 517 (Updated February 21, 2017 12:43 pm - DI 73)

Citations Affected: IC 4-30; IC 10-17.

Synopsis: Distribution of lottery revenue for veterans' purposes. Provides that from January 1, 2018, through June 30, 2020, the state lottery commission shall, before the last business day of January, April, July, and October of each year, transfer \$125,000 of the surplus lottery revenue to the treasurer of state for deposit in a grant account established within the veterans' affairs trust fund. Authorizes the Indiana veterans' affairs commission to use money in the grant account to make grants to qualified entities to be used for the purpose of providing services to veterans.

Effective: July 1, 2017; January 1, 2018.

**Alting, Delph, Merritt, Ford, Doriot,
Crider, Niemeyer, Sandlin,
Niezgodski, Melton, Mrvan,
Randolph Lonnie M, Houchin**

January 17, 2017, read first time and referred to Committee on Veterans Affairs and The Military.

February 16, 2017, amended, reported favorably — Do Pass; reassigned to Committee on Tax and Fiscal Policy.

February 21, 2017, amended, reported favorably — Do Pass.

SB 517—LS 6901/DI 125



February 22, 2017

First Regular Session 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

SENATE BILL No. 517

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

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

1 SECTION 1. IC 4-30-16-3, AS AMENDED BY P.L.146-2008,
2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2018]: Sec. 3. (a) The commission shall transfer the
4 surplus revenue in the administrative trust fund as follows:
5 (1) Before the last business day of January, April, July, and
6 October, the commission shall transfer to the treasurer of state, for
7 deposit in the Indiana state teachers' retirement fund
8 (IC 5-10.4-2), seven million five hundred thousand dollars
9 (\$7,500,000). Notwithstanding any other law, including any
10 appropriations law resulting from a budget bill (as defined in
11 IC 4-12-1-2), the money transferred under this subdivision shall
12 be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be
13 used as a credit against the unfunded accrued liability of the
14 pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana
15 state teachers' retirement fund. The money transferred is in
16 addition to the appropriation needed to pay benefits for the state
17 fiscal year.

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1 (2) Before the last business day of January, April, July, and
 2 October, the commission shall transfer seven million five hundred
 3 thousand dollars (\$7,500,000) of the surplus revenue to the
 4 treasurer of state for deposit in the pension relief fund
 5 (IC 5-10.3-11).

6 **(3) Before the last business day of January, April, July, and**
 7 **October, the commission shall transfer one hundred**
 8 **twenty-five thousand dollars (\$125,000) of the surplus revenue**
 9 **to the treasurer of state for deposit in the grant account**
 10 **established by IC 10-17-13-3(d) within the veterans' affairs**
 11 **trust fund. This subdivision expires June 30, 2020.**

12 ~~(3)~~ **(4)** The surplus revenue remaining in the fund on the last day
 13 of January, April, July, and October after the transfers under
 14 subdivisions (1) ~~and (2)~~ **through (3)** shall be transferred by the
 15 commission to the treasurer of state for deposit on that day in the
 16 build Indiana fund.

17 (b) The commission may make transfers to the treasurer of state
 18 more frequently than required by subsection (a). However, the number
 19 of transfers does not affect the amount that is required to be transferred
 20 for the purposes listed in subsection (a)(1) ~~and (a)(2)~~ **through (a)(3)**.
 21 Any amount transferred during the month in excess of the amount
 22 required to be transferred for the purposes listed in subsection (a)(1)
 23 ~~and (a)(2)~~ **through (a)(3)** shall be transferred to the build Indiana fund.

24 SECTION 2. IC 10-17-13-3, AS AMENDED BY P.L.99-2016,
 25 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2017]: Sec. 3. (a) The veterans' affairs trust fund is established
 27 as a trust fund to provide a self-sustaining funding source for the
 28 military family relief fund established by IC 10-17-12-8.

29 (b) The fund consists of the following:

- 30 (1) Appropriations by the general assembly.
- 31 (2) Donations, gifts, grants, and bequests to the fund.
- 32 (3) Interest and dividends on assets of the funds.
- 33 (4) Money transferred to the fund from other funds.
- 34 (5) Money from any other source deposited in the fund.

35 (c) The fund is considered a trust fund for purposes of IC 4-9.1-1-7.

36 **(d) A grant account is established within the fund for the**
 37 **purposes of funding grants under IC 10-17-16. The grant account**
 38 **consists of money deposited into the grant account under**
 39 **IC 4-30-16-3(a)(3).**

40 SECTION 3. IC 10-17-13-15, AS ADDED BY P.L.99-2016,
 41 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2017]: Sec. 15. (a) Each year after July 1 and before August



1, the commission shall determine:

(1) the amount of money in the fund on July 1; and

(2) the amount of the expenditures from the military family relief fund during the immediately preceding state fiscal year.

(b) After making the determinations under subsection (a), if the amount determined under subsection (a)(1) exceeds three hundred percent (300%) of the amount determined under subsection (a)(2), the commission shall transfer from the fund to the military family relief fund an amount equal to:

(1) fifty percent (50%); multiplied by

(2) the difference of:

(A) the amount determined under subsection (a)(1); minus

(B) three hundred percent (300%) of the amount determined under subsection (a)(2).

(c) For purposes of making the determinations under subsection (a) and making the transfers under subsection (b), the commission shall not consider the money deposited into the grant account under IC 4-30-16-3(a)(3).

SECTION 4. IC 10-17-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 16. Grants from Lottery Proceeds

Sec. 1. As used in this chapter, "commission" refers to the Indiana veterans' affairs commission established by IC 10-17-13-4.

Sec. 2. As used in this chapter, "department" refers to the Indiana department of veterans' affairs established by IC 10-17-1-2.

Sec. 3. As used in this chapter, "qualified entity" means an entity that provides services to veterans and is exempt from taxation under Section 501 of the Internal Revenue Code.

Sec. 4. As used in this chapter, "veteran" means an individual residing in Indiana who:

(1) has served in any branch of the armed forces of the United States or their reserves, in the national guard, or in the Indiana national guard; and

(2) received a discharge from service under honorable conditions.

Sec. 5. The commission may use money in the grant account established by IC 10-17-13-3(d) within the veterans' affairs trust fund to make grants to qualified entities to be used for the purpose of providing services to veterans, including the following:

(1) Programs focused on eliminating homelessness, preventing



1 near term homelessness, and providing safe and secure living
2 conditions.

3 (2) Assisting veterans in moving from public housing
4 assistance programs to:

5 (A) home ownership; or

6 (B) stable, long term rental status.

7 A grant under this chapter for the purpose specified in clause
8 (B) may include up to nine (9) months of rental assistance.

9 (3) Assisting veterans in finding and using available federal
10 and state resources.

11 (4) Providing therapeutic services.

12 (5) Providing job training and job search assistance.

13 (6) Providing assistance for facilities and health care
14 providers that have been approved by the state department of
15 health to provide diagnostic testing and hyperbaric oxygen
16 treatment to veterans at no cost to the veterans receiving
17 treatment. However, a grant under this chapter may not be
18 awarded for the purposes specified in this subdivision unless
19 the state department of health has adopted the rules required
20 by section 7 of this chapter.

21 (7) Funding for grants to counties for salaries for service
22 officers. A grant awarded under this chapter for service
23 officer salaries may be used only for paying salaries of service
24 officers who work at least one thousand (1,000) hours
25 annually.

26 **Sec. 6. The commission shall adopt rules under IC 4-22-2 for the**
27 **provision of grants under this chapter. The rules adopted under**
28 **this section must address the following:**

29 (1) Application procedures.

30 (2) Eligibility criteria.

31 (3) Selection procedures.

32 (4) A consideration of the extent to which a qualified entity
33 has used assistance available from other assistance programs
34 before assistance may be provided to the qualified entity from
35 the fund.

36 (5) Department oversight and verification of use of funds
37 received by qualified entities.

38 (6) Other areas in which the department determines that rules
39 are necessary to ensure the uniform administration of the
40 grant program under this chapter.

41 **Sec. 7. (a) As used in this section, "hyperbaric oxygen**
42 **treatment" means treatment for traumatic brain injury or**



1 posttraumatic stress disorder that is ordered by a health care
2 provider and delivered in a hyperbaric chamber.

3 (b) A grant under this chapter for the purposes specified in
4 section 5(6) of this chapter may be provided only for facilities and
5 health care providers that have been approved by the state
6 department of health to provide diagnostic testing and hyperbaric
7 oxygen treatment to veterans at no cost to the veterans receiving
8 treatment.

9 (c) The state department of health, after consulting with the
10 department, shall adopt rules under IC 4-22-2 to implement section
11 5(6) of this chapter, including standards for the following:

12 (1) Determination by the facility that an individual is a
13 veteran eligible for participation in the program.

14 (2) Determination by the state department of health that a
15 facility is eligible to participate in the program, including:

16 (A) a requirement that the facility must maintain
17 compliance with applicable fire codes, treatment protocols,
18 and state department of health oversight; and

19 (B) other facility standards determined by the state
20 department of health.

21 (3) Treatment plan requirements, including the following:

22 (A) A facility's submission to the state department of
23 health, before providing hyperbaric oxygen treatment to a
24 veteran, of a treatment plan that includes:

25 (i) a health care provider's prescription for hyperbaric
26 oxygen treatment;

27 (ii) verification by the facility that the veteran is eligible
28 for participation in the program and voluntarily accepts
29 treatment through the program;

30 (iii) an estimate of the cost of the veteran's treatment;
31 and

32 (iv) any other information required by the state
33 department of health.

34 (B) A reasonable time frame for:

35 (i) approval or disapproval by the state department of
36 health of a treatment plan described in clause (A); and

37 (ii) notice to the facility of approval or disapproval of the
38 treatment plan.

39 (C) Contingent on sufficient funding available in the fund,
40 approval of each treatment plan that meets the
41 requirements established by the state department of health
42 under this section.



- 1 **(D) The sources of funding for the estimated treatment cost**
2 **for each veteran whose treatment plan is approved under**
3 **this section.**
- 4 **(4) Criteria for approval of payment for treatment that has**
5 **been verified by the state department of health to have been**
6 **provided under a treatment plan approved under subdivision**
7 **(3), including:**
- 8 **(A) whether a drug or device used in the treatment plan**
9 **has been approved for any purpose by the federal Food**
10 **and Drug Administration;**
- 11 **(B) health improvement of the veteran receiving the**
12 **treatment, as demonstrated through:**
- 13 **(i) standardized, independent pretreatment and**
14 **posttreatment neuropsychological testing;**
15 **(ii) nationally accepted survey instruments;**
16 **(iii) neurological imaging; or**
17 **(iv) clinical examination; and**
- 18 **(C) receipt by the state department of health of**
19 **pretreatment and posttreatment evaluation**
20 **documentation.**
- 21 **(5) Confidentiality of all individually identifiable patient**
22 **information of a veteran. However, subject to the**
23 **requirements of the federal Health Insurance Portability and**
24 **Accountability Act and any other applicable medical record**
25 **laws, all data and information from which the identity of an**
26 **individual veteran cannot be reasonably ascertained must be**
27 **available to the general assembly, participating institutional**
28 **review boards, participating health care providers, medical**
29 **researchers, and other governmental agencies.**
- 30 **Sec. 8. This chapter expires June 30, 2020.**



COMMITTEE REPORT

Madam President: The Senate Committee on Veterans Affairs and The Military, to which was referred Senate Bill No. 517, 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, line 7, delete "Beginning January 1, 2018, the scratch off game described" and insert "**The scratch off game described in subsection (a) must be available during the entire calendar year.**

(c) Forty percent (40%) of the profits from the sale of tickets for the scratch off game described in subsection (a) must be deposited in the veterans homelessness assistance fund established by IC 10-17-16-7. This section expires June 30, 2020.

SECTION 2. IC 4-30-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. **(a)** Each retailer is liable to the commission for any and all tickets accepted or generated by an employee or representative of that retailer. These tickets are considered to have been purchased by the retailer, unless returned to the commission within the time and in the manner prescribed by the commission.

(b) Except as provided in subsection (c), all money received by retailers from the sale of lottery tickets, less the amount retained as compensation for the sale of the tickets and the amount paid out as prizes by the retailer, shall be held in trust until its delivery to the commission or electronic transfer to the administrative trust fund.

(c) Forty percent (40%) of the profits from the sale of tickets for a scratch off game established under IC 4-30-3-20 shall be held in trust until its delivery to the commission for deposit in or electronic transfer to the veterans homelessness assistance fund established by IC 10-17-16-7. This subsection expires June 30, 2020.

SECTION 3. IC 4-30-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. **(a)** There is created an administrative trust fund to be administered by the commission in accordance with this article.

(b) Except as provided in subsection (c), all money received by the commission shall be deposited into the fund. All money in the fund is continually appropriated to the commission for the purposes specified in this article.

(c) The commission shall deposit forty percent (40%) of the profits from the sale of tickets for a scratch off game established under IC 4-30-3-20 in the veterans homelessness assistance fund



established by IC 10-17-16-7. This subsection expires June 30, 2020."

Page 1, delete lines 8 through 17.

Page 2, delete lines 1 through 35.

Page 4, after line 23, begin a new paragraph and insert:

"Sec. 10. This chapter expires June 30, 2020."

Renumber all SECTIONS consecutively.

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

(Reference is to SB 517 as introduced.)

DELPH, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 517, 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 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 4-30-16-3, AS AMENDED BY P.L.146-2008, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018]: Sec. 3. (a) The commission shall transfer the surplus revenue in the administrative trust fund as follows:

(1) Before the last business day of January, April, July, and October, the commission shall transfer to the treasurer of state, for deposit in the Indiana state teachers' retirement fund (IC 5-10.4-2), seven million five hundred thousand dollars (\$7,500,000). Notwithstanding any other law, including any appropriations law resulting from a budget bill (as defined in IC 4-12-1-2), the money transferred under this subdivision shall be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be used as a credit against the unfunded accrued liability of the pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana state teachers' retirement fund. The money transferred is in addition to the appropriation needed to pay benefits for the state fiscal year.

(2) Before the last business day of January, April, July, and

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October, the commission shall transfer seven million five hundred thousand dollars (\$7,500,000) of the surplus revenue to the treasurer of state for deposit in the pension relief fund (IC 5-10.3-11).

(3) Before the last business day of January, April, July, and October, the commission shall transfer one hundred twenty-five thousand dollars (\$125,000) of the surplus revenue to the treasurer of state for deposit in the grant account established by IC 10-17-13-3(d) within the veterans' affairs trust fund. This subdivision expires June 30, 2020.

~~(3)~~ **(4)** The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) ~~and (2)~~ **through (3)** shall be transferred by the commission to the treasurer of state for deposit on that day in the build Indiana fund.

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1) ~~and (a)(2)~~; **through (a)(3)**. Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1) ~~and (a)(2)~~ **through (a)(3)** shall be transferred to the build Indiana fund.

SECTION 2. IC 10-17-13-3, AS AMENDED BY P.L.99-2016, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The veterans' affairs trust fund is established as a trust fund to provide a self-sustaining funding source for the military family relief fund established by IC 10-17-12-8.

(b) The fund consists of the following:

- (1) Appropriations by the general assembly.
- (2) Donations, gifts, grants, and bequests to the fund.
- (3) Interest and dividends on assets of the funds.
- (4) Money transferred to the fund from other funds.
- (5) Money from any other source deposited in the fund.

(c) The fund is considered a trust fund for purposes of IC 4-9.1-1-7.

(d) A grant account is established within the fund for the purposes of funding grants under IC 10-17-16. The grant account consists of money deposited into the grant account under IC 4-30-16-3(a)(3).

SECTION 3. IC 10-17-13-15, AS ADDED BY P.L.99-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) Each year after July 1 and before August 1, the commission shall determine:

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- (1) the amount of money in the fund on July 1; and
- (2) the amount of the expenditures from the military family relief fund during the immediately preceding state fiscal year.

(b) After making the determinations under subsection (a), if the amount determined under subsection (a)(1) exceeds three hundred percent (300%) of the amount determined under subsection (a)(2), the commission shall transfer from the fund to the military family relief fund an amount equal to:

- (1) fifty percent (50%); multiplied by
- (2) the difference of:
 - (A) the amount determined under subsection (a)(1); minus
 - (B) three hundred percent (300%) of the amount determined under subsection (a)(2).

(c) For purposes of making the determinations under subsection (a) and making the transfers under subsection (b), the commission shall not consider the money deposited into the grant account under IC 4-30-16-3(a)(3)."

Page 2, delete lines 1 through 25.

Page 2, line 29, delete "Veterans Homelessness Assistance Fund" and insert "**Grants from Lottery Proceeds**".

Page 2, delete lines 35 through 39.

Page 2, line 40, delete "5." and insert "3."

Page 2, line 41, delete "homelessness assistance".

Page 3, line 2, delete "6." and insert "4."

Page 3, delete lines 9 through 37, begin a new paragraph and insert:

"Sec. 5. The commission may use money in the grant account established by IC 10-17-13-3(d) within the veterans' affairs trust fund to make grants to qualified entities to be used for the purpose of providing services to veterans, including the following:

- (1) Programs focused on eliminating homelessness, preventing near term homelessness, and providing safe and secure living conditions.**
- (2) Assisting veterans in moving from public housing assistance programs to:**
 - (A) home ownership; or**
 - (B) stable, long term rental status.**

A grant under this chapter for the purpose specified in clause (B) may include up to nine (9) months of rental assistance.

(3) Assisting veterans in finding and using available federal and state resources.

(4) Providing therapeutic services.

(5) Providing job training and job search assistance.



(6) Providing assistance for facilities and health care providers that have been approved by the state department of health to provide diagnostic testing and hyperbaric oxygen treatment to veterans at no cost to the veterans receiving treatment. However, a grant under this chapter may not be awarded for the purposes specified in this subdivision unless the state department of health has adopted the rules required by section 7 of this chapter.

(7) Funding for grants to counties for salaries for service officers. A grant awarded under this chapter for service officer salaries may be used only for paying salaries of service officers who work at least one thousand (1,000) hours annually."

Page 3, line 38, delete "8." and insert "6."

Page 4, delete lines 11 through 13, begin a new paragraph and insert:

"Sec. 7. (a) As used in this section, "hyperbaric oxygen treatment" means treatment for traumatic brain injury or posttraumatic stress disorder that is ordered by a health care provider and delivered in a hyperbaric chamber.

(b) A grant under this chapter for the purposes specified in section 5(6) of this chapter may be provided only for facilities and health care providers that have been approved by the state department of health to provide diagnostic testing and hyperbaric oxygen treatment to veterans at no cost to the veterans receiving treatment.

(c) The state department of health, after consulting with the department, shall adopt rules under IC 4-22-2 to implement section 5(6) of this chapter, including standards for the following:

(1) Determination by the facility that an individual is a veteran eligible for participation in the program.

(2) Determination by the state department of health that a facility is eligible to participate in the program, including:

(A) a requirement that the facility must maintain compliance with applicable fire codes, treatment protocols, and state department of health oversight; and

(B) other facility standards determined by the state department of health.

(3) Treatment plan requirements, including the following:

(A) A facility's submission to the state department of health, before providing hyperbaric oxygen treatment to a veteran, of a treatment plan that includes:



- (i) a health care provider's prescription for hyperbaric oxygen treatment;
 - (ii) verification by the facility that the veteran is eligible for participation in the program and voluntarily accepts treatment through the program;
 - (iii) an estimate of the cost of the veteran's treatment; and
 - (iv) any other information required by the state department of health.
- (B) A reasonable time frame for:
- (i) approval or disapproval by the state department of health of a treatment plan described in clause (A); and
 - (ii) notice to the facility of approval or disapproval of the treatment plan.
- (C) Contingent on sufficient funding available in the fund, approval of each treatment plan that meets the requirements established by the state department of health under this section.
- (D) The sources of funding for the estimated treatment cost for each veteran whose treatment plan is approved under this section.
- (4) Criteria for approval of payment for treatment that has been verified by the state department of health to have been provided under a treatment plan approved under subdivision (3), including:
- (A) whether a drug or device used in the treatment plan has been approved for any purpose by the federal Food and Drug Administration;
 - (B) health improvement of the veteran receiving the treatment, as demonstrated through:
 - (i) standardized, independent pretreatment and posttreatment neuropsychological testing;
 - (ii) nationally accepted survey instruments;
 - (iii) neurological imaging; or
 - (iv) clinical examination; and
 - (C) receipt by the state department of health of pretreatment and posttreatment evaluation documentation.
- (5) Confidentiality of all individually identifiable patient information of a veteran. However, subject to the requirements of the federal Health Insurance Portability and Accountability Act and any other applicable medical record



laws, all data and information from which the identity of an individual veteran cannot be reasonably ascertained must be available to the general assembly, participating institutional review boards, participating health care providers, medical researchers, and other governmental agencies."

Page 4, line 14, delete "10." and insert "8."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 517 as printed February 17, 2017.)

HERSHMAN, Chairperson

Committee Vote: Yeas 9, Nays 0.

