

# HOUSE BILL No. 1002

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 2-2.1-3; IC 2-2.2; IC 2-7; IC 3-8; IC 3-13-5-3; IC 4-2-6; IC 5-14-7; IC 21-36-1-3.

**Synopsis:** Ethics. Reenacts the legislative ethics statute in a different Indiana Code location and makes the following changes: (1) Provides that an individual ("filer") filing a legislative statement of economic interests ("statement") must disclose the name of any business entity in which the filer, the filer's spouse, or the filer's unemancipated children own stock, stock options, or other interest having a fair market value of more than \$5,000. (Under current law, the threshold amount is \$10,000.) (2) Requires a filer to describe the nature of the business of each business entity reported on the filer's statement in such a way to make it clear to an individual of ordinary understanding the nature of the business entity. (3) Requires a filer to report the name of any person from which the filer derived 25% or more of the filer's income. (Under current law, a filer must report the name of such a person only if the filer receives 33% or more of the filer's income.) (4) Requires a filer to report the name of a lobbyist who is a close relative of the filer. (5) Requires a member of the general assembly, not later than January 20 of each year, to file an affidavit with any lobbyist who has provided more than 25% of the member's nonlegislative income during the previous year. (Under current law, the threshold is one-third of a member's nonlegislative income.) (6) Eliminates the requirement that a code of ethics be adopted each year by both the house and the senate. Provides that a code of ethics remains in effect until the code of ethics is amended by the house to which the code applies, notwithstanding the occurrence of an election for the house or the senate. (7) Requires the ethics committee of each house to provide for the review of each statement of economic interests. Provides that the ethics committee  
(Continued next page)

**Effective:** July 1, 2015.

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## **Bosma, Pelath, Steuerwald, Kersey**

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January 15, 2015, read first time and referred to Committee on Government and Regulatory Reform.



may require a filer to provide additional information about any matter reported or required to be reported in the filer's statement. (8) Requires the ethics rules to require each member to receive training in the ethics requirements of the ethics rules, the ethics statute, and any other relevant statutes. Provides that a member's failure to receive the training constitutes disorderly conduct under the Indiana Constitution. (9) Establishes the office of legislative ethics in the legislative services agency. (10) Eliminates the requirement that an individual registering as a lobbyist provide the individual's Social Security number and other information relating to the lobbyist's temporary residence in Marion County. (11) Eliminates the reporting of lobbying expenditures by legislative liaisons in the executive branch and for state educational institutions. (12) Requires state educational institutions to report certain expenses related to lobbying by their employees and related foundations. (13) Provides that post employment restrictions on employees of the executive branch may be waived only if certain requirements are met. (14) Makes changes to the restrictions on post employment activity of state officers, employees, and special state appointees. (15) Provides that a state officer, state employee, or special state appointee may not use state materials, funds, property, personnel, facilities, or equipment for purposes other than official state business unless the use is expressly permitted by a general written policy or regulation that has been approved by the state ethics commission. (16) Provides that a state officer, a state employee, or a special state appointee may not use state materials, funds, property, personnel, facilities, or equipment for a political purpose. Makes technical amendments to reflect the changes described. Repeals the existing legislative ethics statute.



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1002

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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 2-2.1-3 IS REPEALED [EFFECTIVE JULY 1,  
2 2015]. (Legislative Ethics).  
3 SECTION 2. IC 2-2.2 IS ADDED TO THE INDIANA CODE AS A  
4 NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
5 2015]:  
6 **ARTICLE 2.2. LEGISLATIVE ETHICS**  
7 **Chapter 1. Definitions**  
8 **Sec. 1. The definitions in this chapter apply throughout this**  
9 **article.**  
10 **Sec. 2. "Business entity" refers to any of the following:**  
11 **(1) A sole proprietorship.**  
12 **(2) A professional practice.**  
13 **(3) An unincorporated association.**  
14 **(4) A partnership.**



- 1           (5) A limited partnership.  
 2           (6) A limited liability partnership.  
 3           (7) A corporation.  
 4           (8) A professional corporation.  
 5           (9) A limited liability company.  
 6           (10) A trust.  
 7           (11) A business trust.  
 8           (12) A real estate investment trust.  
 9           (13) Any other form of organization permitted under Indiana  
 10           law for business purposes.  
 11           Sec. 3. "Close relative" has the meaning set forth in  
 12           IC 2-7-1-1.7.  
 13           Sec. 4. "Compensation" means any money, thing of value, or  
 14           economic benefit conferred on, or received by, a person in return  
 15           for services rendered, or for services to be rendered, whether by  
 16           that person or another person.  
 17           Sec. 5. "Ethics committee" refers to either of the following:  
 18           (1) The house legislative ethics committee established by  
 19           IC 2-2.2-3-1(a).  
 20           (2) The senate legislative ethics committee established by  
 21           IC 2-2.2-3-1(b).  
 22           Sec. 6. "Filer" refers to an individual who files a statement of  
 23           economic interests under IC 2-2.2-2.  
 24           Sec. 7. (a) "Honorarium" means a payment of money for an  
 25           appearance or a speech.  
 26           (b) The term does not include the following:  
 27           (1) Payment or reimbursement of travel expenses.  
 28           (2) An item given as an award or that has nominal value.  
 29           Sec. 8. "House" refers to the Indiana house of representatives.  
 30           Sec. 9. "Information of a confidential nature" means  
 31           information:  
 32           (1) obtained by reason of a position or office held; and  
 33           (2) that has not been, or will not be, communicated to the  
 34           general public.  
 35           Sec. 10. "Legislative matter" means a bill, a resolution, an issue,  
 36           or a proposal presented in, or considered by, the house or senate or  
 37           any committee or subcommittee of the house or the senate.  
 38           Sec. 11. "Lobbyist" refers to a lobbyist (as defined in  
 39           IC 2-7-1-10) registered under IC 2-7-2.  
 40           Sec. 12. "Member" refers to either of the following:  
 41           (1) A member of the house.  
 42           (2) A member of the senate.



1           **Sec. 13. "Minority leader"** refers to the leader of the caucus of  
 2 the party of the house or the senate that has the greatest number  
 3 of members fewer than the caucus of the house or senate that has  
 4 the greatest number of members.

5           **Sec. 14. "Person"** refers to an individual, a business entity, a  
 6 nonprofit corporation, a governmental agency, or a political  
 7 subdivision.

8           **Sec. 15. "Presiding officer"** refers to the following:

9           (1) For the house, the speaker of the house.

10          (2) For the senate, the president pro tempore of the senate.

11          **Sec. 16. "Principal administrative officer"** refers to the  
 12 following:

13          (1) For the house, the principal clerk of the house.

14          (2) For the senate, the principal secretary of the senate.

15          **Sec. 17. "Senate"** refers to the Indiana senate.

16          **Sec. 18. (a) "State agency"** has the meaning set forth in  
 17 IC 4-13-1-1(b).

18          (b) The term does not include a state educational institution or  
 19 an agency of a political subdivision (as defined in IC 36-1-2-13).

20          **Chapter 2. Statement of Economic Interests**

21          **Sec. 1. (a)** Not later than seven (7) calendar days following the  
 22 first session day in January of each year, each member shall file  
 23 with the principal administrative officer a written statement of the  
 24 member's economic interests for the preceding calendar year.

25          (b) The legislative council shall prescribe the form of the  
 26 statement of economic interests.

27          **Sec. 2. (a)** This section applies only to an individual who:

28          (1) is not a member; and

29          (2) wants to be a candidate for election to the general  
 30 assembly.

31          (b) Before an individual described in subsection (a) files the  
 32 individual's declaration of candidacy, declaration of intent to be a  
 33 write-in candidate, or petition of nomination for office or is  
 34 selected as a candidate for the office under IC 3-13-1 or IC 3-13-2,  
 35 the individual shall file with the principal administrative officer a  
 36 statement of economic interests for the preceding calendar year.

37          **Sec. 3. (a)** A statement of economic interests filed under this  
 38 chapter must include the following information:

39          (1) The following information about employers:

40          (A) The name of each of the filer's employers. If:

41           (i) the house or the senate is the filer's sole employer; or

42           (ii) the filer is retired;



- 1 the filer must state that fact.
- 2 (B) The name of each of the filer's spouse's employers. If
- 3 the filer's spouse is retired, the filer must state that fact.
- 4 (C) The nature of the business of an employer named
- 5 under clause (A) or (B).
- 6 (2) The following information about business entities:
- 7 (A) The name of each business entity:
- 8 (i) owned or operated by the filer or the filer's spouse;
- 9 (ii) in which the filer or the filer's spouse is a member;
- 10 (iii) in which the filer or the filer's spouse is an officer or
- 11 a director; or
- 12 (iv) in which the filer, the filer's spouse, or the filer's
- 13 unemancipated children own stock, stock options, or
- 14 other interest having a fair market value of more than
- 15 five thousand dollars (\$5,000).
- 16 (B) The nature of the business of each business entity
- 17 reported under this subdivision. The filer must provide
- 18 sufficient detail about the nature of the business entity to
- 19 make it clear to an individual of ordinary understanding
- 20 the nature of the business entity.
- 21 (3) The name of any person, other than the general assembly,
- 22 from which the filer derived twenty-five percent (25%) or
- 23 more of the filer's income. If a person reported is a business
- 24 entity, the filer must provide sufficient detail about the nature
- 25 of the business entity to make it clear to an individual of
- 26 ordinary understanding the nature of the business entity.
- 27 (4) The name of a state agency or the supreme court of
- 28 Indiana, if the state agency or the supreme court licenses or
- 29 regulates any of the following:
- 30 (A) The filer's or the filer's spouse's profession or
- 31 occupation.
- 32 (B) A business entity reported under subdivision (2). The
- 33 filer must also report the nature of the licensure or
- 34 regulation.
- 35 For purposes of this subdivision, a requirement to file certain
- 36 reports with the secretary of state or to register with the
- 37 department of state revenue as a retail merchant,
- 38 manufacturer, or wholesaler is not considered as licensure or
- 39 regulation.
- 40 (5) The following information about a lobbyist who is a
- 41 member, an officer, a director, or a manager of a business
- 42 entity that employs the filer or the filer has reported under



- 1           **subdivision (2):**  
2           **(A) The name of the lobbyist.**  
3           **(B) A description of the legislative matters that are the**  
4           **object of the lobbyist's activity.**  
5           **(6) The name of a lobbyist who is a close relative of the filer.**  
6           **(7) The following information about a person on whose behalf**  
7           **the filer has appeared before, contacted, or transacted**  
8           **business with a state agency or official of the state agency:**  
9           **(A) The name of the person.**  
10           **(B) The name of the state agency.**  
11           **(C) The nature of the appearance, contact, or transaction,**  
12           **and the cause number, if any.**  
13           **A report is not required under this subdivision if the filer**  
14           **rendered services to the person without compensation.**  
15           **(8) If the filer is registered with an agency of the federal**  
16           **government or a state other than Indiana because the filer**  
17           **engages in the business of influencing legislative or executive**  
18           **decision making of the federal government or the other state.**  
19           **The filer must report the name of each agency of the federal**  
20           **government or the government of the other state with which**  
21           **the filer is registered.**  
22           **(b) A filer must enter information in each blank of the form. If**  
23           **information requested by the form is inapplicable to the filer, the**  
24           **filer must enter "not applicable", "none", or a similar response in**  
25           **the blank.**  
26           **Sec. 3.4. (a) Notwithstanding section 1 of this chapter, each**  
27           **member shall file a statement under section 3 of this chapter not**  
28           **later than August 1, 2015, covering calendar year 2014.**  
29           **(b) This section expires January 1, 2017.**  
30           **Sec. 4. A filer is not required to report under section 3 of this**  
31           **chapter the name of a church in which the filer, the filer's spouse,**  
32           **or the filer's unemancipated child is a member, an officer, or a**  
33           **director.**  
34           **Sec. 5. A filer is not required to report a business entity under**  
35           **section 3 of this chapter if the filer's, the filer's spouse's, or the**  
36           **filer's unemancipated child's only interest in the business entity is**  
37           **any of the following:**  
38           **(1) A time or demand deposit in a financial institution.**  
39           **(2) An insurance policy issued by the business entity.**  
40           **(3) A mutual fund.**  
41           **Sec. 6. A filer may file an amended statement upon discovery of**  
42           **additional information required to be reported.**



1           **Sec. 7. (a) The principal administrative officer shall do the**  
 2 **following:**

3           **(1) Provide to a filer the forms prescribed for a statement of**  
 4 **economic interests.**

5           **(2) Keep a statement of economic interests for five (5) years**  
 6 **after the expiration of the term during which the statement**  
 7 **was filed.**

8           **(3) Provide for public inspection of statements of economic**  
 9 **interests.**

10           **(4) Provide copies of statements of economic interests to any**  
 11 **person for a reasonable fee.**

12           **(5) Provide for posting of the statements of economic interests**  
 13 **of all filers on the general assembly's Internet web site.**

14           **(b) Before July 1 each year, the Indiana lobby registration**  
 15 **commission shall furnish to each principal administrative officer**  
 16 **a complete list of the lobbyists registered for the previous twelve**  
 17 **(12) month period. The principal administrative officer shall make**  
 18 **available to a filer a copy of the list in the office of the principal**  
 19 **administrative officer or as otherwise directed by the legislative**  
 20 **council.**

21           **Sec. 8. (a) A member of the general assembly shall, not later**  
 22 **than January 20 of each year, file an affidavit with any lobbyist**  
 23 **who has provided more than twenty-five percent (25%) of the**  
 24 **member's nonlegislative income during the previous year.**

25           **(b) An affidavit required by this section must state the**  
 26 **following:**

27           **(1) The name and address of the member of the general**  
 28 **assembly.**

29           **(2) That the lobbyist provided more than twenty-five percent**  
 30 **(25%) of the member's nonlegislative income.**

31           **(3) The position or service for which the lobbyist provided the**  
 32 **income.**

33           **Chapter 3. Legislative Ethics Committees**

34           **Sec. 1. (a) The house legislative ethics committee is established.**

35           **(b) The senate legislative ethics committee is established.**

36           **Sec. 2. (a) An ethics committee consists of the following:**

37           **(1) Three (3) members appointed by the presiding officer.**

38           **(2) Three (3) members appointed by the minority leader.**

39           **(b) The presiding officer shall designate a member of the ethics**  
 40 **committee as chair of the committee. The presiding officer, upon**  
 41 **the recommendation of the minority leader, shall designate a**  
 42 **member of the ethics committee as vice chair of the ethics**





- 1 committee.
- 2 **Sec. 3. (a)** A member of the ethics committee serves as a member  
 3 of the ethics committee during the member's term as a member of  
 4 the general assembly.
- 5 **(b)** A vacancy on an ethics committee shall be filled in the same  
 6 manner as the original appointment.
- 7 **Sec. 4. (a)** The ethics committee may propose amendments to the  
 8 code of ethics for adoption by its respective chamber.
- 9 **(b)** A code of ethics recommended by the ethics committee must  
 10 be consistent with the Constitution of the State of Indiana, this  
 11 article, and any other applicable law.
- 12 **(c)** Notwithstanding the occurrence of an election for the house  
 13 or the senate, the code of ethics remains in effect until amended by  
 14 the chamber to which the code of ethics applies.
- 15 **Sec. 4.1. (a)** The code of ethics in effect on July 1, 2015, remains  
 16 the code of ethics in effect until it is amended as provided in section  
 17 4 of this chapter.
- 18 **(b)** This section expires July 1, 2017.
- 19 **Sec. 5.** The ethics committee may do any of the following:
- 20 **(1)** Act as an advisory body to the general assembly and to  
 21 members on questions relating to possible conflicts of interest.
- 22 **(2)** Render opinions interpreting this article and the code of  
 23 ethics.
- 24 **(3)** Receive and hear any complaint that alleges:
- 25 **(A)** a breach of any privilege of the ethics committee's  
 26 house;
- 27 **(B)** misconduct of a member; or
- 28 **(C)** a violation of the code of ethics;
- 29 regardless of when the breach, misconduct, or violation is  
 30 alleged to have occurred.
- 31 **(4)** Obtain information with respect to a complaint filed under  
 32 this section. The ethics committee may compel the attendance  
 33 and testimony of witnesses and the production of relevant  
 34 documents.
- 35 **(5)** Recommend whatever sanction is appropriate with respect  
 36 to a particular member as will best maintain the trust,  
 37 respect, and confidence of the public in the general assembly.
- 38 **(6)** Recommend legislation relating to the conduct and ethics  
 39 of members.
- 40 **(7)** Meet in executive session if the purpose of the meeting is  
 41 to consider confidential matters.
- 42 **Sec. 6.** The ethics committee shall conduct an investigation as



- 1 follows:  
2 (1) When a complaint is filed with the ethics committee, a  
3 copy shall be sent promptly to the following:  
4 (A) The person alleged to have committed the violation.  
5 (B) The presiding officer.  
6 (2) If the ethics committee determines the complaint does not  
7 allege facts sufficient to constitute a code or statutory  
8 violation, the complaint shall be dismissed and the  
9 complainant and respondent notified of the dismissal of the  
10 complaint.  
11 (3) If the ethics committee determines the complaint does  
12 allege facts sufficient to constitute a code or statutory  
13 violation, it shall promptly investigate the alleged violation. If,  
14 after a preliminary investigation the ethics committee finds  
15 that probable cause does not exist to support an alleged  
16 violation, the complaint shall be dismissed and the  
17 complainant and respondent notified of the dismissal of the  
18 complaint.  
19 (4) If the ethics committee finds that probable cause exists to  
20 support an alleged violation, it shall convene a hearing on the  
21 matter not later than thirty (30) days after making this  
22 finding. The ethics committee may meet in executive session  
23 to conduct a preliminary investigation and to determine  
24 whether probable cause exists to support an alleged violation.  
25 All ethics committee investigations and records relating to the  
26 preliminary investigation are confidential.  
27 (5) If the ethics committee holds a hearing, the respondent  
28 shall be allowed to examine and make copies of all evidence in  
29 the committee's possession relating to the complaint. At the  
30 hearing, a respondent shall be afforded appropriate due  
31 process protection consistent with state administrative  
32 procedures, including the right to be represented by counsel,  
33 the right to call and examine witnesses, the right to introduce  
34 exhibits, and the right to cross examine opposing witnesses.  
35 (6) After the hearing, the ethics committee shall state its  
36 findings of fact. If the committee, based on competent and  
37 substantial evidence, finds the respondent has violated a code  
38 or statutory provision, it shall state its findings in writing in  
39 a report to the presiding officer. The report must be  
40 supported and signed by a majority of the committee  
41 members. If the committee finds the respondent has not  
42 violated a code or statutory provision, it shall dismiss the



- 1 charges.
- 2 **Sec. 7. An ethics committee member may not participate in any**  
 3 **matter in which the committee member is involved, except as a**  
 4 **respondent.**
- 5 **Sec. 8. (a) The ethics committee shall provide for the review of**  
 6 **each statement of economic interests filed under IC 2-2.2-2.**
- 7 **(b) The ethics committee may require a filer of a statement of**  
 8 **economic interests to provide additional information about any**  
 9 **matter reported or required to be reported in the filer's statement**  
 10 **of economic interests.**
- 11 **Sec. 9. (a) Each member shall receive instruction in the ethics**  
 12 **requirements of this article, the ethics rules, and any other relevant**  
 13 **statutes.**
- 14 **(b) Each member must complete not less than one (1) hour of**  
 15 **ethics instruction each year as determined by the presiding officer.**
- 16 **(c) Each member shall comply with the training requirements**  
 17 **of the ethics rules established under this section.**
- 18 **Chapter 4. Office of Legislative Ethics**
- 19 **Sec. 1. As used in this chapter, "agency" refers to the legislative**  
 20 **services agency established by IC 2-5-1.1-7.**
- 21 **Sec. 2. As used in this chapter, "director" refers to the director**  
 22 **of the office appointed under section 6 of this chapter.**
- 23 **Sec. 3. As used in this chapter, "legislative council" refers to the**  
 24 **legislative council established by IC 2-5-1.1-1.**
- 25 **Sec. 4. As used in this chapter, "office" refers to the office of**  
 26 **legislative ethics established by section 5 of this chapter.**
- 27 **Sec. 5. The office of legislative ethics is established within the**  
 28 **agency.**
- 29 **Sec. 6. The following shall jointly appoint a director for the**  
 30 **office:**
- 31 **(1) The chairman of the legislative council.**  
 32 **(2) The vice chairman of the legislative council.**  
 33 **(3) The minority leader of the house of representatives.**  
 34 **(4) The minority leader of the senate.**
- 35 **Sec. 7. Appointment of staff members of the office is subject to**  
 36 **the approval of the legislative council.**
- 37 **Sec. 8. The office shall do the following:**
- 38 **(1) Assist and advise members in understanding the ethics**  
 39 **rules of their respective houses.**  
 40 **(2) Assist and advise members in completing the statement of**  
 41 **economic interests required by IC 2-2.2-2.**  
 42 **(3) Assist and advise the ethics committees.**



1           **(4) Other duties relating to legislative ethics assigned by the**  
 2           **legislative council.**

3           **Sec. 9. The director may request guidance from the appropriate**  
 4           **ethics committee regarding any matter that comes to the office.**

5           **Sec. 10. The director shall provide that the staff of the office**  
 6           **remain current regarding all aspects relating to legislative ethics**  
 7           **at the state and national levels.**

8           **Chapter 5. Prohibitions and Violations**

9           **Sec. 1. The following constitute disorderly behavior and may be**  
 10           **punished by the house or senate as provided in Article 4, Section 14**  
 11           **of the Constitution of the State of Indiana:**

12           **(1) Knowing or intentional failure to file a required statement**  
 13           **by the deadline prescribed in IC 2-2.2-2.**

14           **(2) Knowing or intentional filing a false statement prescribed**  
 15           **by IC 2-2.2-2.**

16           **(3) Knowing or intentional failure to comply with the ethics**  
 17           **training requirements established under IC 2-2.2-3-9.**

18           **(4) Knowing or intentional violation of section 2, 3, or 4 of this**  
 19           **chapter.**

20           **Sec. 2. A member may not accept any compensation from any**  
 21           **employment, transaction, or investment that was entered into or**  
 22           **made as a result of material information of a confidential nature.**

23           **Sec. 3. A member may not receive an honorarium for an**  
 24           **appearance or a speech made or given in the member's capacity as**  
 25           **a legislator.**

26           **Sec. 4. A member may not receive compensation for the sale or**  
 27           **lease of any property or service that substantially exceeds that**  
 28           **which the member would charge in the ordinary course of business**  
 29           **from any person whom the member knows or, in the exercise of**  
 30           **reasonable care and diligence should know, has an economic**  
 31           **interest in a legislative matter.**

32           **Chapter 6. Miscellaneous**

33           **Sec. 1. This article does not prohibit a member from**  
 34           **distributing literature that is:**

35           **(1) available to residents of Indiana without cost from the**  
 36           **state; and**

37           **(2) stamped "Distributed by (insert the name of the**  
 38           **member)".**

39           **SECTION 3. IC 2-7-1-3.5 IS ADDED TO THE INDIANA CODE**  
 40           **AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**  
 41           **1, 2015]: Sec. 3.5. "Family business" means a business entity in**  
 42           **which an individual and the individual's spouse own at least eighty**



1 **percent (80%) of the business, either of the voting stock or other**  
2 **measure of ownership of that type of business entity, regardless of**  
3 **whether all or a portion is owned jointly or severally.**

4 SECTION 4. IC 2-7-1.6-9 IS AMENDED TO READ AS  
5 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. ~~Nothing in~~ This  
6 chapter ~~affects~~ **does not affect** the committees established under  
7 ~~IC 2-2-1-3-5. IC 2-2-2-3.~~

8 SECTION 5. IC 2-7-2-3 IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE JULY 1, 2015]: Sec. 3. The registration statement of  
10 each lobbyist who is compensated for lobbying ~~shall~~ **must include the**  
11 **following:**

- 12 (1) ~~his~~ **The name, social security number,** residence address and  
13 telephone number, **and** business address and telephone number  
14 **of the lobbyist. and the addresses and telephone numbers of any**  
15 **temporary living or business quarters he has in Marion County.**
- 16 (2) The name, business address, telephone number, and kind of  
17 business of each person (including the names of each officer or  
18 partner) who compensates ~~him;~~ **the lobbyist.**
- 19 (3) ~~his~~ **The lobbyist's** primary occupation and the name or names  
20 of ~~his~~ **the lobbyist's** employers if different than those specified in  
21 subdivision (2). ~~and~~
- 22 (4) The subject matter of ~~his~~ **the lobbyist's** lobbying.
- 23 (5) **The name of any member who is a close relative of the**  
24 **lobbyist.**

25 SECTION 6. IC 2-7-2-4 IS AMENDED TO READ AS FOLLOWS  
26 [EFFECTIVE JULY 1, 2015]: Sec. 4. The registration statement of  
27 each lobbyist who compensates a person for lobbying ~~shall~~ **must**  
28 **include the following:**

- 29 (1) ~~his~~ **The lobbyist's** full name, business address and telephone  
30 number, kind of business, and the full name of the individual who  
31 controls the business, the partners, if any, and officers.
- 32 (2) The full name, and business address and telephone number of  
33 each person compensated by ~~him~~ **the lobbyist** as a lobbyist.
- 34 (3) The subject matter for which ~~he~~ **the lobbyist** has employed or  
35 contracted with a lobbyist.
- 36 (4) **The name of any member who is a close relative of the**  
37 **lobbyist.**

38 SECTION 7. IC 2-7-3-3, AS AMENDED BY P.L.225-2011,  
39 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2015]: Sec. 3. (a) The activity reports of each lobbyist shall  
41 include the following information:

- 42 (1) A complete and current statement of the information required



- 1 to be supplied under IC 2-7-2-3 and IC 2-7-2-4.
- 2 (2) Total expenditures on lobbying (prorated, if necessary) broken
- 3 down to include at least the following categories:
- 4 (A) Compensation to others who perform lobbying services.
- 5 (B) Reimbursement to others who perform lobbying services.
- 6 (C) Receptions.
- 7 (D) Entertainment, including meals.
- 8 (E) Gifts made to a legislative person.
- 9 (3) Subject to section 3.5 of this chapter, a statement of each:
- 10 (A) expenditure for entertainment (including meals and drink);
- 11 or
- 12 (B) gift;
- 13 that equals fifty dollars (\$50) or more in one (1) day, or
- 14 expenditures for entertainment (including meals and drink) or
- 15 gifts that together total more than two hundred fifty dollars (\$250)
- 16 during the reporting year, if the expenditures and gifts are made
- 17 by the lobbyist or the lobbyist's agent to benefit a specific
- 18 legislative person.
- 19 (4) A list of the general subject matter of each bill or resolution
- 20 concerning which a lobbying effort was made within the
- 21 registration period.
- 22 (5) The name of each member of the general assembly from
- 23 whom the lobbyist has received an affidavit required under
- 24 ~~IC 2-2.1-3-3.5.~~ **IC 2-2.2-2-8.**
- 25 (b) In the second semiannual report, when total amounts are
- 26 required to be reported, totals shall be stated both for the period
- 27 covered by the statement and for the entire reporting year.
- 28 (c) An amount reported under this section is not required to include
- 29 the following:
- 30 (1) Overhead costs.
- 31 (2) Charges for any of the following:
- 32 (A) Postage.
- 33 (B) Express mail service.
- 34 (C) Stationery.
- 35 (D) Facsimile transmissions.
- 36 (E) Telephone calls.
- 37 **(F) Electronic communications.**
- 38 (3) Expenditures for the personal services of clerical and other
- 39 support staff persons who are not lobbyists.
- 40 (4) Expenditures for leasing or renting an office.
- 41 (5) Expenditures for lodging, meals, and other personal expenses
- 42 of the lobbyist.



1 (d) A report of an expenditure under subsection (a)(3) must state the  
2 following information:

- 3 (1) The name of the lobbyist making the expenditure.  
4 (2) A description of the expenditure.  
5 (3) The amount of the expenditure.

6 SECTION 8. IC 2-7-3-3.3, AS AMENDED BY P.L.165-2013,  
7 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2015]: Sec. 3.3. (a) This section does not apply to gifts made  
9 between close relatives.

10 (b) A lobbyist shall file a written report whenever the lobbyist  
11 makes a gift with respect to a legislative person that is required to be  
12 included in a report under section 3(a)(3) of this chapter.

13 (c) A report under this section must state the following:

- 14 (1) The name of the lobbyist making the gift.  
15 (2) A description of the gift.  
16 (3) The amount of the gift.

17 (d) A lobbyist shall file a copy of a report required by this section  
18 with the commission and the legislative person with respect to whom  
19 the report is made.

20 (e) A lobbyist shall file a report required by this section not later  
21 than fifteen (15) business days after making the gift. A report filed  
22 under this section is confidential and is not available for public  
23 inspection or copying until ten (10) business days after the report is  
24 filed with the commission.

25 (f) After the expiration of the confidentiality period prescribed in  
26 subsection (e), the commission shall provide a copy of a gift report to  
27 the following:

- 28 (1) The principal clerk of the house of representatives, if the  
29 legislative person is a member of, or a candidate for election to,  
30 the house of representatives.  
31 (2) The secretary of the senate, if the legislative person is a  
32 member of, or candidate for election to, the senate.

33 **(g) Subject to subsections (h) and (i), the commission shall**  
34 **impose a late report fee of not more than one hundred dollars**  
35 **(\$100) per day for each day after the deadline until the report is**  
36 **filed.**

37 **(h) The late report fee shall not exceed four thousand five**  
38 **hundred dollars (\$4,500).**

39 **(i) The commission may waive all or part of the late report fee**  
40 **if the commission determines that the circumstances make**  
41 **imposition of the fee inappropriate.**

42 SECTION 9. IC 2-7-3-7, AS AMENDED BY P.L.165-2013,



1 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2015]: Sec. 7. (a) This section does not apply to a purchase by  
3 a lobbyist from a member's or candidate's business made in the  
4 ordinary course of business at prices that are available to the general  
5 public.

6 (b) As used in this section, "purchase" refers to a purchase of goods  
7 or services for which the lobbyist paid more than one hundred dollars  
8 (\$100) from any of the following:

9 (1) A member or candidate.

10 (2) A member's or candidate's sole proprietorship.

11 (3) A member's or candidate's family business, regardless of the  
12 manner of the family business's legal organization.

13 (c) A lobbyist shall file a written report with respect to a member or  
14 candidate whenever the lobbyist makes a purchase.

15 (d) A report required by this section must state the following:

16 (1) The name of the lobbyist making the purchase.

17 (2) A description of the purchase.

18 (3) The amount of the purchase.

19 (e) A lobbyist shall file a copy of a report required by this section  
20 with the commission and the member or candidate with respect to  
21 whom the report is made.

22 (f) A lobbyist shall file a report required by this section not later  
23 than fifteen (15) business days after making the purchase. A report  
24 filed under this section is confidential and is not available for public  
25 inspection or copying until ten (10) business days after the report is  
26 filed with the commission.

27 (g) After the expiration of the confidentiality period prescribed in  
28 subsection (f), the commission shall provide a copy of a purchase  
29 report filed under this section to the following:

30 (1) The principal clerk of the house of representatives, if the  
31 member or candidate is a member of, or a candidate for election  
32 to, the house of representatives.

33 (2) The secretary of the senate, if the member or candidate is a  
34 member of, or candidate for election to, the senate.

35 **(h) Subject to subsections (i) and (j), the commission shall**  
36 **impose a late report fee of not more than one hundred dollars**  
37 **(\$100) per day for each day after the deadline until the report is**  
38 **filed.**

39 **(i) The late report fee shall not exceed four thousand five**  
40 **hundred dollars (\$4,500).**

41 **(j) The commission may waive all or part of the late report fee**  
42 **if the commission determines that the circumstances make**





1 **imposition of the fee inappropriate.**

2 SECTION 10. IC 2-7-3.5 IS ADDED TO THE INDIANA CODE  
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2015]:

5 **Chapter 3.5. Reporting of Certain Expenditures by State**  
6 **Educational Institutions**

7 **Sec. 1. As used in this chapter, "affiliated entity" refers to a**  
8 **foundation or other entity established to benefit a state educational**  
9 **institution.**

10 **Sec. 2. As used in this chapter, "reportable expenditure" refers**  
11 **to an expenditure:**

12 (1) that is made by:

13 (A) a state educational institution;

14 (B) an affiliated entity of a state educational institution; or

15 (C) an employee of:

16 (i) a state educational institution; or

17 (ii) an affiliated entity of the state educational  
18 institution;

19 that is reimbursed by the state educational institution or  
20 by an affiliated entity of the state educational institution;

21 (2) made for lobbying activities; and

22 (3) of a kind reportable under IC 2-7-3 by a lobbyist.

23 **Sec. 3. As used in this chapter, "state educational institution"**  
24 **has the meaning set forth in IC 21-7-13-32.**

25 **Sec. 4. (a) Each state educational institution shall annually file**  
26 **a report of all reportable expenditures.**

27 (b) A report required by this chapter must:

28 (1) be filed with the commission not later than November 30  
29 of each year; and

30 (2) cover the period from November 1 of the previous year  
31 through October 31 of the year in which the report is filed.

32 (c) The first report required by this chapter must:

33 (1) be filed with the commission not later than November 30,  
34 2016; and

35 (2) cover the period from November 1, 2015, through October  
36 31, 2016.

37 **Sec. 5. If a state educational institution has no reportable**  
38 **expenditures, a statement of that fact is required and is sufficient**  
39 **to comply with the reporting requirements of this chapter.**

40 **Sec. 6. (a) Subject to subsections (b) and (c), the commission**  
41 **shall impose a late report fee of not more than one hundred dollars**  
42 **(\$100) per day for each day after the deadline until the report is**



1 filed.

2 (b) The late report fee shall not exceed four thousand five  
3 hundred dollars (\$4,500).

4 (c) The commission may waive all or part of the late report fee  
5 if the commission determines that the circumstances make  
6 imposition of the fee inappropriate.

7 Sec. 7. (a) The commission shall post reports received under this  
8 chapter on the commission's Internet web site.

9 (b) If the commission does not receive a report from a state  
10 educational institution under this chapter, the commission shall  
11 notify the state educational institution and post a copy of the notice  
12 on the commission's Internet web site.

13 SECTION 11. IC 2-7-6-2, AS AMENDED BY P.L.158-2013,  
14 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JULY 1, 2015]: Sec. 2. (a) This section does not apply to filing a late  
16 report or statement or failure to file a report or statement under  
17 any of the following:

18 (1) IC 2-7-2-2.

19 (2) IC 2-7-3-2.

20 (3) IC 2-7-3-3.3.

21 (4) IC 2-7-3-7.

22 ~~(a)~~ (b) Any person who knowingly or intentionally violates any  
23 provision of IC 2-7-2, IC 2-7-3, or IC 2-7-5 commits unlawful  
24 lobbying, a Level 6 felony. In addition to any penalty imposed on the  
25 defendant under IC 35-50-2-7 for unlawful lobbying, the court may  
26 order the defendant not to engage in lobbying for a period of up to ten  
27 (10) years, IC 2-7-5-6 notwithstanding.

28 ~~(b)~~ (c) Any person who lobbies in contravention of a court order  
29 under subsection (a) of this section commits a Level 6 felony.

30 SECTION 12. IC 3-8-1-33, AS AMENDED BY P.L.90-2012,  
31 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2015]: Sec. 33. (a) A candidate for an office listed in  
33 subsection (b) must file a statement of economic interests.

34 (b) Whenever a candidate for any of the following offices is also  
35 required to file a declaration of candidacy or is nominated by petition,  
36 the candidate shall file a statement of economic interests before filing  
37 the declaration of candidacy or declaration of intent to be a write-in  
38 candidate, before the petition of nomination is filed, before the  
39 certificate of nomination is filed, or before being appointed to fill a  
40 candidate vacancy under IC 3-13-1 or IC 3-13-2:

41 (1) Governor, lieutenant governor, secretary of state, auditor of  
42 state, treasurer of state, attorney general, and state superintendent



1 of public instruction, in accordance with IC 4-2-6-8.

2 (2) Senator and representative in the general assembly, in  
3 accordance with ~~IC 2-2.1-3-2~~ **IC 2-2.2-2**.

4 (3) Justice of the supreme court, judge of the court of appeals,  
5 judge of the tax court, judge of a circuit court, judge of a superior  
6 court, judge of a probate court, and prosecuting attorney, in  
7 accordance with IC 33-23-11-14 and IC 33-23-11-15.

8 (4) A candidate for a local office or school board office, in  
9 accordance with IC 3-8-9, except a candidate for a local office  
10 described in subdivision (3).

11 SECTION 13. IC 3-8-2-11, AS AMENDED BY P.L.219-2013,  
12 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2015]: Sec. 11. (a) A declaration of candidacy may be made  
14 by mail and is considered filed as of the date and hour the filing occurs  
15 in the manner described by IC 3-5-2-24.5 in the office of the election  
16 division or circuit court clerk.

17 (b) A declaration is not valid unless filed in the office of the election  
18 division or circuit court clerk by noon on the seventy-fourth day before  
19 a primary election.

20 (c) This subsection applies to a candidate required to file a  
21 statement of economic interests under ~~IC 2-2.1-3-2~~ **IC 2-2.2-2** or  
22 IC 33-23-11-15 or a financial disclosure statement under IC 4-2-6-8.  
23 This subsection does not apply to a candidate for a local office or  
24 school board office required to file a statement of economic interests  
25 under IC 3-8-9. The election division shall require the candidate to  
26 produce a:

27 (1) copy of the statement, file stamped by the office required to  
28 receive the statement of economic interests; or

29 (2) receipt or photocopy of a receipt showing that the statement  
30 has been filed;

31 before the election division accepts the declaration for filing. The  
32 election division shall reject a filing that does not comply with this  
33 subsection.

34 (d) This subsection applies to a candidate for a local office or school  
35 board office required to file a statement of economic interests under  
36 IC 3-8-9. The circuit court clerk shall reject a declaration of candidacy  
37 that does not include a statement of economic interests.

38 SECTION 14. IC 3-13-5-3, AS AMENDED BY P.L.225-2011,  
39 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2015]: Sec. 3. (a) The state chairman or a person designated  
41 by the state chairman shall preside over a caucus meeting held under  
42 this chapter.



1 (b) A person who desires to be a candidate to fill a vacancy under  
2 this chapter must file:

3 (1) a declaration of candidacy with the chairman of the caucus;  
4 and

5 (2) a statement of economic interests under ~~IC 2-2.1-3-2~~  
6 **IC 2-2.2-2** with the secretary of the senate or principal clerk of  
7 the house of representatives;

8 at least seventy-two (72) hours before the time fixed for the caucus.

9 (c) In addition to the procedures prescribed by this chapter, the  
10 chairman and precinct committeemen may adopt rules of procedure  
11 that are necessary to conduct business.

12 SECTION 15. IC 4-2-6-5.5, AS AMENDED BY P.L.89-2006,  
13 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14 JULY 1, 2015]: Sec. 5.5. (a) A current state officer, employee, or  
15 special state appointee ~~shall~~ **may** not knowingly **do any of the**  
16 **following:**

17 (1) Accept other employment involving compensation of  
18 substantial value if the responsibilities of that employment are  
19 inherently incompatible with the responsibilities of public office  
20 or require the individual's recusal from matters so central or  
21 critical to the performance of the individual's official duties that  
22 the individual's ability to perform those duties would be  
23 materially impaired.

24 (2) Accept employment or engage in business or professional  
25 activity that would require the individual to disclose confidential  
26 information that was gained in the course of state employment. ~~or~~

27 (3) Use or attempt to use the individual's official position to  
28 secure unwarranted privileges or exemptions that are:

29 (A) of substantial value; and

30 (B) not properly available to similarly situated individuals  
31 outside state government.

32 (b) A written advisory opinion issued by the commission ~~or the~~  
33 ~~individual's appointing authority or agency ethics officer granting~~  
34 ~~approval of stating that an individual's~~ outside employment **does not**  
35 **violate subsection (a)(1) or (a)(2)** is conclusive proof that ~~an~~  
36 ~~individual is not in violation of the individual's outside employment~~  
37 **does not violate** subsection (a)(1) or (a)(2).

38 SECTION 16. IC 4-2-6-9, AS AMENDED BY P.L.222-2005,  
39 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JULY 1, 2015]: Sec. 9. (a) A state officer, an employee, or a special  
41 state appointee may not participate in any decision or vote, **or matter**  
42 **relating to that decision or vote**, if the state officer, employee, or



1 special state appointee has knowledge that any of the following has a  
2 financial interest in the outcome of the matter:

- 3 (1) The state officer, employee, or special state appointee.  
4 (2) A member of the immediate family of the state officer,  
5 employee, or special state appointee.  
6 (3) A business organization in which the state officer, employee,  
7 or special state appointee is serving as an officer, a director, a  
8 **member**, a trustee, a partner, or an employee.  
9 (4) Any person or organization with whom the state officer,  
10 employee, or special state appointee is negotiating or has an  
11 arrangement concerning prospective employment.

12 (b) A state officer, an employee, or a special state appointee who  
13 identifies a potential conflict of interest shall notify the person's  
14 appointing authority and **ethics officer in writing and do either of the**  
15 **following:**

16 (1) Seek an advisory opinion from the commission by filing a  
17 written description detailing the nature and circumstances of the  
18 particular matter and making full disclosure of any related  
19 financial interest in the matter. The commission shall:

20 (†) (A) with the approval of the appointing authority, assign  
21 the particular matter to another person and implement all  
22 necessary procedures to screen the state officer, employee, or  
23 special state appointee seeking an advisory opinion from  
24 involvement in the matter; or

25 (‡) (B) make a written determination that the interest is not so  
26 substantial that the commission considers it likely to affect the  
27 integrity of the services that the state expects from the state  
28 officer, employee, or special state appointee.

29 (2) **File a written disclosure statement with the commission**  
30 **that:**

31 (A) **details the conflict of interest;**

32 (B) **describes and affirms the implementation of a screen**  
33 **established by the ethics officer;**

34 (C) **is signed by both:**

35 (i) **the state officer, employee, or special state appointee**  
36 **who identifies the potential conflict of interest; and**

37 (ii) **the agency ethics officer;**

38 (D) **includes a copy of the disclosure provided to the**  
39 **appointing authority; and**

40 (E) **is filed not later than seven (7) days after the conduct**  
41 **that gives rise to the conflict.**

42 **A written disclosure filed under this subdivision shall be**



1 **posted on the inspector general's Internet web site.**

2 (c) A written determination under subsection ~~(b)(2)~~ **(b)(1)(B)**  
3 constitutes conclusive proof that it is not a violation for the state  
4 officer, employee, or special state appointee who sought an advisory  
5 opinion under this section to participate in the particular matter. A  
6 written determination under subsection ~~(b)(2)~~ **(b)(1)(B)** shall be filed  
7 with the appointing authority.

8 SECTION 17. IC 4-2-6-10.5, AS ADDED BY P.L.222-2005,  
9 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2015]: Sec. 10.5. (a) Subject to subsection (b), a state officer,  
11 an employee, or a special state appointee may not knowingly have a  
12 financial interest in a contract made by an agency.

13 (b) The prohibition in subsection (a) does not apply to ~~(1)~~ a state  
14 officer, an employee, or a special state appointee who:

15 **(1)** does not participate in or have ~~official contracting~~  
16 responsibility for ~~any of the activities of the contracting agency;~~  
17 ~~if:~~

18 ~~(A) the contract is made after public notice or, where~~  
19 ~~applicable, through competitive bidding;~~

20 ~~(B) the state officer, employee, or special state appointee files~~  
21 ~~with the commission a statement making full disclosure of all~~  
22 ~~related financial interests in the contract;~~

23 ~~(C) the contract can be performed without compromising the~~  
24 ~~performance of the official duties and responsibilities of the~~  
25 ~~state officer, employee, or special state appointee; and~~

26 ~~(D) in the case of a contract for professional services, the~~  
27 ~~appointing authority of the contracting agency makes and files~~  
28 ~~a written certification with the commission that no other state~~  
29 ~~officer, employee, or special state appointee of that agency is~~  
30 ~~available to perform those services as part of the regular duties~~  
31 ~~of the state officer, employee, or special state appointee; or~~

32 ~~(2) a state officer, an employee, or a special state appointee who,~~  
33 ~~acting in good faith, learns of an actual or prospective violation of~~  
34 ~~the prohibition in subsection (a), if, not later than thirty (30) days~~  
35 ~~after learning of the actual or prospective violation, the state~~  
36 ~~officer, employee, or special state appointee:~~

37 ~~(A) makes a full written disclosure of any financial interests to~~  
38 ~~the contracting agency and the commission; and~~

39 ~~(B) terminates or disposes of the financial interest.~~

40 **and**

41 **(2) files a written statement with the inspector general before**  
42 **the state officer, employee, or special state appointee executes**



1           the contract with the state agency.

2           (c) A statement filed under subsection (b)(2) must include the  
3 following for each contract:

4           (1) An affirmation that the state officer, employee, or special  
5 state appointee does not participate in or have contracting  
6 responsibility for the contracting agency.

7           (2) An affirmation that the contract:

8               (A) was made after public notice and, if applicable,  
9 through competitive bidding; or

10              (B) was not subject to notice and bidding requirements and  
11 the basis for that conclusion.

12           (3) A statement making full disclosure of all related financial  
13 interests in the contract.

14           (4) A statement indicating that the contract can be performed  
15 without compromising the performance of the official duties  
16 and responsibilities of the state officer, employee, or special  
17 state appointee.

18           (5) In the case of a contract for professional services, an  
19 affirmation by the appointing authority of the contracting  
20 agency that no other state officer, employee, or special state  
21 appointee of that agency is available to perform those services  
22 as part of the regular duties of the state officer, employee, or  
23 special state appointee.

24           A state officer, employee, or special state appointee may file an  
25 amended statement upon discovery of additional information  
26 required to be reported.

27           (d) A state officer, employee, or special state appointee who:

28               (1) fails to file a statement required by rule or this section; or

29               (2) files a deficient statement;

30 before the contract start date is, upon a majority vote of the  
31 commission, subject to a civil penalty of not more than ten dollars  
32 (\$10) for each day the statement remains delinquent or deficient.  
33 The maximum penalty under this subsection is one thousand  
34 dollars (\$1,000).

35           SECTION 18. IC 4-2-6-11, AS AMENDED BY P.L.1-2007,  
36 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
37 JULY 1, 2015]: Sec. 11. (a) As used in this section, "particular matter"  
38 means **any of the following**:

39               (1) An application.

40               (2) A business transaction.

41               (3) A claim.

42               (4) A contract.



- 1 (5) A determination.  
 2 (6) An enforcement proceeding.  
 3 (7) An investigation.  
 4 (8) A judicial proceeding.  
 5 (9) A lawsuit.  
 6 (10) A license.  
 7 (11) An economic development project. ~~or~~  
 8 (12) A public works project.
- 9 The term does not include the proposal or consideration of a legislative  
 10 matter or the proposal, consideration, adoption, or implementation of  
 11 a rule or an administrative policy or practice of general application.
- 12 (b) ~~This subsection applies only to a person who served as a state~~  
 13 ~~officer, employee, or special state appointee after January 10, 2005.~~ A  
 14 former state officer, employee, or special state appointee may not  
 15 accept employment or receive compensation:
- 16 (1) as a lobbyist;  
 17 (2) from an employer if the former state officer, employee, or  
 18 special state appointee was:
- 19 (A) engaged in the negotiation or the administration of one (1)  
 20 or more contracts with that employer on behalf of the state or  
 21 an agency; and  
 22 (B) in a position to make a discretionary decision affecting the:  
 23 (i) outcome of the negotiation; or  
 24 (ii) nature of the administration; or  
 25 (3) from an employer if the former state officer, employee, or  
 26 special state appointee made a regulatory or licensing decision  
 27 that directly applied to the employer or to a parent or subsidiary  
 28 of the employer;
- 29 before the elapse of at least three hundred sixty-five (365) days after  
 30 the date on which the former state officer, employee, or special state  
 31 appointee ceases to be a state officer, employee, or special state  
 32 appointee.
- 33 (c) A former state officer, employee, or special state appointee may  
 34 not represent or assist a person in a particular matter involving the state  
 35 if the former state officer, employee, or special state appointee  
 36 personally and substantially participated in the matter as a state officer,  
 37 employee, or special state appointee, even if the former state officer,  
 38 employee, or special state appointee receives no compensation for the  
 39 representation or assistance.
- 40 (d) A former state officer, employee, or special state appointee may  
 41 not accept employment or compensation from an employer if the  
 42 circumstances surrounding the employment or compensation would





- 1 lead a reasonable person to believe that:
- 2 (1) employment; or
- 3 (2) compensation;
- 4 is given or had been offered for the purpose of influencing the former
- 5 state officer, employee, or special state appointee in the performance
- 6 of ~~his or her~~ **the individual's** duties or responsibilities while a state
- 7 officer, an employee, or a special state appointee.
- 8 (e) A written advisory opinion issued by the commission certifying
- 9 that:
- 10 (1) employment of;
- 11 (2) representation by; or
- 12 (3) assistance from;
- 13 the former state officer, employee, or special state appointee does not
- 14 violate this section is conclusive proof that a former state officer,
- 15 employee, or special state appointee is not in violation of this section.
- 16 (f) Subsection (b) does not apply to **the following:**
- 17 (1) A special state appointee who serves only as a member of an
- 18 advisory body.
- 19 (2) **A former state officer, employee, or special state appointee**
- 20 **who has:**
- 21 (A) **not negotiated or administered any contracts with that**
- 22 **employer in the two (2) years before the beginning of**
- 23 **employment negotiations with that employer;**
- 24 (B) **any contract that:**
- 25 (i) **the former state officer, employee, or special state**
- 26 **appointee may have negotiated or administered before**
- 27 **the two (2) years preceding the beginning of employment**
- 28 **negotiations; and**
- 29 (ii) **is no longer active; and**
- 30 (C) **not had any contact with the intended employer for the**
- 31 **two (2) years before the beginning of employment**
- 32 **negotiations.**
- 33 (g) An employee's or a special state appointee's state officer or
- 34 appointing authority may waive application of subsection (b) or (c) in
- 35 individual cases when consistent with the public interest. ~~Waivers must~~
- 36 ~~be in writing and filed with the commission. A waiver must satisfy all~~
- 37 ~~of the following:~~
- 38 (1) **The waiver must be signed by an employee's or a special**
- 39 **state appointee's:**
- 40 (A) **state officer or appointing authority authorizing the**
- 41 **waiver; and**
- 42 (B) **agency ethics officer attesting to form.**



- 1           **(2) The waiver must include the following information:**  
 2           **(A) Whether the employee's prior job duties involved**  
 3           **substantial decision making authority over policies, rules,**  
 4           **or contracts.**  
 5           **(B) The nature of the duties to be performed by the**  
 6           **employee for the prospective employer.**  
 7           **(C) Whether the prospective employment is likely to**  
 8           **involve substantial contact with the employee's former**  
 9           **agency and the extent to which any such contact is likely to**  
 10           **involve matters where the agency has the discretion to**  
 11           **make decisions based on the work product of the employee.**  
 12           **(D) Whether the prospective employment may be**  
 13           **beneficial to the state or the public, specifically stating how**  
 14           **the intended employment is consistent with the public**  
 15           **interest.**  
 16           **(E) The extent of economic hardship to the employee if the**  
 17           **request for a waiver is denied.**  
 18           **(3) The waiver must be filed with and presented to the**  
 19           **commission by the state officer or appointing authority**  
 20           **authorizing the waiver.**  
 21           **(4) The waiver must be limited to an employee or a special**  
 22           **state appointee who obtains the waiver before engaging in the**  
 23           **conduct that would give rise to a violation of subsection (b) or**  
 24           **(c).**

25           **The commission may conduct an administrative review of a waiver**  
 26           **and approve a waiver only if the commission is satisfied that the**  
 27           **information provided under subdivision (2) is specifically and**  
 28           **satisfactorily articulated.** The inspector general may adopt rules  
 29           under IC 4-22-2 to establish criteria for post employment waivers.

30           **(h) Subsection (b) applies to a former state officer, employee, or**  
 31           **special state appointee who:**

- 32           **(1) made decisions as an administrative law judge; or**  
 33           **(2) presided over information gathering or order drafting**  
 34           **proceedings;**

35           **that directly applied to the employer or to a parent or subsidiary**  
 36           **of the employer.**

37           **(i) A former state officer, employee, or special state appointee**  
 38           **who forms a sole proprietorship or a professional practice and**  
 39           **engages in a business relationship with an entity that would**  
 40           **otherwise violate this section must file a disclosure statement with**  
 41           **the commission not later than one hundred eighty (180) days after**  
 42           **separation from state service. The disclosure must:**



1 (1) be signed by the former state officer, employee, or special  
2 state appointee;

3 (2) certify that the former state officer, employee, or special  
4 state appointee is not an employee of the entity; and

5 (3) state in detail the treatment of taxes, insurance, and any  
6 other benefits between the entity and the former state officer,  
7 employee, or state appointee.

8 (j) The inspector general may not seek a state elected office  
9 before the elapse of at least three hundred sixty-five (365) days  
10 after leaving the inspector general position.

11 SECTION 19. IC 4-2-6-17 IS ADDED TO THE INDIANA CODE  
12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
13 1, 2015]: **Sec. 17. (a) Subject to subsection (b), a state officer, an  
14 employee, or a special state appointee may not use state materials,  
15 funds, property, personnel, facilities, or equipment for purposes  
16 other than official state business unless the use is expressly  
17 permitted by a general written agency, departmental, or  
18 institutional policy or regulation that has been approved by the  
19 commission. The commission may withhold approval of a policy or  
20 rule that violates the intent of Indiana law or the code of ethics,  
21 even if Indiana law or the code of ethics does not explicitly prohibit  
22 that policy or rule.**

23 (b) A state officer, an employee, or a special state appointee may  
24 not use state materials, funds, property, personnel, facilities, or  
25 equipment for a political purpose.

26 (c) An individual who violates this section is subject to action  
27 under section 12 of this chapter.

28 SECTION 20. IC 5-14-7 IS REPEALED [EFFECTIVE JULY 1,  
29 2015]. (Legislative Liaisons).

30 SECTION 21. IC 21-36-1-3, AS ADDED BY P.L.2-2007,  
31 SECTION 277, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2015]: Sec. 3. "State agency" has the meaning  
33 set forth in ~~IC 2-2-1-3-1~~. **IC 2-2.2-1-18.**

