



January 30, 2015

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## HOUSE BILL No. 1601

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DIGEST OF HB 1601 (Updated January 28, 2015 4:14 pm - DI 107)

**Citations Affected:** IC 4-12; IC 4-21.5; IC 12-13; IC 20-20; IC 20-37; IC 20-43; IC 21-18.5; IC 22-4; IC 22-4.1; IC 22-4.5; IC 35-52.

**Synopsis:** Various workforce development matters. Reorganizes and recodifies the duties and programs of the department of workforce development (department). Allows the division of family resources and the department to enter into a memorandum of understanding concerning administering federal work requirements for public welfare programs. Permits the Indiana career council to meet only at the call of the chair rather than monthly. Repeals obsolete, expired, and superseded provisions. Updates cross-references and makes conforming and technical changes.

**Effective:** July 1, 2015.

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**Smaltz**

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January 20, 2015, read first time and referred to Committee on Commerce, Small Business and Economic Development.  
January 29, 2015, reported — Do Pass.

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HB 1601—LS 7431/DI 102





January 30, 2015

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. 1601

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A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

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

- 1 SECTION 1. IC 4-12-12-6, AS AMENDED BY P.L.286-2013,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2015]: Sec. 6. Money in the account that is not otherwise  
4 designated under section 3 of this chapter is annually dedicated to the  
5 following:  
6 (1) ~~The certified school to career program and grants under~~  
7 ~~IC 22-4.1-8.~~  
8 (2) ~~The certified internship program and grants under IC 22-4.1-7.~~  
9 (3) (1) The Indiana economic development partnership fund  
10 under IC 4-12-10.  
11 (4) (2) Minority training program grants under ~~IC 22-4-18.1-11.~~  
12 ~~IC 22-4.1-22-11.~~  
13 (5) (3) The back home in Indiana program under ~~IC 22-4-18.1-12.~~  
14 ~~IC 22-4.1-22-12.~~  
15 (6) ~~The Indiana schools smart partnership under IC 22-4.1-9.~~

HB 1601—LS 7431/DI 102



- 1           ~~(7)~~ **(4)** The scientific instrument project within the department of  
2           education.
- 3           ~~(8)~~ **(5)** The coal technology research fund under IC 21-47-4-5.
- 4           SECTION 2. IC 4-21.5-2-5, AS AMENDED BY P.L.6-2012,  
5           SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6           JULY 1, 2015]: Sec. 5. This article does not apply to the following  
7           agency actions:
- 8           (1) The issuance of a warrant or jeopardy warrant for the  
9           collection of taxes.
- 10          (2) A determination of probable cause or no probable cause by the  
11          civil rights commission.
- 12          (3) A determination in a factfinding conference of the civil rights  
13          commission.
- 14          (4) A personnel action, except review of:
- 15                (A) a personnel action by the state employees appeals  
16                commission under IC 4-15-2.2-42; or
- 17                (B) a personnel action that is not covered by IC 4-15-2.2 but  
18                may be taken only for cause.
- 19          (5) A resolution, directive, or other action of any agency that  
20          relates solely to the internal policy, organization, or procedure of  
21          that agency or another agency and is not a licensing or  
22          enforcement action. Actions to which this exemption applies  
23          include the statutory obligations of an agency to approve or ratify  
24          an action of another agency.
- 25          (6) An agency action related to an offender within the jurisdiction  
26          of the department of correction.
- 27          (7) A decision of the Indiana economic development corporation,  
28          the office of tourism development, the department of  
29          environmental management, the tourist information and grant  
30          fund review committee (before the repeal of the statute that  
31          created the tourist information and grant fund review committee),  
32          the Indiana finance authority, the corporation for innovation  
33          development, or the lieutenant governor that concerns a grant,  
34          loan, bond, tax incentive, or financial guarantee.
- 35          (8) A decision to issue or not issue a complaint, summons, or  
36          similar accusation.
- 37          (9) A decision to initiate or not initiate an inspection,  
38          investigation, or other similar inquiry that will be conducted by  
39          the agency, another agency, a political subdivision, including a  
40          prosecuting attorney, a court, or another person.
- 41          (10) A decision concerning the conduct of an inspection,  
42          investigation, or other similar inquiry by an agency.



- 1 (11) The acquisition, leasing, or disposition of property or  
 2 procurement of goods or services by contract.
- 3 (12) Determinations of the department of workforce development  
 4 under ~~IC 22-4-18-1(g)(1)~~ or ~~IC 22-4-41~~. **IC 22-4.1-4-1.5(c)(1)**.
- 5 (13) A decision under IC 9-30-12 of the bureau of motor vehicles  
 6 to suspend or revoke a driver's license, a driver's permit, a vehicle  
 7 title, or a vehicle registration of an individual who presents a  
 8 dishonored check.
- 9 (14) An action of the department of financial institutions under  
 10 IC 28-1-3.1 or a decision of the department of financial  
 11 institutions to act under IC 28-1-3.1.
- 12 (15) A determination by the NVRA official under IC 3-7-11  
 13 concerning an alleged violation of the National Voter Registration  
 14 Act of 1993 (42 U.S.C. 1973gg) or IC 3-7.
- 15 (16) Imposition of a civil penalty under IC 4-20.5-6-8 if the rules  
 16 of the Indiana department of administration provide an  
 17 administrative appeals process.
- 18 (17) A determination of status as a member of or participant in an  
 19 environmental performance based program developed and  
 20 implemented under IC 13-27-8.
- 21 SECTION 3. IC 12-13-5-1, AS AMENDED BY P.L.145-2006,  
 22 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JULY 1, 2015]: Sec. 1. **(a)** The division shall administer or supervise  
 24 the public welfare activities of the state. The division has the following  
 25 powers and duties:
- 26 (1) The administration of old age assistance, aid to dependent  
 27 children, and assistance to the needy blind and persons with  
 28 disabilities, excluding assistance to children with special health  
 29 care needs.
- 30 (2) The administration of the licensing and inspection under  
 31 IC 12-17.2.
- 32 (3) The provision of services to county governments, including  
 33 the following:
- 34 (A) Organizing and supervising county offices for the effective  
 35 administration of public welfare functions.
- 36 (B) Compiling statistics and necessary information concerning  
 37 public welfare problems throughout Indiana.
- 38 (C) Researching and encouraging research into crime,  
 39 delinquency, physical and mental disability, and the cause of  
 40 dependency.
- 41 (4) Prescribing the form of, printing, and supplying to the county  
 42 offices blanks for applications, reports, affidavits, and other forms



1 the division considers necessary and advisable.

2 (5) Cooperating with the federal Social Security Administration  
3 and with any other agency of the federal government in any  
4 reasonable manner necessary and in conformity with IC 12-13  
5 through IC 12-19 to qualify for federal aid for assistance to  
6 persons who are entitled to assistance under the federal Social  
7 Security Act. The responsibilities include the following:

8 (A) Making reports in the form and containing the information  
9 that the federal Social Security Administration Board or any  
10 other agency of the federal government requires.

11 (B) Complying with the requirements that a board or agency  
12 finds necessary to assure the correctness and verification of  
13 reports.

14 (6) Appointing from eligible lists established by the state  
15 personnel board employees of the division necessary to effectively  
16 carry out IC 12-13 through IC 12-19. The division may not  
17 appoint a person who is not a citizen of the United States and who  
18 has not been a resident of Indiana for at least one (1) year  
19 immediately preceding the person's appointment unless a  
20 qualified person cannot be found in Indiana for a position as a  
21 result of holding an open competitive examination.

22 (7) Assisting the office of Medicaid policy and planning in fixing  
23 fees to be paid to ophthalmologists and optometrists for the  
24 examination of applicants for and recipients of assistance as  
25 needy blind persons.

26 (8) When requested, assisting other departments, agencies,  
27 divisions, and institutions of the state and federal government in  
28 performing services consistent with this article.

29 (9) Acting as the agent of the federal government for the  
30 following:

31 (A) In welfare matters of mutual concern under IC 12-13  
32 through IC 12-19, except for responsibilities of the department  
33 of child services under IC 31-25-2.

34 (B) In the administration of federal money granted to Indiana  
35 in aiding welfare functions of the state government.

36 (10) Administering additional public welfare functions vested in  
37 the division by law and providing for the progressive codification  
38 of the laws the division is required to administer.

39 (11) Supervising day care centers.

40 (12) Compiling information and statistics concerning the ethnicity  
41 and gender of a program or service recipient.

42 **(b) In the administration of the public welfare programs, the**



1 **division and the department of workforce development may enter**  
 2 **into a written memorandum of understanding concerning**  
 3 **administering and implementing federal work requirements for**  
 4 **public welfare programs.**

5 SECTION 4. IC 20-20-38-2, AS ADDED BY P.L.7-2011,  
 6 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2015]: Sec. 2. As used in this chapter, "council" refers to the  
 8 state workforce innovation council established by ~~IC 22-4-18.1-3.~~  
 9 **IC 22-4.1-22-3.**

10 SECTION 5. IC 20-20-38-5, AS AMENDED BY P.L.75-2014,  
 11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2015]: Sec. 5. The state board shall do the following:

13 (1) Prepare biennially a plan for implementing career and  
 14 technical education.

15 (2) Implement, to the best of its ability, the career and technical  
 16 education plan prepared under subdivision (1).

17 (3) Investigate the funding of career and technical education on  
 18 a cost basis.

19 (4) Establish and monitor the operation of secondary level career  
 20 and technical education in Indiana in accordance with the  
 21 comprehensive long range state plan developed under section 4  
 22 of this chapter.

23 ~~(5) Establish a list of approved secondary level career and~~  
 24 ~~technical education courses in accordance with the workforce~~  
 25 ~~partnership plans under IC 22-4.1-14.~~

26 ~~(6)~~ (5) In consultation with the Indiana professional licensing  
 27 agency, adopt rules concerning secondary level career and  
 28 technical education programs, courses, and classes in the areas of  
 29 cosmetology, electrology, esthetics, barbering, and manicuring.

30 ~~(7)~~ (6) To comply with this section and any federal law or  
 31 regulation:

32 (A) adopt rules under IC 4-22-2; and

33 (B) develop policies and administrative procedures.

34 SECTION 6. IC 20-37-2-2, AS AMENDED BY P.L.7-2011,  
 35 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2015]: Sec. 2. (a) A governing body may:

37 (1) establish career and technical education centers, schools, or  
 38 departments in the manner approved by the state board; and

39 (2) maintain these schools or departments from the general fund.

40 (b) The governing body may include in the high school curriculum  
 41 without additional state board approval any secondary level career and  
 42 technical education course that is



1           (†) included on the list of approved courses that the state board  
2           establishes under IC 20-20-38-5(5); and

3           (‡) approved under section 11 of this chapter, if applicable.

4           (c) The governing body shall notify the department and the  
5           department of workforce development whenever the governing body:

6           (1) includes an approved course for; or

7           (2) removes an approved course from;  
8           the high school curriculum.

9           SECTION 7. IC 20-37-2-11, AS AMENDED BY P.L.6-2012,  
10          SECTION 142, IS AMENDED TO READ AS FOLLOWS  
11          [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) As used in this section,  
12          "career and technical education course" means a career and technical  
13          education course that is

14          (†) an approved high school course under the rules of the state  
15          board. and

16          (‡) included on the list of approved courses that the state board  
17          develops and approves under IC 20-20-38-5.

18          (b) A school corporation that has entered into an agreement for a  
19          joint program of career and technical education with one (1) or more  
20          other school corporations may not add a new career and technical  
21          education course to its curriculum unless the course has been approved  
22          in the following manner:

23          (1) In the case of an agreement under IC 20-37-1, the course must  
24          be approved by the management board for the joint program.

25          (2) In the case of an agreement under IC 20-26-10, the course  
26          must be approved by the governing body of the school corporation  
27          that is designated to administer the joint program under  
28          IC 20-26-10-3. However, if that governing body refuses to  
29          approve the course, the course may be approved by a majority of  
30          the governing bodies of the school corporations that are parties to  
31          the agreement.

32          SECTION 8. IC 20-43-8-2 IS REPEALED [EFFECTIVE JULY 1,  
33          2015]. Sec. 2: (a) Before December † of each year, the department of  
34          workforce development shall provide the department with a report, to  
35          be used to determine career and technical education grant amounts in  
36          the state fiscal year beginning after the year in which the report is  
37          provided, listing whether the labor market demand for each generally  
38          recognized labor category is more than moderate, moderate, or less  
39          than moderate. In the report, the department of workforce development  
40          shall categorize each of the career and technical education programs  
41          using the following four (4) categories:

42          (†) Programs that address employment demand for individuals in





- 1 labor market categories that are projected to need more than a  
 2 moderate number of individuals:
- 3 (2) Programs that address employment demand for individuals in  
 4 labor market categories that are projected to need a moderate  
 5 number of individuals:
- 6 (3) Programs that address employment demand for individuals in  
 7 labor market categories that are projected to need less than a  
 8 moderate number of individuals:
- 9 (4) All programs not covered by the employment demand  
 10 categories of subdivisions (1) through (3):
- 11 (b) Before December 1 of each year, the department of workforce  
 12 development shall provide the department with a report, to be used to  
 13 determine grant amounts that will be distributed under this chapter in  
 14 the state fiscal year beginning after the year in which the report is  
 15 provided, listing whether the average wage level for each generally  
 16 recognized labor category for which career and technical education  
 17 programs are offered is a high wage, a moderate wage, or a less than  
 18 moderate wage.
- 19 (c) In preparing the labor market demand report under subsection  
 20 (a) and the average wage level report under subsection (b), the  
 21 department of workforce development shall, if possible, list the labor  
 22 market demand and the average wage level for specific regions,  
 23 counties, and municipalities:
- 24 (d) If a new career and technical education program is created by  
 25 rule of the state board, the department of workforce development shall  
 26 determine the category in which the program should be included:
- 27 SECTION 9. IC 20-43-8-9, AS AMENDED BY P.L.205-2013,  
 28 SECTION 295, IS AMENDED TO READ AS FOLLOWS  
 29 [EFFECTIVE JULY 1, 2015]: Sec. 9. A school corporation's career and  
 30 technical education grant for a state fiscal year is the sum of the  
 31 following amounts:
- 32 STEP ONE: For each career and technical education program  
 33 provided by the school corporation:
- 34 (A) the number of credit hours of the program (either one (1)  
 35 credit, two (2) credits, or three (3) credits); multiplied by  
 36 (B) the number of students enrolled in the program; multiplied  
 37 by  
 38 (C) the following applicable amount:
- 39 (i) Four hundred fifty dollars (\$450), in the case of a  
 40 program described in section 5 of this chapter (more than a  
 41 moderate labor market need) for which the average wage  
 42 level determined under section 2(b) of this chapter



- 1                    **IC 22-4.1-4-9(b)** is a high wage.
- 2                    (ii) Three hundred seventy-five dollars (\$375), in the case of
- 3                    a program described in section 5 of this chapter (more than
- 4                    a moderate labor market need) for which the average wage
- 5                    level determined under ~~section 2(b) of this chapter~~
- 6                    **IC 22-4.1-4-9(b)** is a moderate wage.
- 7                    (iii) Three hundred dollars (\$300), in the case of a program
- 8                    described in section 5 of this chapter (more than a moderate
- 9                    labor market need) for which the average wage level
- 10                    determined under ~~section 2(b) of this chapter~~
- 11                    **IC 22-4.1-4-9(b)** is a less than moderate wage.
- 12                    (iv) Three hundred seventy-five dollars (\$375), in the case
- 13                    of a program described in section 6 of this chapter (moderate
- 14                    labor market need) for which the average wage level
- 15                    determined under ~~section 2(b) of this chapter~~
- 16                    **IC 22-4.1-4-9(b)** is a high wage.
- 17                    (v) Three hundred dollars (\$300), in the case of a program
- 18                    described in section 6 of this chapter (moderate labor market
- 19                    need) for which the average wage level determined under
- 20                    ~~section 2(b) of this chapter~~ **IC 22-4.1-4-9(b)** is a moderate
- 21                    wage.
- 22                    (vi) Two hundred twenty-five dollars (\$225), in the case of
- 23                    a program described in section 6 of this chapter (moderate
- 24                    labor market need) for which the average wage level
- 25                    determined under ~~section 2(b) of this chapter~~
- 26                    **IC 22-4.1-4-9(b)** is a less than moderate wage.
- 27                    (vii) Three hundred dollars (\$300), in the case of a program
- 28                    described in section 7 of this chapter (less than a moderate
- 29                    labor market need) for which the average wage level
- 30                    determined under ~~section 2(b) of this chapter~~
- 31                    **IC 22-4.1-4-9(b)** is a high wage.
- 32                    (viii) Two hundred twenty-five dollars (\$225), in the case of
- 33                    a program described in section 7 of this chapter (less than a
- 34                    moderate labor market need) for which the average wage
- 35                    level determined under ~~section 2(b) of this chapter~~
- 36                    **IC 22-4.1-4-9(b)** is a moderate wage.
- 37                    (ix) One hundred fifty dollars (\$150), in the case of a
- 38                    program described in section 7 of this chapter (less than a
- 39                    moderate labor market need) for which the average wage
- 40                    level determined under ~~section 2(b) of this chapter~~
- 41                    **IC 22-4.1-4-9(b)** is a less than moderate wage.
- 42                    STEP TWO: The number of pupils described in section 8 of this



- 1 chapter (all other programs) multiplied by two hundred fifty  
 2 dollars (\$250).
- 3 STEP THREE: The number of pupils participating in a career and  
 4 technical education program in which pupils from multiple  
 5 schools are served at a common location multiplied by one  
 6 hundred fifty dollars (\$150).
- 7 SECTION 10. IC 20-43-8-10, AS AMENDED BY P.L.234-2007,  
 8 SECTION 140, IS AMENDED TO READ AS FOLLOWS  
 9 [EFFECTIVE JULY 1, 2015]: Sec. 10. If a school corporation  
 10 determines that the categories of career and technical education  
 11 programs issued by the department of workforce development under  
 12 ~~section 2 of this chapter IC 22-4.1-4-9~~ are not representative of the  
 13 employment demand in the region surrounding the school corporation,  
 14 the school corporation may petition the department of workforce  
 15 development to recategorize for the school corporation the career and  
 16 technical education programs offered by the school corporation  
 17 according to the employment demand in the region surrounding the  
 18 school corporation. The petition must include information supporting  
 19 the school corporation's determination that the categories of career and  
 20 technical education programs by the department of workforce  
 21 development under ~~section 2 of this chapter IC 22-4.1-4-9~~ are not  
 22 representative of the employment demand in the region surrounding the  
 23 school corporation.
- 24 SECTION 11. IC 21-18.5-1-3, AS ADDED BY P.L.107-2012,  
 25 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2015]: Sec. 3. After June 30, 2012, any reference to the  
 27 Indiana commission for postsecondary proprietary education or the  
 28 Indiana commission on proprietary education in any statute or rule  
 29 shall be treated as a reference to the:
- 30 (1) board for proprietary education established by IC 21-18.5-5-1  
 31 if the reference pertains to a postsecondary credit bearing  
 32 proprietary educational institution; or  
 33 (2) state workforce innovation council established by  
 34 ~~IC 22-4-18.1-3~~ **IC 22-4.1-22-3** if the reference pertains to a  
 35 postsecondary proprietary educational institution (as defined in  
 36 IC 22-4.1-21-9).
- 37 SECTION 12. IC 21-18.5-1-4, AS AMENDED BY P.L.13-2013,  
 38 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 JULY 1, 2015]: Sec. 4. (a) Changes made by P.L.218-1987 do not  
 40 affect:
- 41 (1) rights or liabilities accrued;  
 42 (2) penalties incurred;



1 (3) crimes committed; or  
 2 (4) proceedings begun;  
 3 before July 1, 1987. These rights, liabilities, penalties, crimes, and  
 4 proceedings continue and shall be imposed and enforced under prior  
 5 law as if P.L.218-1987 had not been enacted.  
 6 (b) The abolishment of the Indiana commission on proprietary  
 7 education on July 1, 2012, by P.L.107-2012 does not affect:  
 8 (1) rights or liabilities accrued;  
 9 (2) penalties incurred;  
 10 (3) crimes committed; or  
 11 (4) proceedings begun;  
 12 before July 1, 2012, that pertain to a postsecondary credit bearing  
 13 proprietary educational institution. These rights, liabilities, penalties,  
 14 crimes, and proceedings continue and shall be imposed and enforced  
 15 by the board for proprietary education established by IC 21-18.5-5-1.  
 16 (c) The abolishment of the Indiana commission on proprietary  
 17 education on July 1, 2012, by P.L.107-2012 does not affect:  
 18 (1) rights or liabilities accrued;  
 19 (2) penalties incurred;  
 20 (3) crimes committed; or  
 21 (4) proceedings begun;  
 22 before July 1, 2012, that pertain to a postsecondary proprietary  
 23 educational institution (as defined in IC 22-4.1-21-9). These rights,  
 24 liabilities, penalties, crimes, and proceedings continue and shall be  
 25 imposed and enforced by the state workforce innovation council  
 26 established under ~~IC 22-4-18.1-3~~. **IC 22-4.1-22-3.**  
 27 SECTION 13. IC 21-18.5-1-5, AS AMENDED BY P.L.273-2013,  
 28 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2015]: Sec. 5. (a) The Indiana commission on proprietary  
 30 education is abolished on July 1, 2012.  
 31 (b) Unless otherwise specified in a memorandum of understanding  
 32 described in subsection (e), the following are transferred on July 1,  
 33 2012, from the Indiana commission on proprietary education to the  
 34 commission for higher education established by IC 21-18-2-1:  
 35 (1) All real and personal property of the Indiana commission on  
 36 proprietary education.  
 37 (2) All assets and liabilities of the Indiana commission on  
 38 proprietary education.  
 39 (3) All appropriations to the Indiana commission on proprietary  
 40 education.  
 41 (c) All powers and duties of the Indiana commission on proprietary  
 42 education before its abolishment pertaining to the accreditation of a



1 postsecondary credit bearing proprietary educational institution are  
 2 transferred to the board for proprietary education established by  
 3 IC 21-18.5-5-1.

4 (d) All powers and duties of the Indiana commission on proprietary  
 5 education before its abolishment pertaining to the accreditation of a  
 6 postsecondary proprietary educational institution (as defined in  
 7 IC 22-4.1-21-9) are transferred to the state workforce innovation  
 8 council established by ~~IC 22-4-18.1-3~~ **IC 22-4.1-22-3**.

9 (e) The commission for higher education established by  
 10 IC 21-18-2-1 may enter into a memorandum of understanding with the  
 11 state workforce innovation council established by ~~IC 22-4-18.1-3~~  
 12 **IC 22-4.1-22-3** to implement the transition of the responsibilities and  
 13 obligations of the Indiana commission on proprietary education before  
 14 its abolishment to the commission for higher education and the state  
 15 workforce innovation council.

16 (f) Rules that were adopted by the Indiana commission on  
 17 proprietary education before July 1, 2012, shall be treated as though the  
 18 rules were adopted by the state workforce innovation council  
 19 established by ~~IC 22-4-18.1-3~~ **IC 22-4.1-22-3** until the state workforce  
 20 innovation council or the department of workforce development adopts  
 21 rules under IC 4-22-2 to implement IC 22-4.1-21.

22 (g) An accreditation granted or a permit issued under IC 21-17-3 by  
 23 the Indiana commission on proprietary education before July 1, 2012,  
 24 shall be treated after June 30, 2012, as an authorization granted by the:

- 25 (1) board for proprietary education established by IC 21-18.5-5-1  
 26 if the accreditation pertains to a postsecondary credit bearing  
 27 proprietary educational institution (as defined in  
 28 IC 21-18.5-2-12); or  
 29 (2) department of workforce development if the accreditation  
 30 pertains to a postsecondary proprietary educational institution (as  
 31 defined in IC 22-4.1-21-9).

32 (h) An accreditation granted or a permit issued before May 15,  
 33 2013, under IC 21-17-3 (repealed):

- 34 (1) by the board for proprietary education established by  
 35 IC 21-18.5-5-1 shall be treated as an authorization granted by the  
 36 board for proprietary education; and  
 37 (2) by the state workforce innovation council shall be treated as  
 38 an authorization granted by the department of workforce  
 39 development.

40 (i) Proceedings pending before the Indiana commission on  
 41 proprietary education on July 1, 2012, shall be transferred from the  
 42 Indiana commission on proprietary education to:



1 (1) the board for proprietary education established by  
 2 IC 21-18.5-5-1 for a proceeding pertaining to a postsecondary  
 3 credit bearing proprietary educational institution (as defined in  
 4 IC 21-18.5-2-12); or

5 (2) the state workforce innovation council if the proceeding  
 6 pertains to a postsecondary proprietary educational institution (as  
 7 defined in IC 22-4.1-21-9).

8 SECTION 14. IC 22-4-10-8 IS ADDED TO THE INDIANA CODE  
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 10 1, 2015]: **Sec. 8. (a) This section applies only to an employer who  
 11 employs individuals within the state.**

12 **(b) As used in this section, "date of hire" is:**

13 **(1) the first date that an employee provides labor or services  
 14 to an employer; or**

15 **(2) the first date that an employee resumes providing labor or  
 16 services to an employer after a separation from service with  
 17 the employer of at least sixty (60) days.**

18 **(c) As used in this section, "employee":**

19 **(1) has the meaning set forth in Section 3401(c) of the Internal  
 20 Revenue Code; and**

21 **(2) includes any individual:**

22 **(A) required under Internal Revenue Service regulations  
 23 to complete a federal form W-4; and**

24 **(B) who has provided services to an employer.**

25 **The term does not include an employee of a federal or state agency  
 26 who performs intelligence or counter intelligence functions if the  
 27 head of the agency determines that the reporting information  
 28 required under this section could endanger the safety of the  
 29 employee or compromise an ongoing investigation or intelligence  
 30 mission.**

31 **(d) As used in this section, "employer" has the meaning set forth  
 32 in Section 3401(d) of the Internal Revenue Code. The term  
 33 includes:**

34 **(1) governmental agencies;**

35 **(2) labor organizations; or**

36 **(3) a person doing business in the state as identified by:**

37 **(A) the person's federal employer identification number;  
 38 or**

39 **(B) if applicable, the common paymaster, as defined in  
 40 Section 3121 of the Internal Revenue Code or the payroll  
 41 reporting agent of the employer, as described in IRS Rev.  
 42 Proc. 70-6, 1970-1 C.B. 420.**



1 (e) As used in this section, "Internal Revenue Code" has the  
2 meaning set forth in IC 6-3-1-11.

3 (f) As used in this section, "labor organization" has the meaning  
4 set forth in 42 U.S.C. 653a(a)(2)(B)(ii).

5 (g) As used in this section, "newly hired employee" means an  
6 employee who:

7 (1) has not previously been employed by an employer; or

8 (2) resumes service with an employer after a separation from  
9 service of at least sixty (60) days.

10 (h) The department shall maintain a directory of new hires as  
11 required under 42 U.S.C. 653a.

12 (i) The directory under subsection (h) must contain the  
13 information for each newly hired employee that an employer must  
14 provide to the department under subsection (l).

15 (j) An employer must transmit the information required under  
16 subsection (l):

17 (1) within twenty (20) business days of the employee's date of  
18 hire; or

19 (2) if the information is transmitted magnetically or  
20 electronically, in two (2) monthly transactions that are:

21 (A) not less than twelve (12) days apart; and

22 (B) not more than sixteen (16) days apart.

23 (k) A report containing the information required under  
24 subsection (l) is considered timely:

25 (1) if it is postmarked on or before the due date, whenever the  
26 report is mailed; or

27 (2) if it is received on or before the due date, whenever the  
28 report is transmitted by:

29 (A) facsimile machine; or

30 (B) electronic or magnetic media.

31 (l) The employer shall provide the information required under  
32 this section on an employee's withholding allowance certificate  
33 (Internal Revenue Service form W-4) or, at the employer's option,  
34 an equivalent form. The report must include at least the following:

35 (1) The name, address, and Social Security number of the  
36 employee.

37 (2) The name, address, and federal tax identification number  
38 of the employer.

39 (3) The date of hire of the employee.

40 (m) An employer that has employees in two (2) or more states  
41 and that transmits reports under this section electronically or  
42 magnetically may comply with this section by doing the following:



- 1           **(1) Designating one (1) state to receive each report.**
- 2           **(2) Notifying the Secretary of the United States Department**
- 3           **of Health and Human Services which state will receive the**
- 4           **reports.**
- 5           **(3) Transmitting the reports to the agency in the designated**
- 6           **state that is charged with receiving the reports.**
- 7           **(n) The department may impose the following as a civil penalty:**
- 8           **(1) Twenty-five dollars (\$25) on an employer that fails to**
- 9           **comply with this section.**
- 10           **(2) Five hundred dollars (\$500) on an employer that fails to**
- 11           **comply with this section if the failure is a result of a**
- 12           **conspiracy between the employer and the employee to:**
- 13           **(A) not provide the required report; or**
- 14           **(B) provide a false or an incomplete report.**
- 15           **(o) The department shall do the following with information**
- 16           **received from an employer regarding newly hired employees:**
- 17           **(1) Enter the information into the state's directory of new**
- 18           **hires within five (5) business days of receipt.**
- 19           **(2) Forward the information to the national directory of new**
- 20           **hires not later than three (3) business days after the**
- 21           **information is entered into the state's directory.**
- 22           **The state shall use quality control standards established by the**
- 23           **administrators of the national directory of new hires.**
- 24           **(p) The information contained in the directory maintained**
- 25           **under subsection (h) is available only for use by the department for**
- 26           **purposes required by 42 U.S.C. 653a, unless otherwise provided by**
- 27           **law.**
- 28           **(q) The department of child services (established under**
- 29           **IC 31-25-1-1) shall:**
- 30           **(1) reimburse the department for any costs incurred in**
- 31           **carrying out this section; and**
- 32           **(2) enter into a purchase of service agreement with the**
- 33           **department that establishes procedures necessary to**
- 34           **administer this section.**
- 35           **SECTION 15. IC 22-4-14-3, AS AMENDED BY P.L.154-2013,**
- 36           **SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**
- 37           **JULY 1, 2015]: Sec. 3. (a) An individual who is receiving benefits as**
- 38           **determined under IC 22-4-15-1(c)(8) may restrict the individual's**
- 39           **availability because of the individual's need to address the physical,**
- 40           **psychological, or legal effects of being a victim of domestic or family**
- 41           **violence (as defined in IC 31-9-2-42).**
- 42           **(b) An unemployed individual shall be eligible to receive benefits**





- 1 with respect to any week only if the individual:
- 2 (1) is physically and mentally able to work;
- 3 (2) is available for work;
- 4 (3) is found by the department to be making an effort to secure
- 5 full-time work; and
- 6 (4) participates in reemployment services, such as job search
- 7 assistance services, if the individual has been determined to be
- 8 likely to exhaust regular benefits and to need reemployment
- 9 services under a profiling system established by the department,
- 10 and reemployment and eligibility assessment activities when
- 11 directed by the department, unless the department determines
- 12 that:
- 13 (A) the individual has completed the reemployment services;
- 14 or
- 15 (B) failure by the individual to participate in or complete the
- 16 reemployment services is excused by the director under
- 17 IC 22-4-14-2(b).

18 The term "effort to secure full-time work" shall be defined by the

19 department through rule which shall take into consideration whether

20 such individual has a reasonable assurance of reemployment and, if so,

21 the length of the prospective period of unemployment. However, if an

22 otherwise eligible individual is unable to work or unavailable for work

23 on any normal work day of the week the individual shall be eligible to

24 receive benefits with respect to such week reduced by one-third (1/3)

25 of the individual's weekly benefit amount for each day of such inability

26 to work or unavailability for work.

27 (c) For the purpose of this article, unavailability for work of an

28 individual exists in, but is not limited to, any case in which, with

29 respect to any week, it is found:

- 30 (1) that such individual is engaged by any unit, agency, or
- 31 instrumentality of the United States, in charge of public works or
- 32 assistance through public employment, or any unit, agency, or
- 33 instrumentality of this state, or any political subdivision thereof,
- 34 in charge of any public works or assistance through public
- 35 employment;
- 36 (2) that such individual is in full-time active military service of
- 37 the United States, or is enrolled in civilian service as a
- 38 conscientious objector to military service;
- 39 (3) that such individual is suspended for misconduct in
- 40 connection with the individual's work; or
- 41 (4) that such individual is in attendance at a regularly established
- 42 public or private school during the customary hours of the



1 individual's occupation or is in any vacation period intervening  
 2 between regular school terms during which the individual is a  
 3 student. However, this subdivision does not apply to any  
 4 individual who is attending a regularly established school, has  
 5 been regularly employed and upon becoming unemployed makes  
 6 an effort to secure full-time work and is available for suitable  
 7 full-time work with the individual's last employer, or is available  
 8 for any other full-time employment deemed suitable.

9 (d) Notwithstanding any other provisions in this section or  
 10 IC 22-4-15-2, no otherwise eligible individual shall be denied benefits  
 11 for any week because the individual is in training with the approval of  
 12 the department, nor shall such individual be denied benefits with  
 13 respect to any week in which the individual is in training with the  
 14 approval of the department by reason of the application of the  
 15 provisions of this section with respect to the availability for work or  
 16 active search for work or by reason of the application of the provisions  
 17 of IC 22-4-15-2 relating to failure to apply for, or the refusal to accept,  
 18 suitable work. The department shall by rule prescribe the conditions  
 19 under which approval of such training will be granted.

20 (e) Notwithstanding subsection (b), (c), or (d), or IC 22-4-15-2, an  
 21 otherwise eligible individual shall not be denied benefits for any week  
 22 or determined not able, available, and actively seeking work, because  
 23 the individual is responding to a summons for jury service. The  
 24 individual shall:

- 25 (1) obtain from the court proof of the individual's jury service;
- 26 and
- 27 (2) provide to the department, in the manner the department  
 28 prescribes by rule, proof of the individual's jury service.

29 (f) For purposes of this section, reemployment services and  
 30 reemployment and eligibility assessment activities provided to an  
 31 individual:

- 32 (1) must include:
  - 33 (A) orientation to the services available through a one stop  
 34 center; (as defined by ~~IC 22-4-5-2-6~~; **IC 22-4.1-1-5**);
  - 35 (B) provision of labor market and career information;
  - 36 (C) assessment of the individual's workforce and other job  
 37 related skills; and
  - 38 (D) a review of the individual's work search efforts; and
- 39 (2) may include:
  - 40 (A) comprehensive and specialized assessments;
  - 41 (B) individual and group career counseling;
  - 42 (C) training services;



- 1 (D) additional services to assist the individual in becoming  
 2 reemployed;
- 3 (E) job search counseling; and
- 4 (F) development and review of the individual's reemployment  
 5 plan that includes the individual's participation in job search  
 6 activities and appropriate workshops.
- 7 (g) The department may require an individual participating in  
 8 reemployment and eligibility assessment activities described in this  
 9 section to provide proof of identity.
- 10 SECTION 16. IC 22-4-18-1, AS AMENDED BY P.L.7-2011,  
 11 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2015]: Sec. 1. (a) There is created a department under  
 13 IC 22-4.1-2-1 which shall be known as the department of workforce  
 14 development.
- 15 (b) The department of workforce development may:
- 16 (1) Administer the unemployment insurance program, ~~the~~  
 17 ~~Wagner-Peyser program, the Workforce Investment Act, a free~~  
 18 ~~public labor exchange, and related federal and state employment~~  
 19 ~~and training programs as directed by the governor.~~
- 20 (2) Formulate and implement an employment and training plan as  
 21 required by the Workforce Investment Act (29 U.S.C. 2801 et  
 22 seq.); including reauthorizations of the Act, and the  
 23 Wagner-Peyser Act (29 U.S.C. 49 et seq.).
- 24 (3) Coordinate activities with all state agencies and departments  
 25 that either provide employment and training related services or  
 26 operate appropriate resources or facilities, to maximize Indiana's  
 27 efforts to provide employment opportunities for economically  
 28 disadvantaged individuals, dislocated workers, and others with  
 29 substantial barriers to employment.
- 30 (4) Apply for, receive, disburse, allocate, and account for all  
 31 funds, grants, gifts, and contributions of money, property, labor,  
 32 and other things of value from public and private sources;  
 33 including grants from agencies and instrumentalities of the state  
 34 and the federal government.
- 35 (5) ~~(2)~~ Enter into agreements with the United States government  
 36 that may be required as a condition of obtaining federal funds  
 37 related to activities of the department **under this article.**
- 38 (6) ~~(3)~~ Enter into contracts or agreements and cooperate with  
 39 local governmental units or corporations, including profit or  
 40 nonprofit corporations, or combinations of units and corporations  
 41 to carry out the duties of the department imposed by this ~~chapter;~~  
 42 **article**, including contracts for the ~~establishment and~~



1 administration of employment and training offices and the  
2 delegation of the department's administrative, monitoring, and  
3 program responsibilities and duties set forth in this article.

4 (7) Perform other services and activities that are specified in  
5 contracts for payments or reimbursement of the costs made with  
6 the Secretary of Labor; any federal, state, or local public agency  
7 or administrative entity; or a private for-profit or nonprofit  
8 organization under the Workforce Investment Act (29 U.S.C.  
9 2801 et seq.); including reauthorizations of the Act.

10 (8) Enter into contracts or agreements and cooperate with entities  
11 that provide career and technical education to carry out the duties  
12 imposed by this chapter.

13 (c) The payment of unemployment insurance benefits must be made  
14 in accordance with 26 U.S.C. 3304.

15 (d) The department of workforce development may do all acts and  
16 things necessary or proper to carry out the powers expressly granted  
17 under this article, including the adoption of rules under IC 4-22-2.

18 (e) The department of workforce development may not charge any  
19 claimant for benefits for providing services under this article, except as  
20 provided in IC 22-4-17-12.

21 (f) The department of workforce development shall distribute  
22 federal funds made available for employment training in accordance  
23 with:

24 (1) 29 U.S.C. 2801 et seq.; including reauthorizations of the Act;  
25 and other applicable federal laws; and

26 (2) the plan prepared by the department under subsection (g)(1).

27 ~~(g)~~ (f) In addition to the duties prescribed in subsections (a) through  
28 ~~(f)~~; (e), the department of workforce development shall do the  
29 following:

30 (1) Implement the postsecondary career and technical education  
31 programming plan prepared by the council under IC 22-4.1-19-4.

32 (2) Upon request of the budget director, prepare a legislative  
33 budget request for state and federal funds for employment  
34 training. The budget director shall determine the period to be  
35 covered by the budget request.

36 (3) Make or cause to be made studies of the needs for various  
37 types of programs that are related to employment training and  
38 authorized under the Workforce Investment Act, including  
39 reauthorizations of the Act.

40 (4) Distribute state funds made available for employment training  
41 that have been appropriated by the general assembly in  
42 accordance with the general assembly appropriation.



1 (5) establish, implement, and maintain a training program in the  
 2 nature and dynamics of domestic and family violence for training  
 3 of all employees of the department who interact with a claimant  
 4 for benefits to determine whether the claim of the individual for  
 5 unemployment benefits is valid and to determine that employment  
 6 separations stemming from domestic or family violence are  
 7 reliably screened, identified, and adjudicated and that victims of  
 8 domestic or family violence are able to take advantage of the full  
 9 range of job services provided by the department. The training  
 10 presenters shall include domestic violence experts with expertise  
 11 in the delivery of direct services to victims of domestic violence,  
 12 including using the staff of shelters for battered women in the  
 13 presentation of the training. The initial training shall consist of  
 14 instruction of not less than six (6) hours. Refresher training shall  
 15 be required annually and shall consist of instruction of not less  
 16 than three (3) hours.

17 SECTION 17. IC 22-4-18-6 IS REPEALED [EFFECTIVE JULY 1,  
 18 2015]. See: 6: (a) The department shall develop a uniform system for  
 19 assessing workforce skills; strengths; and weaknesses in individuals:

20 (b) The uniform assessment system shall be used at the following:

21 (1) One stop centers under IC 22-4-42, if established.

22 (2) Career and technical education (as defined in IC 20-20-38-1)  
 23 programs at the secondary level.

24 SECTION 18. IC 22-4-18-7 IS REPEALED [EFFECTIVE JULY 1,  
 25 2015]. See: 7: (a) The department annually shall prepare a written  
 26 report of its training activities and the training activities of the various  
 27 workforce investment boards during the immediately preceding state  
 28 fiscal year. The department's annual report for a particular state fiscal  
 29 year must include information for each training project for which either  
 30 the department or a workforce development board provided any  
 31 funding during that state fiscal year. At a minimum, the following  
 32 information must be provided for such a training project:

33 (1) A description of the training project, including the name and  
 34 address of the training provider.

35 (2) The amount of funding that either the department or a  
 36 workforce investment board provided for the project and an  
 37 indication of which entity provided the funding.

38 (3) The number of trainees who participated in the project.

39 (4) Demographic information about the trainees, including the age  
 40 of each trainee, the education attainment level of each trainee, and  
 41 for those training projects that have specific gender requirements,  
 42 the gender of each trainee.



1 (5) The results of the project, including skills developed by  
 2 trainees; any license or certification associated with the training  
 3 project; the extent to which trainees have been able to secure  
 4 employment or obtain better employment; and descriptions of the  
 5 specific jobs which trainees have been able to secure or to which  
 6 trainees have been able to advance:

7 (b) With respect to trainees that have been able to secure  
 8 employment or obtain better employment; the department of workforce  
 9 development shall compile data on the retention rates of those trainees  
 10 in the jobs which the trainees secured or to which they advanced. The  
 11 department shall include information concerning those retention rates  
 12 in each of its annual reports:

13 (c) On or before October 1 of each state fiscal year, each workforce  
 14 investment board shall provide the department with a written report of  
 15 its training activities for the immediately preceding state fiscal year.  
 16 The workforce development board shall prepare the report in the  
 17 manner prescribed by the department. However, at a minimum, the  
 18 workforce development board shall include in its report the information  
 19 required by subsection (a) for each training project for which the  
 20 workforce development board provided any funding during the state  
 21 fiscal year covered by the report. In addition, the workforce  
 22 development board shall include in each report retention rate  
 23 information as set forth in subsection (b):

24 (d) The department shall provide a copy of its annual report for a  
 25 particular state fiscal year to the:

- 26 (1) governor;
- 27 (2) legislative council; and
- 28 (3) unemployment insurance board;

29 on or before December 1 of the immediately preceding state fiscal year.  
 30 An annual report provided under this subsection to the legislative  
 31 council must be in an electronic format under IC 5-14-6.

32 SECTION 19. IC 22-4-18.1 IS REPEALED [EFFECTIVE JULY 1,  
 33 2015]. (State Workforce Innovation Council).

34 SECTION 20. IC 22-4-19-5 IS REPEALED [EFFECTIVE JULY 1,  
 35 2015]. Sec. 5: The board, through its appropriate activities, shall take  
 36 all appropriate steps to reduce and prevent unemployment; to  
 37 encourage and assist in the adoption of practical methods of career and  
 38 technical training; retraining, and vocational guidance; to investigate;  
 39 recommend; advise; and assist in the establishment and operation; by  
 40 municipal corporations; counties; school districts; and the state; of  
 41 reserves for public works to be used in times of business depression  
 42 and unemployment; to promote the re-employment of unemployed



1 workers throughout the state in every way that may be feasible; and to  
 2 these ends to carry on and publish the results of investigations and  
 3 research studies.

4 SECTION 21. IC 22-4-19-15 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2015]: **Sec. 15. (a) As used in this section,**  
 7 **"contractor" means:**

- 8 (1) a sole proprietor;
- 9 (2) a partnership;
- 10 (3) a firm;
- 11 (4) a corporation;
- 12 (5) a limited liability company;
- 13 (6) an association; or
- 14 (7) another legal entity;

15 that engages in construction and is authorized by law to do  
 16 business in Indiana. The term includes a general contractor, a  
 17 subcontractor, and a lower tiered contractor. The term does not  
 18 include the state, the federal government, or a political subdivision.

19 (b) The department shall cooperate with the:

- 20 (1) department of labor created by IC 22-1-1-1;
- 21 (2) department of state revenue established by IC 6-8.1-2-1;
- 22 and
- 23 (3) worker's compensation board of Indiana created by
- 24 IC 22-3-1-1(a);

25 by sharing information concerning any suspected improper  
 26 classification by a contractor of an individual as an independent  
 27 contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).

28 (c) For purposes of IC 5-14-3-4, information shared under this  
 29 section is confidential, may not be published, and is not open to  
 30 public inspection.

31 (d) An officer or employee of the department who knowingly or  
 32 intentionally discloses information that is confidential under this  
 33 section commits a Class A misdemeanor.

34 SECTION 22. IC 22-4-23 IS REPEALED [EFFECTIVE JULY 1,  
 35 2015]. (Employment Referral Service).

36 SECTION 23. IC 22-4-25-1, AS AMENDED BY P.L.121-2014,  
 37 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JULY 1, 2015]: **Sec. 1. (a)** There is created in the state treasury a  
 39 special fund to be known as the special employment and training  
 40 services fund. All interest on delinquent contributions and penalties  
 41 collected under this article, together with any voluntary contributions  
 42 tendered as a contribution to this fund, shall be paid into this fund. The



1 money shall not be expended or available for expenditure in any  
2 manner which would permit their substitution for (or a corresponding  
3 reduction in) federal funds which would in the absence of said money  
4 be available to finance expenditures for the administration of this  
5 article, but nothing in this section shall prevent said money from being  
6 used as a revolving fund to cover expenditures necessary and proper  
7 under the law for which federal funds have been duly requested but not  
8 yet received, subject to the charging of such expenditures against such  
9 funds when received. The money in this fund shall be used by the board  
10 for the payment of refunds of interest on delinquent contributions and  
11 penalties so collected, for the payment of costs of administration which  
12 are found not to have been properly and validly chargeable against  
13 federal grants or other funds received for or in the employment and  
14 training services administration fund, on and after July 1, 1945. Such  
15 money shall be available either to satisfy the obligations incurred by  
16 the board directly, or by transfer by the board of the required amount  
17 from the special employment and training services fund to the  
18 employment and training services administration fund. The board shall  
19 order the transfer of such funds or the payment of any such obligation  
20 or expenditure and such funds shall be paid by the treasurer of state on  
21 requisition drawn by the board directing the auditor of state to issue the  
22 auditor's warrant therefor. Any such warrant shall be drawn by the state  
23 auditor based upon vouchers certified by the board or the  
24 commissioner. The money in this fund is hereby specifically made  
25 available to replace within a reasonable time any money received by  
26 this state pursuant to 42 U.S.C. 502, as amended, which, because of  
27 any action or contingency, has been lost or has been expended for  
28 purposes other than or in amounts in excess of those approved by the  
29 bureau of employment security. The money in this fund shall be  
30 continuously available to the board for expenditures in accordance with  
31 the provisions of this section and for the prevention, detection, and  
32 recovery of delinquent contributions, penalties, and improper benefit  
33 payments, and shall not lapse at any time or be transferred to any other  
34 fund, except as provided in this article. Nothing in this section shall be  
35 construed to limit, alter, or amend the liability of the state assumed and  
36 created by IC 22-4-28, or to change the procedure prescribed in  
37 IC 22-4-28 for the satisfaction of such liability, except to the extent that  
38 such liability may be satisfied by and out of the funds of such special  
39 employment and training services fund created by this section.

40 (b) Whenever the balance in the special employment and training  
41 services fund exceeds eight million five hundred thousand dollars  
42 (\$8,500,000), the board shall order payment of the amount that exceeds





1 eight million five hundred thousand dollars (\$8,500,000) into the  
2 unemployment insurance benefit fund.

3 (c) Subject to the approval of the board, and the availability of  
4 funds, on July 1 each year the commissioner shall release:

5 (1) one million dollars (\$1,000,000) to the state educational  
6 institution established under IC 21-25-2-1 for training provided  
7 to participants in apprenticeship programs approved by the United  
8 States Department of Labor, Bureau of Apprenticeship and  
9 Training;

10 (2) four million dollars (\$4,000,000) to the state educational  
11 institution instituted and incorporated under IC 21-22-2-1 for  
12 training provided to participants in joint labor and management  
13 apprenticeship programs approved by the United States  
14 Department of Labor, Bureau of Apprenticeship and Training;

15 (3) two hundred fifty thousand dollars (\$250,000) for journeyman  
16 upgrade training to each of the state educational institutions  
17 described in subdivisions (1) and (2);

18 (4) four hundred thousand dollars (\$400,000) annually for  
19 training and counseling assistance:

20 (A) provided by Hometown Plans under 41 CFR 60-4.5; and

21 (B) approved by the United States Department of Labor,  
22 Bureau of Apprenticeship and Training;

23 to individuals who have been unemployed for at least four (4)  
24 weeks or whose annual income is less than twenty thousand  
25 dollars (\$20,000); and

26 (5) three hundred thousand dollars (\$300,000) annually for  
27 training and counseling assistance provided by the state  
28 institution established under IC 21-25-2-1 to individuals who  
29 have been unemployed for at least four (4) weeks or whose annual  
30 income is less than twenty thousand dollars (\$20,000) for the  
31 purpose of enabling those individuals to apply for admission to  
32 apprenticeship programs offered by providers approved by the  
33 United States Department of Labor, Bureau of Apprenticeship and  
34 Training.

35 ~~(d)~~ The funds released under subsection ~~(c)(4)~~ through ~~(c)(5)~~:

36 ~~(1)~~ shall be considered part of the amount allocated under section  
37 2.5 of this chapter; and

38 ~~(2)~~ do not limit the amount that an entity may receive under  
39 section 2.5 of this chapter.

40 ~~(e)~~ **(d)** Each state educational institution described in subsection (c)  
41 is entitled to keep ten percent (10%) of the funds released under  
42 subsection (c) for the payment of costs of administering the funds. On



1 each June 30 following the release of the funds, any funds released  
 2 under subsection (c) not used by the state educational institutions under  
 3 subsection (c) shall be returned to the special employment and training  
 4 services fund.

5 SECTION 24. IC 22-4-41 IS REPEALED [EFFECTIVE JULY 1,  
 6 2015]. (Indiana Jobs Training Program).

7 SECTION 25. IC 22-4-42 IS REPEALED [EFFECTIVE JULY 1,  
 8 2015]. (Workforce Development Centers).

9 SECTION 26. IC 22-4-43 IS REPEALED [EFFECTIVE JULY 1,  
 10 2015]. (Hoosier Workers First Training Program).

11 SECTION 27. IC 22-4.1-1-2.5, AS ADDED BY P.L.7-2011,  
 12 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2015]: Sec. 2.5. "Council" refers to the state workforce  
 14 innovation council established by ~~IC 22-4-18.1-3~~ **IC 22-4.1-22-3**.

15 SECTION 28. IC 22-4.1-1-5 IS ADDED TO THE INDIANA CODE  
 16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 17 1, 2015]: **Sec. 5. "One stop center" means a physical location that  
 18 provides access to all one stop services required by WIOA.**

19 SECTION 29. IC 22-4.1-1-6 IS ADDED TO THE INDIANA CODE  
 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 21 1, 2015]: **Sec. 6. "WIOA" refers to the federal Workforce  
 22 Innovation and Opportunity Act of 2014 (P.L.113-128), including  
 23 reauthorizations of WIOA.**

24 SECTION 30. IC 22-4.1-2-2, AS AMENDED BY P.L.7-2011,  
 25 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JULY 1, 2015]: Sec. 2. The department is ~~comprised of~~ **includes** the  
 27 following entities: ~~reorganized within the department:~~

28 ~~(1) The department of employment and training services;  
 29 including the following:~~

30 ~~(A) (1) The unemployment insurance board.~~

31 ~~(B) (2) The unemployment insurance review board.~~

32 ~~(2) The office of workforce literacy established by IC 22-4.1-10-1.~~

33 **(3) State workforce innovation council established by  
 34 IC 22-4.1-22-3.**

35 SECTION 31. IC 22-4.1-4-1, AS AMENDED BY P.L.3-2008,  
 36 SECTION 162, IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2015]: Sec. 1. The department may undertake  
 38 duties identified by the commissioner as related to workforce  
 39 development initiatives that were required of or authorized to be  
 40 undertaken before July 1, 1994, by:

41 (1) the department of employment and training services  
 42 **(repealed);**



1 (2) the office of workforce literacy established by IC 22-4.1-10-1  
2 **(repealed)**; or

3 (3) the Indiana commission for career and technical education  
4 established by IC 22-4.1-13-6 **(repealed)**.

5 SECTION 32. IC 22-4.1-4-1.5 IS ADDED TO THE INDIANA  
6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2015]: **Sec. 1.5. (a) The department shall do**  
8 **the following:**

9 (1) **Administer the Wagner-Peyser program, the WIOA, a**  
10 **free public labor exchange, and related federal and state**  
11 **employment and training programs as directed by the**  
12 **governor.**

13 (2) **Formulate and implement an employment and training**  
14 **plan as required by the WIOA, and the Wagner-Peyser Act**  
15 **(29 U.S.C. 49 et seq.).**

16 (3) **Coordinate activities with all state agencies and**  
17 **departments that either provide employment and training**  
18 **related services or operate appropriate resources or facilities,**  
19 **to maximize Indiana's efforts to provide employment**  
20 **opportunities for economically disadvantaged individuals,**  
21 **dislocated workers, and others with substantial barriers to**  
22 **employment.**

23 (4) **Apply for, receive, disburse, allocate, and account for all**  
24 **funds, grants, gifts, and contributions of money, property,**  
25 **labor, and other things of value from public and private**  
26 **sources, including grants from agencies and instrumentalities**  
27 **of the state and the federal government.**

28 (5) **Enter into agreements with the United States government**  
29 **that may be required as a condition of obtaining federal funds**  
30 **related to activities of the department.**

31 (6) **Enter into contracts or agreements and cooperate with**  
32 **local governmental units or corporations, including profit or**  
33 **nonprofit corporations, or combinations of units and**  
34 **corporations to carry out the duties of the department**  
35 **imposed by this chapter, including contracts for the**  
36 **establishment and administration of employment and training**  
37 **offices and the delegation of the department's administrative,**  
38 **monitoring, and program responsibilities and duties set forth**  
39 **in this article.**

40 (7) **Perform other services and activities that are specified in**  
41 **contracts for payments or reimbursement of the costs made**  
42 **with the Secretary of Labor, any federal, state, or local public**



1           agency or administrative entity, or a private for-profit or  
2           nonprofit organization under the WIOA.  
3           **(8) Enter into contracts or agreements and cooperate with**  
4           **entities that provide career and technical education to carry**  
5           **out the duties imposed by this article.**  
6           **(b) The department shall distribute federal funds made**  
7           **available for employment training in accordance with:**  
8           **(1) the WIOA, and other applicable federal laws; and**  
9           **(2) the plan prepared by the department under subsection**  
10           **(c)(1).**  
11           **(c) In addition to the duties prescribed in subsections (a) and (b),**  
12           **the department shall do the following:**  
13           **(1) Implement the postsecondary career and technical**  
14           **education programming plan prepared by the council under**  
15           **IC 22-4.1-19-4.**  
16           **(2) Upon request of the budget director, prepare a legislative**  
17           **budget request for state and federal funds for employment**  
18           **training. The budget director shall determine the period to be**  
19           **covered by the budget request.**  
20           **(3) Make or cause to be made studies of the needs for various**  
21           **types of programs that are related to employment training**  
22           **and authorized under the WIOA.**  
23           **(4) Distribute state funds made available for employment**  
24           **training that have been appropriated by the general assembly**  
25           **in accordance with the general assembly appropriation.**  
26           SECTION 33. IC 22-4.1-4-2 IS REPEALED [EFFECTIVE JULY  
27           1, 2015]. Sec. 2: (a) This section applies only to an employer who  
28           employs individuals within the state:  
29           (b) As used in this section, "date of hire" is:  
30           (1) the first date that an employee provides labor or services to an  
31           employer; or  
32           (2) the first date that an employee resumes providing labor or  
33           services to an employer after a separation from service with the  
34           employer of at least sixty (60) days.  
35           (c) As used in this section, "employee":  
36           (1) has the meaning set forth in Chapter 24 of the Internal  
37           Revenue Code of 1986; and  
38           (2) includes any individual:  
39           (A) required under Internal Revenue Service regulations to  
40           complete a federal form W-4; and  
41           (B) who has provided services to an employer.  
42           The term does not include an employee of a federal or state agency who



1 performs intelligence or counter intelligence functions if the head of  
 2 the agency determines that the reporting information required under  
 3 this section could endanger the safety of the employee or compromise  
 4 an ongoing investigation or intelligence mission.

5 (d) As used in this section, "employer" has the meaning set forth in  
 6 Section 3401(d) of the Internal Revenue Code of 1986. The term  
 7 includes:

8 (1) governmental agencies;

9 (2) labor organizations; or

10 (3) a person doing business in the state as identified by:

11 (A) the person's federal employer identification number; or

12 (B) if applicable, the common paymaster, as defined in Section  
 13 3121 of the Internal Revenue Code or the payroll reporting  
 14 agent of the employer, as described in IRS Rev. Proc. 70-6,  
 15 1970-1, C.B. 420.

16 (e) As used in this section, "labor organization" has the meaning set  
 17 forth in 42 U.S.C. 653A(a)(2)(B)(ii).

18 (f) As used in this section, "newly hired employee" means an  
 19 employee who:

20 (1) has not previously been employed by an employer; or

21 (2) resumes service with an employer after a separation from  
 22 service of at least sixty (60) days.

23 (g) The department shall maintain the Indiana directory of new hires  
 24 as required under 42 U.S.C. 653A.

25 (h) The directory under subsection (g) must contain the information  
 26 for each newly hired employee that an employer must provide to the  
 27 department under subsection (k).

28 (i) An employer must transmit the information required under  
 29 subsection (k):

30 (1) within twenty (20) business days of the employee's date of  
 31 hire; or

32 (2) if the information is transmitted magnetically or electronically,  
 33 in two (2) monthly transactions that are:

34 (A) not less than twelve (12) days apart; and

35 (B) not more than sixteen (16) days apart.

36 (j) A report containing the information required under subsection  
 37 (k) is considered timely:

38 (1) if it is postmarked on or before the due date; whenever the  
 39 report is mailed; or

40 (2) if it is received on or before the due date; whenever the report  
 41 is transmitted by:

42 (A) facsimile machine; or



- 1 (B) electronic or magnetic media:
- 2 (k) The employer shall provide the information required under this
- 3 section on an employee's withholding allowance certificate (Internal
- 4 Revenue Service form W-4) or, at the employer's option, an equivalent
- 5 form. The report must include at least the following:
- 6 (1) The name, address, and Social Security number of the
- 7 employee:
- 8 (2) The name, address, and federal tax identification number of
- 9 the employer:
- 10 (3) The date of hire of the employee:
- 11 (l) An employer that has employees in two (2) or more states and
- 12 that transmits reports under this section electronically or magnetically
- 13 may comply with this section by doing the following:
- 14 (1) Designating one (1) state to receive each report:
- 15 (2) Notifying the Secretary of the United States Department of
- 16 Health and Human Services which state will receive the reports:
- 17 (3) Transmitting the reports to the agency in the designated state
- 18 that is charged with receiving the reports:
- 19 (m) The department may impose the following as a civil penalty:
- 20 (1) Twenty-five dollars (\$25) on an employer that fails to comply
- 21 with this section:
- 22 (2) Five hundred dollars (\$500) on an employer that fails to
- 23 comply with this section if the failure is a result of a conspiracy
- 24 between the employer and the employee to:
- 25 (A) not provide the required report; or
- 26 (B) provide a false or an incomplete report:
- 27 (n) The department shall do the following with information received
- 28 from an employer regarding newly hired employees:
- 29 (1) Enter the information into the state's new hire directory within
- 30 five (5) business days of receipt:
- 31 (2) Forward the information to the national directory of new hires
- 32 not later than three (3) business days after the information is
- 33 entered into the state's new hire directory:
- 34 The state shall use quality control standards established by the
- 35 Administrators of the National Directory of New Hires:
- 36 (o) The information contained in the Indiana directory of new hires
- 37 is available only for use by the department for purposes required by 42
- 38 U.S.C. 653A, unless otherwise provided by law:
- 39 (p) The department of child services (established under
- 40 IC 31-25-1-1) shall:
- 41 (1) reimburse the department for any costs incurred in carrying
- 42 out this section; and



- 1 (2) enter into a purchase of service agreement with the  
 2 department that establishes procedures necessary to administer  
 3 this section:  
 4 SECTION 34. IC 22-4.1-4-4 IS REPEALED [EFFECTIVE JULY  
 5 1, 2015]. Sec. 4: (a) This section applies after December 31, 2009:  
 6 (b) As used in this section, "contractor" means:  
 7 (1) a sole proprietor;  
 8 (2) a partnership;  
 9 (3) a firm;  
 10 (4) a corporation;  
 11 (5) a limited liability company;  
 12 (6) an association; or  
 13 (7) another legal entity;  
 14 that engages in construction and is authorized by law to do business in  
 15 Indiana. The term includes a general contractor, a subcontractor, and  
 16 a lower tiered contractor. The term does not include the state, the  
 17 federal government, or a political subdivision.  
 18 (c) The department shall cooperate with the:  
 19 (1) department of labor created by IC 22-1-1-1;  
 20 (2) department of state revenue established by IC 6-8.1-2-1; and  
 21 (3) worker's compensation board of Indiana created by  
 22 IC 22-3-1-1(a);  
 23 by sharing information concerning any suspected improper  
 24 classification by a contractor of an individual as an independent  
 25 contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).  
 26 (d) For purposes of IC 5-14-3-4, information shared under this  
 27 section is confidential, may not be published, and is not open to public  
 28 inspection.  
 29 (e) An officer or employee of the department who knowingly or  
 30 intentionally discloses information that is confidential under this  
 31 section commits a Class A misdemeanor.  
 32 SECTION 35. IC 22-4.1-4-5 IS REPEALED [EFFECTIVE JULY  
 33 1, 2015]. Sec. 5: The department shall coordinate with the commission  
 34 for higher education (IC 21-18-1) and the Indiana state board of  
 35 education (IC 20-19-2) to develop entrepreneurship education  
 36 programs for elementary and secondary education, higher education,  
 37 and individuals in the work force.  
 38 SECTION 36. IC 22-4.1-4-6, AS ADDED BY P.L.46-2014,  
 39 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2015]: Sec. 6. (a) This section applies to state fiscal years  
 41 beginning after June 30, 2014.  
 42 (b) The council shall allocate as provided in this section a



1 percentage of the funds made available to Indiana under the ~~Workforce~~  
 2 ~~Investment Act of 1998 (29 U.S.C. 2801 et seq.)~~ WIOA for adult and  
 3 dislocated worker training described in 29 U.S.C. 2864(d)(4)(D) for  
 4 performance based funding training.

5 (c) The following conditions apply to amounts awarded under  
 6 subsection (b):

7 (1) Only a provider approved by the council is eligible to provide  
 8 the performance based funding training described in subsection  
 9 (b), with priority given to a provider that assists in job placement  
 10 activities after the training is completed.

11 (2) The council shall establish performance based funding criteria  
 12 for eligible training providers.

13 (3) Training is limited to training that leads to occupations:

14 (A) that the department has categorized as high demand, high  
 15 wage jobs; and

16 (B) that are tied to existing employer demand in the region in  
 17 which the training is offered.

18 (4) Training must be available to eligible individuals who have  
 19 received a high school diploma or equivalency certificate.

20 (5) Training is limited to training that leads to:

21 (A) industry recognized credentials as designated by the  
 22 department; or

23 (B) associate degrees.

24 (d) The department shall report to the Indiana workforce  
 25 intelligence system established by IC 22-4.5-10-3 the following data for  
 26 each individual who receives training provided under this section:

27 (1) The name and address of the training provider.

28 (2) The amount of funding that was provided for the training.

29 (3) The outcome or results of the training, including any license,  
 30 credential, or degree awarded, or the job obtained by the  
 31 individual.

32 SECTION 37. IC 22-4.1-4-8 IS ADDED TO THE INDIANA CODE  
 33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 34 1, 2015]: **Sec. 8. (a) The department annually shall prepare a**  
 35 **written report of its training activities and the training activities of**  
 36 **the workforce service area during the immediately preceding state**  
 37 **fiscal year. The department's annual report for a particular state**  
 38 **fiscal year must include information for each training project for**  
 39 **which either the department or the workforce service area**  
 40 **provided any funding during that state fiscal year. At a minimum,**  
 41 **the following information must be provided for each training**  
 42 **project:**





- 1           (1) A description of the training project, including the name  
2           and address of the training provider.
- 3           (2) The amount of funding that either the department or the  
4           workforce service area provided for the project and an  
5           indication of which entity provided the funding.
- 6           (3) The number of trainees who participated in the project.
- 7           (4) Demographic information about the trainees, including:  
8                 (A) the age of each trainee;  
9                 (B) the education attainment level of each trainee; and  
10                (C) for those training projects that have specific gender  
11                requirements, the gender of each trainee.
- 12          (5) The results of the project, including:  
13                (A) skills developed by trainees;  
14                (B) any license or certification associated with the training  
15                project;  
16                (C) the extent to which trainees have been able to secure  
17                employment or obtain better employment; and  
18                (D) descriptions of the specific jobs which trainees have  
19                been able to secure or to which trainees have been able to  
20                advance.
- 21          (b) With respect to trainees that have been able to secure  
22          employment or obtain better employment, the department shall  
23          compile data on the retention rates of those trainees in the jobs  
24          which the trainees secured or to which they advanced. The  
25          department shall include information concerning those retention  
26          rates in each of its annual reports.
- 27          (c) On or before October 1 of each state fiscal year, each  
28          workforce service area shall provide the department with a written  
29          report of its training activities for the immediately preceding state  
30          fiscal year. The workforce service area shall prepare the report in  
31          the manner prescribed by the department. However, at a  
32          minimum, the workforce service area shall include in its report the  
33          information required by subsection (a) for each training project  
34          for which the workforce service area provided any funding during  
35          the state fiscal year covered by the report. In addition, the  
36          workforce service area shall include in each report retention rate  
37          information as set forth in subsection (b).
- 38          (d) The department shall provide a copy of its annual report for  
39          a particular state fiscal year to the:  
40                 (1) governor;  
41                 (2) legislative council; and  
42                 (3) unemployment insurance board;



1 on or before December 1 of the immediately preceding state fiscal  
 2 year. An annual report provided under this subsection to the  
 3 legislative council must be in an electronic format under IC 5-14-6.

4 SECTION 38. IC 22-4.1-4-9 IS ADDED TO THE INDIANA CODE  
 5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 6 1, 2015]: Sec. 9. (a) Before December 1 of each year, the  
 7 department shall provide the department of education (established  
 8 by IC 20-19-3-1) with a report, to be used to determine career and  
 9 technical education grant amounts in the state fiscal year beginning  
 10 after the year in which the report is provided, listing whether the  
 11 labor market demand for each generally recognized labor category  
 12 is more than moderate, moderate, or less than moderate. In the  
 13 report, the department shall categorize each of the career and  
 14 technical education programs using the following four (4)  
 15 categories:

16 (1) Programs that address employment demand for  
 17 individuals in labor market categories that are projected to  
 18 need more than a moderate number of individuals.

19 (2) Programs that address employment demand for  
 20 individuals in labor market categories that are projected to  
 21 need a moderate number of individuals.

22 (3) Programs that address employment demand for  
 23 individuals in labor market categories that are projected to  
 24 need less than a moderate number of individuals.

25 (4) All programs not covered by the employment demand  
 26 categories of subdivisions (1) through (3).

27 (b) Before December 1 of each year, the department shall  
 28 provide the department of education with a report, to be used to  
 29 determine grant amounts that will be distributed under IC 20-43-8  
 30 in the state fiscal year beginning after the year in which the report  
 31 is provided, listing whether the average wage level for each  
 32 generally recognized labor category for which career and technical  
 33 education programs are offered is a high wage, a moderate wage,  
 34 or a less than moderate wage.

35 (c) In preparing the labor market demand report under  
 36 subsection (a) and the average wage level report under subsection  
 37 (b), the department shall, if possible, list the labor market demand  
 38 and the average wage level for specific regions, counties, and  
 39 municipalities.

40 (d) If a new career and technical education program is created  
 41 by rule of the state board of education, the department shall  
 42 determine the category in which the program should be included.



1 SECTION 39. IC 22-4.1-5 IS REPEALED [EFFECTIVE JULY 1,  
2 2015]. (Limitation on Grant Authority).

3 SECTION 40. IC 22-4.1-6-2, AS AMENDED BY P.L.234-2007,  
4 SECTION 147, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2015]: Sec. 2. Money in the fund may be used  
6 for the following purposes at the discretion of the department, based  
7 upon the priorities necessary to achieve the department's goals:

8 (1) To build the capacity and strengthen the quality of services of  
9 programs offering basic skills services and having a substantial  
10 volunteer component, including staff and volunteer development,  
11 outreach, equipment, software, training materials, and community  
12 linkages.

13 (2) For workforce **literacy development** programs providing  
14 essential and basic education skills training to raise skills and  
15 productivity in the workplace.

16 (3) For technical assistance to providers of workplace **literacy**  
17 **development** and basic education to enhance the providers'  
18 capacity to link with employers and document productivity gains  
19 resulting from training.

20 (4) To establish a common data base, reporting system, and  
21 evaluation system related to workforce **literacy development** and  
22 other incumbent worker programs, and to develop performance  
23 standards.

24 (5) To provide training for dislocated workers. ~~under IC 22-4-41.~~

25 (6) To provide training for workers who are at risk of becoming  
26 dislocated workers because of a lack of skills.

27 (7) To provide comprehensive job training and related services  
28 for economically disadvantaged, unemployed, and underemployed  
29 individuals, including recruitment, counseling, remedial  
30 education, career and technical training, job development, job  
31 placement, and other appropriate services to enable each  
32 individual to secure and retain employment at the individual's  
33 maximum capacity.

34 (8) To attract federal funds in order to increase the resources  
35 available to carry out the purposes of this section.

36 SECTION 41. IC 22-4.1-7 IS REPEALED [EFFECTIVE JULY 1,  
37 2015]. (Certified Internship Programs and Grants).

38 SECTION 42. IC 22-4.1-8 IS REPEALED [EFFECTIVE JULY 1,  
39 2015]. (Certified School to Career Programs and Grants).

40 SECTION 43. IC 22-4.1-9 IS REPEALED [EFFECTIVE JULY 1,  
41 2015]. (Smart Partnership Grants).

42 SECTION 44. IC 22-4.1-10 IS REPEALED [EFFECTIVE JULY 1,



1 2015]. (Office of Workforce Literacy).

2 SECTION 45. IC 22-4.1-11 IS REPEALED [EFFECTIVE JULY 1,  
3 2015]. (Adult Literacy Programs).

4 SECTION 46. IC 22-4.1-12 IS REPEALED [EFFECTIVE JULY 1,  
5 2015]. (Indiana Education Employment Program).

6 SECTION 47. IC 22-4.1-14 IS REPEALED [EFFECTIVE JULY 1,  
7 2015]. (Workforce Partnership Plans).

8 SECTION 48. IC 22-4.1-22 IS ADDED TO THE INDIANA CODE  
9 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2015]:

11 **Chapter 22. State Workforce Innovation Council**

12 **Sec. 1. As used in this chapter, "applicable federal program"**  
13 **refers to the federal human resource programs for which the**  
14 **council has authority to make recommendations as listed in section**  
15 **4 of this chapter.**

16 **Sec. 2. As used in this chapter, "council" refers to the state**  
17 **workforce innovation council established by section 3 of this**  
18 **chapter.**

19 **Sec. 3. The state workforce innovation council is established**  
20 **under the applicable federal programs to do the following:**

21 (1) Review the services and use of funds and resources under  
22 applicable federal programs and advise the governor on  
23 methods of coordinating the services and use of funds and  
24 resources consistent with the laws and regulations governing  
25 the particular applicable federal programs.

26 (2) Advise the governor on:

27 (A) the development and implementation of state and local  
28 standards and measures; and

29 (B) the coordination of the standards and measures;  
30 concerning the applicable federal programs.

31 (3) Perform the duties as set forth in federal law of the  
32 particular advisory bodies for applicable federal programs  
33 described in section 4 of this chapter.

34 (4) Identify the workforce needs in Indiana and recommend  
35 to the governor goals to meet the investment needs.

36 (5) Recommend to the governor goals for the development  
37 and coordination of the human resource system in Indiana.

38 (6) Prepare and recommend to the governor a strategic plan  
39 to accomplish the goals developed under subdivisions (4) and  
40 (5).

41 (7) Monitor the implementation of and evaluate the  
42 effectiveness of the strategic plan described in subdivision (6).



1           **(8) Advise the governor on the coordination of federal, state,**  
 2           **and local education and training programs and on the**  
 3           **allocation of state and federal funds in Indiana to promote**  
 4           **effective services, service delivery, and innovative programs.**

5           **(9) Administer the minority training grant program**  
 6           **established by section 11 of this chapter.**

7           **(10) Administer the back home in Indiana program**  
 8           **established by section 12 of this chapter.**

9           **(11) Any other function assigned to the council by the**  
 10          **governor with regard to the study and evaluation of Indiana's**  
 11          **workforce development delivery system.**

12          **(12) Administer postsecondary proprietary educational**  
 13          **institution accreditation under IC 22-4.1-21.**

14          **Sec. 4. (a) The council shall serve as the state advisory body**  
 15          **required under the following federal laws:**

16               **(1) The Workforce Innovation and Opportunity Act of 2014**  
 17               **under P.L.113-218, including reauthorizations of WIOA.**

18               **(2) The Wagner-Peyser Act under 29 U.S.C. 49 et seq.**

19               **(3) The Carl D. Perkins Vocational and Applied Technology**  
 20               **Act under 20 U.S.C. 2301 et seq.**

21               **(4) The Adult Education and Family Literacy Act under 20**  
 22               **U.S.C. 9201 et seq.**

23          **(b) In addition, the council may be designated to serve as the**  
 24          **state advisory body required under any of the following federal**  
 25          **laws upon approval of the particular state agency directed to**  
 26          **administer the particular federal law:**

27               **(1) The National and Community Service Act of 1990 under**  
 28               **42 U.S.C. 12501 et seq.**

29               **(2) Part A of Title IV of the Social Security Act under 42**  
 30               **U.S.C. 601 et seq.**

31               **(3) The employment and training programs established under**  
 32               **the Food Stamp Act of 1977 under 7 U.S.C. 2011 et seq.**

33          **(c) The council shall administer the minority training grant**  
 34          **program established by section 11 of this chapter and the back**  
 35          **home in Indiana program established by section 12 of this chapter.**

36          **Sec. 5. (a) Subject to subsections (b) and (c), the membership of**  
 37          **the state workforce innovation council established under section 3**  
 38          **of this chapter consists of the representatives required by the**  
 39          **Workforce Investment Act (29 U.S.C. 2801 et seq.), including**  
 40          **reauthorizations of the Act, and WIOA, and must represent the**  
 41          **diverse regions of Indiana.**

42               **(b) The state superintendent of public instruction or the**



1 superintendent's designee serves as a member of the state  
2 workforce innovation council.

3 (c) An individual designated by the governor who has been  
4 nominated by a recognized adult education organization serves as  
5 a member of the state workforce innovation council.

6 Sec. 6. (a) The governor shall appoint members to the council  
7 for two (2) year terms. The terms must be staggered so that the  
8 terms of half of the members expire each year.

9 (b) The governor shall promptly make an appointment to fill  
10 any vacancy on the council, but only for the duration of the  
11 unexpired term.

12 Sec. 7. (a) Except as provided in subsection (b) and subject to  
13 the approval of the commissioner, the state personnel department,  
14 and the budget agency, the council may employ professional,  
15 technical, and clerical personnel necessary to carry out the duties  
16 imposed by this chapter using the following:

17 (1) Funds available under applicable federal and state  
18 programs.

19 (2) Appropriations by the general assembly for this purpose.

20 (3) Funds in the state technology advancement and retention  
21 account established by IC 4-12-12-1.

22 (4) Other funds (other than federal funds) available to the  
23 council for this purpose.

24 (b) Subject to the approval of the commissioner and the budget  
25 agency, the council may contract for services necessary to  
26 implement this chapter.

27 (c) The council is subject to:

28 (1) the allotment system administered by the budget agency;  
29 and

30 (2) financial oversight by the office of management and  
31 budget.

32 Sec. 8. (a) Any member of the council who is not a state  
33 employee is entitled to the minimum salary per diem provided by  
34 IC 4-10-11-2.1(b). Such a member is also entitled to reimbursement  
35 for traveling expenses under IC 4-13-1-4 and other expenses  
36 actually incurred in connection with the member's duties as  
37 provided in the state policies and procedures established by the  
38 Indiana department of administration and approved by the budget  
39 agency.

40 (b) Any member of the council who is a state employee but who  
41 is not a member of the general assembly is entitled to  
42 reimbursement for traveling expenses under IC 4-13-1-4 and other



1 expenses actually incurred in connection with the member's duties  
 2 as provided in the state policies and procedures established by the  
 3 Indiana department of administration and approved by the budget  
 4 agency.

5 (c) Any member of the council who is a member of the general  
 6 assembly is entitled to receive the same per diem, mileage, and  
 7 travel allowances paid to members of the general assembly serving  
 8 on interim study committees established by the legislative council.

9 **Sec. 9.** The council shall adopt bylaws and rules governing the  
 10 council's organization and operation, including bylaws and rules  
 11 governing the establishment of advisory committees considered  
 12 necessary by the council, scheduling of council meetings, and other  
 13 activities necessary to implement this chapter.

14 **Sec. 10.** The state shall certify to:

- 15 (1) the United States Secretary of Labor the establishment  
 16 and membership of the council at least ninety (90) days before  
 17 the beginning of each period of two (2) program years for  
 18 which a job training plan is submitted under this chapter; and  
 19 (2) any other appropriate United States Secretary charged  
 20 with administering a particular applicable federal program  
 21 the establishment and membership of the council.

22 **Sec. 11.** (a) For purposes of this section, "minority student"  
 23 means a student who is a member of at least one (1) of the  
 24 following groups:

- 25 (1) Blacks.  
 26 (2) American Indians.  
 27 (3) Hispanics.  
 28 (4) Asian Americans.  
 29 (5) Other similar racial groups.

30 (b) The council shall develop a program to provide grants from  
 31 the state technology advancement and retention account  
 32 established by IC 4-12-12-1 for minority training programs for  
 33 minority students. The grants must be used as follows:

- 34 (1) Thirty-five percent (35%) for programs designed to  
 35 enhance training in technology advancement for minority  
 36 students.  
 37 (2) Sixty-five percent (65%) for generalized training  
 38 programs for minority students.

39 (c) The council shall adopt policies under which recipients may  
 40 apply for and receive the grants.

41 (d) Grants issued under this section are subject to approval by  
 42 the budget agency.



1           **Sec. 12. (a)** The council shall develop a program to provide for  
 2 grants from the state technology advancement and retention  
 3 account established by IC 4-12-12-1 or contracts to develop a back  
 4 home in Indiana program. The program must provide a system to  
 5 track students who have graduated from private and public  
 6 colleges and universities in Indiana. The program must include a  
 7 means of periodically contacting these graduates to inform them of  
 8 job opportunities in Indiana.

9           **(b)** The council shall work with the colleges and universities in  
 10 Indiana to develop the tracking system.

11           **(c)** Grants issued under this section are subject to approval by  
 12 the budget agency.

13           SECTION 49. IC 22-4.1-23 IS ADDED TO THE INDIANA CODE  
 14 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 15 JULY 1, 2015]:

16           **Chapter 23. Employment Referral Service**

17           **Sec. 1. (a)** The department shall establish and maintain free  
 18 public employment and training offices in such number and in such  
 19 places as may be necessary:

20               **(1)** for the proper administration of this article and IC 22-4;  
 21               and

22               **(2)** to perform all duties that are required by 29 U.S.C. 49 et  
 23               seq. and 38 U.S.C. 2000 through 2014 and any amendments  
 24               thereto.

25           **(b)** In connection with the duties described in subsection (a), the  
 26 state agrees to the following:

27               **(1)** The state accepts the provisions of 29 U.S.C. 49 et seq. and  
 28               38 U.S.C. 2000 through 2014 in conformity with the terms of  
 29               29 U.S.C. 49 et seq. and 38 U.S.C. 2000 through 2014.

30               **(2)** The state commits itself to the observation of and  
 31               compliance with the requirements of 29 U.S.C. 49 et seq. and  
 32               38 U.S.C. 2000 through 2014.

33               **(3)** The department is constituted the agency of the state for  
 34               all purposes of 29 U.S.C. 49 et seq. and 38 U.S.C. 2000  
 35               through 2014.

36               **(4)** All duties and powers conferred upon any other  
 37               department, agency, or officer of the state relating to the  
 38               establishment, maintenance, and operation of free public  
 39               employment offices shall be vested in the department.

40               **(5)** The department:

41                   **(A)** shall cooperate with any official or agency of the  
 42                   United States having powers or duties under the provisions





- 1 of 29 U.S.C. 49 et seq. and 38 U.S.C. 2000 through 2014;  
 2 and  
 3 (B) is authorized and empowered to do and perform all  
 4 things necessary to secure to the state the benefits of 29  
 5 U.S.C. 49 et seq. and 38 U.S.C. 2000 through 2014.  
 6 (6) The department may cooperate with or enter into  
 7 agreements with the United States Railroad Retirement Board  
 8 for the establishment, maintenance, and use of free  
 9 employment service facilities.  
 10 (c) The department may do all acts and things necessary or  
 11 proper to carry out the powers expressly granted under this  
 12 article.  
 13 Sec. 2. (a) All money received by the state under 29 U.S.C. 49 et  
 14 seq. and 38 U.S.C. 2000 through 2014 shall be paid into the  
 15 employment and training services administration fund.  
 16 (b) The money described in subsection (a) is available to the  
 17 department to be expended as provided by this section and by 29  
 18 U.S.C. 49 et seq. and 38 U.S.C. 2000 through 2014.  
 19 (c) For the purpose of establishing and maintaining free public  
 20 employment and training offices, the department is authorized to  
 21 enter into agreements with:  
 22 (1) the United States Railroad Retirement Board;  
 23 (2) any agency of the United States charged with the  
 24 administration of an unemployment compensation law;  
 25 (3) any political subdivision; or  
 26 (4) any private, nonprofit organization.  
 27 (d) As a part of an agreement described in subsection (c), the  
 28 department may accept money, services, or facilities as a  
 29 contribution to the employment and training services  
 30 administration fund.  
 31 (e) The general assembly shall appropriate and make available  
 32 to the department annually an amount sufficient to ensure the state  
 33 receives its full share of funds under 29 U.S.C. 49 et seq. and 38  
 34 U.S.C. 2000 through 2014. Any money appropriated and made  
 35 available to the department shall be deposited in the employment  
 36 and training services administration fund.  
 37 SECTION 50. IC 22-4.5-1 IS REPEALED [EFFECTIVE JULY 1,  
 38 2015]. (Purpose).  
 39 SECTION 51. IC 22-4.5-2 IS REPEALED [EFFECTIVE JULY 1,  
 40 2015]. (Definitions).  
 41 SECTION 52. IC 22-4.5-7 IS REPEALED [EFFECTIVE JULY 1,  
 42 2015]. (Regional Workforce System).



1 SECTION 53. IC 22-4.5-8 IS REPEALED [EFFECTIVE JULY 1,  
2 2015]. (Allocation of Funds to Regional Workforce Boards).

3 SECTION 54. IC 22-4.5-9-4, AS AMENDED BY P.L.167-2014,  
4 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2015]: Sec. 4. (a) The council shall do all of the following:

6 (1) Provide coordination to align the various participants in the  
7 state's education, job skills development, and career training  
8 system.

9 (2) Match the education and skills training provided by the state's  
10 education, job skills development, and career training system with  
11 the currently existing and future needs of the state's job market.

12 (3) In addition to the department's annual report provided under  
13 ~~IC 22-4-18-7~~, **IC 22-4.5-9-4**, submit, not later than August 1,  
14 2013, and not later than November 1 each year thereafter, to the  
15 legislative council in an electronic format under IC 5-14-6 an  
16 inventory of current job and career training activities conducted  
17 by:

18 (A) state and local agencies; and

19 (B) whenever the information is readily available, private  
20 groups, associations, and other participants in the state's  
21 education, job skills development, and career training system.

22 The inventory must provide at least the information listed in  
23 ~~IC 22-4-18-7(a)(1)~~ **IC 22-4.1-9-4(a)(1)** through  
24 ~~IC 22-4-18-7(a)(5)~~ **IC 22-4.1-9-4(a)(5)** for each activity in the  
25 inventory.

26 (4) Submit, not later than July 1, 2014, to the legislative council  
27 in an electronic format under IC 5-14-6 a strategic plan to  
28 improve the state's education, job skills development, and career  
29 training system. The council shall submit, not later than  
30 December 1, 2013, to the legislative council in an electronic  
31 format under IC 5-14-6 a progress report concerning the  
32 development of the strategic plan. The strategic plan developed  
33 under this subdivision must include at least the following:

34 (A) Proposed changes, including recommended legislation and  
35 rules, to increase coordination, data sharing, and  
36 communication among the state, local, and private agencies,  
37 groups, and associations that are involved in education, job  
38 skills development, and career training.

39 (B) Proposed changes to make Indiana a leader in employment  
40 opportunities related to the fields of science, technology,  
41 engineering, and mathematics (commonly known as STEM).

42 (C) Proposed changes to address both:



- 1 (i) the shortage of qualified workers for current employment  
 2 opportunities; and  
 3 (ii) the shortage of employment opportunities for individuals  
 4 with a baccalaureate or more advanced degree.
- 5 (5) Complete, not later than August 1, 2014, a return on  
 6 investment and utilization study of career and technical education  
 7 programs in Indiana. The study conducted under this subdivision  
 8 must include at least the following:
- 9 (A) An examination of Indiana's career and technical  
 10 education programs to determine:
- 11 (i) the use of the programs; and  
 12 (ii) the impact of the programs on college and career  
 13 readiness, employment, and economic opportunity.
- 14 (B) A survey of the use of secondary, college, and university  
 15 facilities, equipment, and faculty by career and technical  
 16 education programs.
- 17 (C) Recommendations concerning how career and technical  
 18 education programs:
- 19 (i) give a preference for courses leading to employment in  
 20 high wage, high demand jobs; and  
 21 (ii) add performance based funding to ensure greater  
 22 competitiveness among program providers and to increase  
 23 completion of industry recognized credentials and dual  
 24 credit courses that lead directly to employment or  
 25 postsecondary study.
- 26 (6) Coordinate the performance of its duties under this chapter  
 27 with:
- 28 (A) the education roundtable established by IC 20-19-4-2; and  
 29 (B) the Indiana works councils established by IC 20-19-6-4.
- 30 (b) In performing its duties, the council shall obtain input from the  
 31 following:
- 32 (1) Indiana employers and employer organizations.  
 33 (2) Public and private institutions of higher education.  
 34 (3) Regional and local economic development organizations.  
 35 (4) Indiana labor organizations.  
 36 (5) Individuals with expertise in career and technical education.  
 37 (6) Military and veterans organizations.  
 38 (7) Organizations representing women, African-Americans,  
 39 Latinos, and other significant minority populations and having an  
 40 interest in issues of particular concern to these populations.  
 41 (8) Individuals and organizations with expertise in the logistics  
 42 industry.



1           (9) Any other person or organization that a majority of the voting  
2           members of the council determines has information that is  
3           important for the council to consider.  
4           SECTION 55. IC 22-4.5-9-6, AS ADDED BY P.L.60-2013,  
5           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6           JULY 1, 2015]: Sec. 6. (a) The governor shall serve as the chair of the  
7           council, and the lieutenant governor shall serve as the vice chair of the  
8           council.  
9           (b) The council  
10           (+) shall meet ~~monthly~~; and  
11           (2) ~~may meet more frequently~~ at the call of the chair.  
12           (c) The chair shall establish the agenda for each meeting of the  
13           council.  
14           SECTION 56. IC 22-4.5-10.5 IS REPEALED [EFFECTIVE JULY  
15           1, 2015]. (Middle Skill Credentials).  
16           SECTION 57. IC 35-52-22-11, AS ADDED BY P.L.169-2014,  
17           SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
18           JULY 1, 2015]: Sec. 11. ~~IC 22-4.1-4-4~~ **IC 22-4-19-15** defines a crime  
19           concerning the department of workforce development.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1601, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1601 as introduced.)

SMALTZ

Committee Vote: Yeas 11, Nays 0

