



January 30, 2015

HOUSE BILL No. 1601

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 Repeals obsolete, expired, and superseded provisions.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.

Smaltz

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

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

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

