

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 ENROLLED ACT No. 1475

AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 6-1.1-18.5-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 23. (a) This section applies to a county in which the county has contractually assumed from another political subdivision the responsibility of operating a public safety answering point.**

(b) The fiscal bodies of a county and another political subdivision that are parties to a contract described in subsection (a) may jointly petition the department of local government finance to adjust the maximum permissible ad valorem property tax levies for the ensuing calendar year of the petitioning units as follows:

(1) To increase the county's maximum permissible ad valorem property tax levy for the ensuing calendar year by an amount not greater than the amount levied in the preceding calendar year by the petitioning political subdivision to pay expenses incurred to operate the public safety answering point.

(2) To decrease the maximum permissible ad valorem property tax levy for the ensuing calendar year of the petitioning political subdivision by an amount not greater than the amount that the petitioning political subdivision

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levied in the preceding calendar year to pay expenses incurred to operate the public safety answering point.

If such a petition is made to the department of local government finance in accordance with subdivisions (1) and (2), the department of local government finance shall adjust the levies for the petitioning units.

SECTION 2. IC 6-3.5-1.1-25, AS AMENDED BY P.L.261-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. (a) As used in this section, "public safety" refers to the following:

- (1) A police and law enforcement system to preserve public peace and order.
- (2) A firefighting and fire prevention system.
- (3) Emergency ambulance services (as defined in IC 16-18-2-107).
- (4) Emergency medical services (as defined in IC 16-18-2-110).
- (5) Emergency action (as defined in IC 13-11-2-65).
- (6) A probation department of a court.
- (7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
 - (A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
 - (B) convicted of a crime; or
 - (C) adjudicated as a delinquent child or a child in need of services.
- (8) A juvenile detention facility under IC 31-31-8.
- (9) A juvenile detention center under IC 31-31-9.
- (10) A county jail.
- (11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide 911 system (as defined in IC 36-8-16.7-22).
- (12) Medical and health expenses for jail inmates and other confined persons.
- (13) Pension payments for any of the following:
 - (A) A member of the fire department (as defined in IC 36-8-1-8) or any other employee of a fire department.



(B) A member of the police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by a police department.

(C) A county sheriff or any other member of the office of the county sheriff.

(D) Other personnel employed to provide a service described in this section.

(b) If a county council has imposed a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 24 of this chapter, a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 26 of this chapter, or a total combined tax rate of at least twenty-five hundredths of one percent (0.25%) under sections 24 and 26 of this chapter, the A county council may also adopt an ordinance to impose an additional tax rate under this section to provide funding for public safety.

(c) A tax rate under this section may not exceed twenty-five hundredths of one percent (0.25%).

(d) If a county council adopts an ordinance to impose a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(f) Except as provided in ~~subsection~~ **subsections (k), or (l), (m), and (n)**, the county auditor shall distribute the portion of the certified distribution that is attributable to a tax rate under this section to the county and to each municipality in the county that is carrying out or providing at least one (1) of the public safety purposes described in subsection (a). The amount that shall be distributed to the county or municipality is equal to the result of:

(1) the portion of the certified distribution that is attributable to a tax rate under this section; multiplied by

(2) a fraction equal to:

(A) the attributed allocation amount (as defined in IC 6-3.5-1.1-15) of the county or municipality for the calendar year; divided by

(B) the sum of the attributed allocation amounts of the county and each municipality in the county that is entitled to a



distribution under this section for the calendar year.

The county auditor shall make the distributions required by this subsection not more than thirty (30) days after receiving the portion of the certified distribution that is attributable to a tax rate under this section. Tax revenue distributed to a county or municipality under this subsection must be deposited into a separate account or fund and may be appropriated by the county or municipality only for public safety purposes.

(g) The department of local government finance may not require a county or municipality receiving tax revenue under this section to reduce the county's or municipality's property tax levy for a particular year on account of the county's or municipality's receipt of the tax revenue.

(h) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

- (1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter;
- (2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or
- (3) the credit under IC 6-1.1-20.6.

(i) The tax rate under this section may be imposed or rescinded at the same time and in the same manner that the county may impose or increase a tax rate under section 24 of this chapter.

(j) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(k) Two (2) or more political subdivisions that are entitled to receive a distribution under this section may adopt resolutions providing that some part or all of those distributions shall instead be paid to one (1) political subdivision in the county to carry out specific public safety purposes specified in the resolutions.

(l) A fire department, volunteer fire department, or emergency medical services provider that:

- (1) provides fire protection or emergency medical services within the county; and
- (2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may before July 1 of a year apply to the county council for a distribution of tax revenue under this section during the following

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calendar year. The county council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency medical services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f).

(m) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

(n) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county council may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

SECTION 3. IC 6-3.5-6-31, AS AMENDED BY P.L.261-2013, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 31. (a) As used in this section, "public safety" refers to the following:

- (1) A police and law enforcement system to preserve public peace and order.
- (2) A firefighting and fire prevention system.
- (3) Emergency ambulance services (as defined in IC 16-18-2-107).
- (4) Emergency medical services (as defined in IC 16-18-2-110).

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- (5) Emergency action (as defined in IC 13-11-2-65).
 - (6) A probation department of a court.
 - (7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
 - (A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
 - (B) convicted of a crime; or
 - (C) adjudicated as a delinquent child or a child in need of services.
 - (8) A juvenile detention facility under IC 31-31-8.
 - (9) A juvenile detention center under IC 31-31-9.
 - (10) A county jail.
 - (11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2 (before its repeal on July 1, 2012)), or the statewide 911 system (as defined in IC 36-8-16.7-22).
 - (12) Medical and health expenses for jail inmates and other confined persons.
 - (13) Pension payments for any of the following:
 - (A) A member of the fire department (as defined in IC 36-8-1-8) or any other employee of a fire department.
 - (B) A member of the police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by a police department.
 - (C) A county sheriff or any other member of the office of the county sheriff.
 - (D) Other personnel employed to provide a service described in this section.
- (b) The county income tax council may adopt an ordinance to impose an additional tax rate under this section to provide funding for public safety. ~~if:~~
- (1) the county income tax council has imposed a tax rate under section 30 of this chapter; in the case of a county containing a consolidated city; or
 - (2) the county income tax council has imposed a tax rate of at least twenty-five hundredths of one percent (0.25%) under section



~~30 of this chapter, a tax rate of at least twenty-five hundredths of one percent (0.25%) under section 32 of this chapter, or a total combined tax rate of at least twenty-five hundredths of one percent (0.25%) under sections 30 and 32 of this chapter, in the case of a county other than a county containing a consolidated city.~~

(c) A tax rate under this section may not exceed the following:

- (1) Five-tenths of one percent (0.5%), in the case of a county containing a consolidated city.
- (2) Twenty-five hundredths of one percent (0.25%), in the case of a county other than a county containing a consolidated city.

(d) If a county income tax council adopts an ordinance to impose a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(f) Except as provided in subsections (l), ~~and (m)~~, **(n)**, and **(o)**, the county auditor shall distribute the portion of the certified distribution that is attributable to a tax rate under this section to the county and to each municipality in the county that is carrying out or providing at least one (1) of the public safety purposes described in subsection (a). The amount that shall be distributed to the county or municipality is equal to the result of:

- (1) the portion of the certified distribution that is attributable to a tax rate under this section; multiplied by
- (2) a fraction equal to:
 - (A) the total property taxes being collected in the county by the county or municipality for the calendar year; divided by
 - (B) the sum of the total property taxes being collected in the county by the county and each municipality in the county that is entitled to a distribution under this section for the calendar year.

The county auditor shall make the distributions required by this subsection not more than thirty (30) days after receiving the portion of the certified distribution that is attributable to a tax rate under this section. Tax revenue distributed to a county or municipality under this subsection must be deposited into a separate account or fund and may be appropriated by the county or municipality only for public safety



purposes.

(g) The department of local government finance may not require a county or municipality receiving tax revenue under this section to reduce the county's or municipality's property tax levy for a particular year on account of the county's or municipality's receipt of the tax revenue.

(h) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

- (1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter;
- (2) the maximum permissible property tax levy under IC 6-1.1-18.5-3; or
- (3) the credit under IC 6-1.1-20.6.

(i) The tax rate under this section may be imposed or rescinded at the same time and in the same manner that the county may impose or increase a tax rate under section 30 of this chapter.

(j) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(k) Notwithstanding any other provision, in Lake County the county council (and not the county income tax council) is the entity authorized to take actions concerning the additional tax rate under this section.

(l) Two (2) or more political subdivisions that are entitled to receive a distribution under this section may adopt resolutions providing that some part or all of those distributions shall instead be paid to one (1) political subdivision in the county to carry out specific public safety purposes specified in the resolutions.

(m) A fire department, volunteer fire department, or emergency medical services provider that:

- (1) provides fire protection or emergency medical services within the county; and
- (2) is operated by or serves a political subdivision that is not otherwise entitled to receive a distribution of tax revenue under this section;

may before July 1 of a year apply to the county income tax council for a distribution of tax revenue under this section during the following calendar year. The county income tax council shall review an application submitted under this subsection and may before September 1 of a year adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be



distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is distributed under subsection (f).

(n) This subsection applies to a county in which a tax rate under this section is not in effect on July 1, 2015. The county income tax council or, in Lake County, the county council, may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue to be distributed under this section shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

(o) This subsection applies to a county in which a tax rate under this section is in effect on July 1, 2015. If the tax rate under this section is increased after July 1, 2015, the county income tax council or, in Lake County, the county council, may adopt a resolution providing that up to one hundred percent (100%) of the tax revenue derived from the part of the tax rate under this section that exceeds the tax rate in effect on July 1, 2015, shall be dedicated to a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and contained in the county. Any amount of tax revenue dedicated to a PSAP under this subsection shall be distributed before the remainder of the tax revenue is distributed under this section.

SECTION 4. IC 36-8-16.6-11, AS AMENDED BY P.L.107-2014, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) The board shall impose an enhanced prepaid wireless charge on each retail transaction. ~~that occurs after June 30, 2010. Except as provided in subsection (e), the amount of the initial charge imposed under this section may not exceed one-half (1/2) of the monthly wireless emergency enhanced 911 fee assessed under IC 36-8-16.5-25.5 (before its repeal on July 1, 2012). The board shall increase the amount of the charge imposed under this section so that the amount of the charge imposed after June 30, 2012, under this section equals fifty cents (\$0.50).~~ **is one dollar (\$1).**

(b) Subject to legislative approval, after the increase described in

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~~subsection (a) and after June 30, 2012,~~ The board may increase the enhanced prepaid wireless charge to ensure adequate revenue for the board to fulfill its duties and obligations under this chapter and IC 36-8-16.7. **The following apply to an increase in the enhanced prepaid wireless charge:**

- (1) The board may increase the charge only one (1) time after June 30, 2015, and before July 1, 2020.**
- (2) The board may increase the charge only after review by the budget committee.**
- (3) If the board increases the charge, the amount of the increase must be ten cents (\$0.10).**

(c) A consumer that is the federal government or an agency of the federal government is exempt from the enhanced prepaid wireless charge imposed under this section.

(d) This subsection applies to a provider that is designated by the Indiana utility regulatory commission as an eligible telecommunications carrier for purposes of receiving reimbursement from the universal service fund through the administrator designated by the Federal Communications Commission. A provider:

- (1) is not considered an agency of the federal government for purposes of the exemption set forth in subsection (c); and
- (2) ~~is liable for the enhanced prepaid wireless charge imposed under this section~~ with respect to prepaid wireless telecommunications service provided **to end users** by the provider in its capacity as an eligible telecommunications carrier, **is liable for the enhanced prepaid wireless charge imposed under subsection (e).**

(e) A provider described in subsection (d) shall pay to the board the following charges:

- (1) Not later than August 1, 2015, a one (1) time charge equal to the product of the following factors:**
 - (A) The enhanced prepaid wireless charge established under subsection (a).**
 - (B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.**
 - (C) The number of months under the current service agreement between each end user described in clause (B) and the provider for which the provider has received reimbursement from the universal service fund before August 1, 2015.**
- (2) Beginning September 1, 2015, and on the first day of each**



month thereafter, a charge equal to the product of the following factors:

(A) The enhanced prepaid wireless charge established under subsection (a).

(B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.

The provider may bill and collect from each end user the charges calculated under this subdivision with respect to the end user. The provider shall determine the manner in which the provider bills and collects the charges. A provider may not bill and collect from an end user an amount greater than the charges paid by the provider to the board with respect to the end user.

SECTION 5. IC 36-8-16.6-17, AS ADDED BY P.L.113-2010, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) The department, in conjunction and coordination with the board, shall establish procedures:

(1) governing the collection and remittance of enhanced prepaid wireless charges in accordance with the procedures established under IC 6-8.1 concerning listed taxes; and

(2) allowing a seller to document that a sale of prepaid wireless telecommunications service is not a retail transaction.

(b) A procedure established under subsection (a)(1):

(1) must take into consideration the differences between large and small sellers, including smaller sales volumes; and

(2) may establish lower thresholds for the remittance of enhanced prepaid wireless charges by small sellers.

For purposes of this subsection, a small seller is a seller that sells less than one hundred dollars (\$100) of prepaid wireless telecommunications service each month.

(c) **On an annual basis, the board may audit providers to determine compliance with procedures established under subsection (a). Not later than March 1 of the year immediately following an audit, the board shall submit, in an electronic format under IC 5-14-6, a copy of the audit to the general assembly and the budget committee.**

SECTION 6. IC 36-8-16.7-10, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) As used in this chapter, "exchange access facility" means the access from a particular service user's premises to a telephone system.



(b) **Regardless of technology**, the term includes:

- (1) an access line;
- (2) a private branch exchange; (PBX) trunk; and
- (3) a centrex line trunk equivalent;

that is provided by the service supplier. The term also includes a mobile telephone system access trunk, whether the trunk is provided by a telephone company or a radio common carrier. ~~In the case of a service user receiving interconnected VoIP service, the term refers to the Internet protocol compatible customer premises equipment that enables the service user to access the interconnected VoIP service.~~

(c) The term does not include:

- (1) a service supplier owned and operated telephone pay station line;
- (2) a wide area telecommunications service (WATS) line;
- (3) a foreign exchange (FX) line; ~~or~~
- (4) an incoming only line; ~~or~~

(5) the provision of broadband Internet access service.

SECTION 7. IC 36-8-16.7-24, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 24. (a) The statewide 911 board is established to develop, implement, and oversee the statewide 911 system. The board is a body corporate and politic, and though it is separate from the state, the exercise by the board of its powers constitutes an essential governmental function.

(b) The following recommendations must be made to the governor concerning the membership of the board:

- (1) The executive committees of:
 - (A) the Indiana chapter of the National Emergency Number Association (NENA); and
 - (B) the Indiana chapter of the Association of Public Safety Communication Officials International (APCO);

shall jointly recommend three (3) individuals, at least one (1) of whom must have budget experience at the local level.

(2) The facilities based CMRS providers authorized to provide CMRS in Indiana shall jointly recommend one (1) individual.

(3) The Indiana Association of County Commissioners shall recommend one (1) individual who is a county commissioner in Indiana.

(4) The Indiana Sheriffs' Association shall recommend one (1) individual who is a county sheriff in Indiana.

(5) The Indiana Telecommunications Association shall recommend two (2) individuals as follows:

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- (A) One (1) individual representing a local exchange carrier that serves less than fifty thousand (50,000) local exchange access lines in Indiana.
- (B) One (1) individual representing a local exchange carrier that serves at least fifty thousand (50,000) local exchange access lines in Indiana.
- (6) The Indiana Cable Telecommunications Association shall recommend one (1) individual representing a VOIP provider.
- (7) The Indiana Association of Cities and Towns shall recommend one (1) individual representing municipalities.
- (c) The board consists of the following ~~thirteen (13)~~ **fifteen (15)** members:
- (1) The treasurer of state or the treasurer's designee. The treasurer of state or the treasurer's designee is chairperson of the board for a term concurrent with the treasurer of state's term of office. However, the treasurer of state's designee serves at the pleasure of the treasurer of state.
 - (2) Three (3) members for a term of three (3) years who are appointed by the governor after considering the recommendations submitted under subsection (b)(1) by the executive committees of NENA and APCO. At least one (1) member appointed under this subdivision must have budget experience at the local level.
 - (3) One (1) facilities based CMRS member who is appointed by the governor after considering the recommendation submitted under subsection (b)(2) by the facilities based CMRS providers authorized to provide CMRS in Indiana. A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (6), (7), or (8).
 - (4) One (1) county commissioner member appointed by the governor after considering the recommendation submitted under subsection (b)(3) by the Indiana Association of County Commissioners.
 - (5) One (1) county sheriff member appointed by the governor after considering the recommendation submitted under subsection (b)(4) by the Indiana Sheriffs' Association.
 - (6) One (1) member who represents a local exchange carrier that serves less than fifty thousand (50,000) local exchange access lines in Indiana and who is appointed by the governor after considering the recommendation of the Indiana Telecommunications Association under subsection (b)(5)(A). A member appointed under this subdivision may not be affiliated



with the same business entity as a member appointed under subdivision (3), (7), or (8).

(7) One (1) member who represents a local exchange carrier that serves at least fifty thousand (50,000) local exchange access lines in Indiana and who is appointed by the governor after considering the recommendation of the Indiana Telecommunications Association under subsection (b)(5)(B). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (6), or (8).

(8) One (1) member who represents a VOIP provider and who is appointed by the governor after considering the recommendation of the Indiana Cable Telecommunications Association under subsection (b)(6). A member appointed under this subdivision may not be affiliated with the same business entity as a member appointed under subdivision (3), (6), or (7).

(9) One (1) member who represents municipalities and is appointed by the governor after considering the recommendation of the Indiana Association of Cities and Towns submitted under subsection (b)(7).

(10) The state fire marshal or the state fire marshal's designee.

(11) The superintendent of the state police department or the superintendent's designee.

(12) The executive director of the department of homeland security, or the executive director's designee. The executive director of the department of homeland security or the executive director's designee is a nonvoting member of the board.

(13) The state GIS officer. The state GIS officer is a nonvoting member of the board.

(d) This subsection applies to a member appointed by the governor under subsection (c)(2) through (c)(9). The governor shall ensure that the terms of the initial members appointed by the governor are staggered so that the terms of not more than five (5) members expire in a single calendar year. After the initial appointments, subsequent appointments shall be for three (3) year terms. A vacancy on the board shall be filled for the vacating member's unexpired term in the same manner as the original appointment, and a member of the board is eligible for reappointment. In making an appointment under subsection (c)(2) through (c)(9), the governor shall take into account the various geographical areas of Indiana, including rural and urban areas. A member appointed by the governor serves at the pleasure of the



governor.

(e) A member must be a resident of Indiana.

(f) A member may not vote by proxy.

SECTION 8. IC 36-8-16.7-25, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. A majority of the **voting** members of the board constitutes a quorum for the purposes of taking action. A meeting of the board is subject to IC 5-14-1.5.

SECTION 9. IC 36-8-16.7-30, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 30. (a) The state board of accounts shall audit the fund on an annual basis to determine whether the fund is being managed in accordance with this chapter. For each of the two (2) state fiscal years ending:

~~(A)~~ (1) June 30, 2013; and

~~(B)~~ (2) June 30, 2014;

the state board of accounts shall submit, not later than November 1 of each year during which the particular state fiscal year ends, a report of the audit required by this subsection to the budget committee for the budget committee's review. A report submitted under this subsection must be in an electronic format under IC 5-14-6.

(b) On an annual basis, and in conjunction with the board's review under section 38(d) of this chapter of the state board of accounts' annual audit of PSAPs, the board shall review 911 service in Indiana, including the collection, disbursement, and use of the statewide 911 fee assessed under section 32 of this chapter. The purpose of the review is to ensure that the statewide 911 fee:

(1) does not exceed the amount reasonably necessary to provide adequate and efficient 911 service; and

(2) is used only for the purposes set forth in this chapter.

(c) For each of the two (2) calendar years ending:

~~(A)~~ (1) December 31, 2013; and

~~(B)~~ (2) December 31, 2014;

the board shall submit, not later than March 1 of the year immediately following the particular calendar year, a summary report of the board's findings under the review required by subsection (b) to the budget committee for the budget committee's review. A report submitted under this subsection must be in an electronic format under IC 5-14-6.

SECTION 10. IC 36-8-16.7-32, AS AMENDED BY P.L.107-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 32. (a) Except as provided in subsections (c) and (e), and subject to subsection (b) and section 48(e) of this chapter, the

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board shall assess a monthly statewide 911 fee on each standard user that is a customer having a place of primary use in Indiana at a rate that:

- (1) ensures full recovery of the amount needed for the board to make distributions to county treasurers consistent with this chapter; and
- (2) provides for the proper development, operation, and maintenance of a statewide 911 system.

Except as provided in subsection (g), the amount of the initial fee assessed under this subsection is ~~ninety cents (\$0.90)~~ one dollar (\$1).

(b) The board may adjust the statewide 911 fee to ensure adequate revenue for the board to fulfill the board's duties and obligations under this chapter, subject to the following:

(1) The following apply to an increase in the fee:

(A) The board may increase the fee only one (1) time after June 30, 2015, and before July 1, 2020.

(B) The board may increase the fee only after review by the budget committee.

(C) If the board increases the fee, the amount of the increase must be ten cents (\$0.10).

~~(1)~~ **(2)** The fee may not be raised or lowered more than one (1) time in a calendar year.

~~(2)~~ **(3)** The fee

~~(A) may not be raised by an amount that is less than or equal to ten cents (\$0.10) without review by the budget committee; and~~

~~(B) may not be raised or lowered by an amount that is more than ten cents (\$0.10) without legislative approval.~~

(c) The fee assessed under this section does not apply to a prepaid user in a retail transaction under IC 36-8-16.6.

(d) An additional fee relating to the provision of 911 service may not be levied by a state agency or local unit of government. An enhanced prepaid wireless charge (as defined in IC 36-8-16.6-4) is not considered an additional fee relating to the provision of wireless 911 service for purposes of this section.

(e) A user is exempt from the fee if the user is any of the following:

- (1) The federal government or an agency of the federal government.
- (2) The state or an agency or instrumentality of the state.
- (3) A political subdivision (as defined in IC 36-1-2-13) or an agency of a political subdivision.
- (4) A user that accesses communications service solely through



a wireless data only service plan.

(f) This subsection applies to a provider that is designated by the Indiana utility regulatory commission as an eligible telecommunications carrier for purposes of receiving reimbursement from the universal service fund through the administrator designated by the Federal Communications Commission. A provider:

- (1) is not considered an agency of the federal government for purposes of the exemption set forth in subsection (e); and
- (2) ~~is liable for the monthly statewide 911 fee assessed under subsection (a)~~ with respect to communications service provided to end users by the provider in its capacity as an eligible telecommunications carrier, **is liable for the statewide 911 fee assessed under subsection (g).**

(g) A provider described in subsection (f) shall pay to the board the following fees:

(1) Not later than August 1, 2015, a fee equal to the product of the following factors:

(A) The monthly statewide 911 fee established under subsection (a).

(B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.

(C) The number of months under the current service agreement between each end user described in clause (B) and the provider for which the provider has received reimbursement from the universal service fund before August 1, 2015.

(2) Beginning September 1, 2015, and on the first day of each month thereafter, a monthly statewide 911 fee equal to the product of the following factors:

(A) The monthly statewide 911 fee established under subsection (a).

(B) The number of unique end users for which the provider received reimbursement from the universal service fund during the immediately preceding month.

The provider may bill and collect from each end user the fees calculated under this subdivision with respect to the end user. The provider shall determine the manner in which the provider bills and collects the fees. A provider may not bill and collect from an end user an amount greater than the fees paid by the provider to the board with respect to the end user.

SECTION 11. IC 36-8-16.7-37, AS ADDED BY P.L.132-2012,



SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 37. (a) Subject to subsection (b), the board shall administer the fund in the following manner:

- (1) In each state fiscal year, the board may retain the lesser of:
- (A) ten percent (10%) of the statewide 911 fees deposited in the fund in the previous state fiscal year; or
 - (B) the amount of fees deposited in the fund in the previous state fiscal year that would provide for the operating expenses of the statewide 911 system during the state fiscal year for which the fees are retained;

to pay the board's expenses in administering this chapter and to develop, operate, and maintain a statewide 911 system. The board may decrease the amount of fees retained by the board under this subdivision.

- (2) After retaining the amount set forth in subdivision (1), the board shall distribute to the counties ~~in a manner determined by the board~~; the remainder of the statewide 911 fees in the fund. ~~However,~~ With respect to any state fiscal year beginning after June 30, ~~2012~~, **2015**, the board shall first ensure a distribution to each county in an amount that is equal to the ~~average annual total amount of statewide 911 fees distributed to all PSAPs in the county under IC 36-8-16 (before its repeal on July 1, 2012) and to the county under IC 36-8-16.5 (before its repeal on July 1, 2012)~~ **during the three (3) state fiscal years ending:**

- (A) June 30, 2009;
- (B) June 30, 2010; and
- (C) June 30, 2011;

~~increased by a percentage that does not exceed the percent of increase in the United States Department of Labor Consumer Price Index during the twelve (12) months preceding the state fiscal year for which the distribution is made.~~ **to the county during the fiscal year ending June 30, 2014.**

- (3) If any statewide 911 fees remain in the fund after the distributions ensured under subdivision (2), the board shall distribute the fees as follows:

- (A) Ninety percent (90%) of the fees shall be distributed to the counties based upon each county's percentage of the state's population.
- (B) Ten percent (10%) of the fees shall be distributed equally among the counties.

(b) The board may not distribute money in the fund in a manner that impairs the ability of the board to fulfill its management and

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administrative obligations under this chapter.

SECTION 12. IC 36-8-16.7-38, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 38. (a) A PSAP may use a distribution from a county under this chapter only for the following:

- (1) The lease, purchase, or maintenance of communications service equipment.
- (2) Necessary system hardware and software and data base equipment.
- (3) Personnel expenses, including wages, benefits, training, and continuing education, only to the extent reasonable and necessary for the provision and maintenance of:
 - (A) the statewide 911 system; or
 - (B) a wireline enhanced emergency telephone system funded under IC 36-8-16 (before its repeal on July 1, 2012).
- (4) Operational costs, including costs associated with:
 - (A) utilities;
 - (B) maintenance;
 - (C) equipment designed to provide backup power or system redundancy, including generators; and
 - (D) call logging equipment.
- (5) An emergency notification system that is approved by the board under section 40 of this chapter.
- (6) Connectivity to the Indiana data and communications system (IDACS).
- (7) Rates associated with communications service providers' enhanced emergency communications system network services.
- (8) Mobile radio equipment used by first responders, other than radio equipment purchased under subdivision (9) as a result of the narrow banding requirements specified by the Federal Communications Commission.
- (9) Up to fifty percent (50%) of the costs associated with the narrow banding or replacement of radios or other equipment as a result of the narrow banding requirements specified by the Federal Communications Commission.

(b) A PSAP may not use a distribution from a county under this chapter for the following:

- (1) The construction, purchase, renovation, or furnishing of PSAP buildings.
- (2) Vehicles.

(c) Not later than January 31 of each year, each PSAP shall submit to the board a report of the following:

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(1) All expenditures made during the immediately preceding calendar year from distributions under this chapter.

(2) Call data and statistics for the immediately preceding calendar year, as specified by the board and collected in accordance with any reporting method established or required by the board.

(3) All costs associated with dispatching appropriate public safety agencies to respond to 911 calls received by the PSAP.

(4) All funding sources and amounts of funding used for costs described in subdivision (3).

(d) Beginning in 2013, the state board of accounts annually shall audit the expenditures of distributions under this chapter made during the immediately preceding calendar year by each PSAP that receives distributions under this chapter. In conducting an audit under this subsection, the state board of accounts shall determine, in conjunction with the board, whether the expenditures made by each PSAP are in compliance with subsections (a) and (b). The board shall review and further audit any ineligible expenditure identified by the state board of accounts under this subsection or through any other report. If the board verifies that the expenditure did not comply with this section, the board shall ensure that the fund is reimbursed in the dollar amount of the noncomplying expenditure from any source of funding, other than a fund described in subsection (f), that is available to the PSAP or to a unit in which the PSAP is located.

(e) For each of the two (2) calendar years ending:

~~(A)~~ (1) December 31, 2013; and

~~(B)~~ (2) December 31, 2014;

the state board of accounts shall submit, not later than March 1 of the year immediately following the particular calendar year, a summary report of the audits required by subsection (d) for the particular calendar year to the budget committee for the budget committee's review. A report submitted under this subsection must be in an electronic format under IC 5-14-6.

(f) A distribution under section 37(a)(2) of this chapter must be deposited by the treasurer of the county in a separate fund set aside for the purposes allowed by subsections (a) and (b). The fund must be known as the _____ (insert name of county) 911 fund. The county treasurer may invest money in the fund in the same manner that other money of the county may be invested, but income earned from the investment must be deposited in the fund set aside under this subsection.

(g) Not later than November 1 of each year, the board shall provide in an electronic format under IC 5-14-6 to the general



assembly the information submitted under subsection (c)(3) and (c)(4).

SECTION 13. IC 36-8-16.7-38.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 38.5. (a) This section applies to a political subdivision that operates a PSAP.**

(b) Notwithstanding any other law, the fiscal body of a political subdivision may adopt an ordinance to authorize payment in advance of all or part of the cost of:

- (1) the lease, purchase, or maintenance of communications service equipment; and**
- (2) rates associated with a communications service provider's enhanced emergency communications system network services;**

from any legally available fund of the political subdivision, including the political subdivision's rainy day fund.

(c) If a political subdivision makes a payment in advance under this section, the political subdivision shall reimburse the fund from which the advance payment was made.

SECTION 14. **An emergency is declared for this act.**



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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