



Reprint - Printer's Error
January 11, 2000

SENATE BILL No. 21

DIGEST OF SB21 (Updated January 7, 2000 5:17 pm - DI kc)

Citations Affected: IC 4-10.

Synopsis: State spending limit. Limits increases in state expenditures to an amount based on the increase in inflation. Allows voters or two-thirds of the members of the general assembly to authorize additional spending.

Effective: July 1, 2000.

**Adams K, Kenley, Weatherwax,
Clark, Waterman, Long**

November 16, 1999, read first time and referred to Committee on Rules and Legislative Procedure.
January 10, 2000, amended; reassigned to Committee on Finance.

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SB 21—LS 6051/DI 13



Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

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SENATE BILL No. 21

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

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

- 1 SECTION 1. IC 4-10-20 IS ADDED TO THE INDIANA CODE AS
2 A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,**
3 **2000]: Sec. 1. This chapter does not apply to the extent that**
4 **payments for pensions, including accrued unfunded liability, and**
5 **final court judgments on which the state is obligated to pay exceed**
6 **the spending limits imposed by this chapter.**
7 **Sec. 2. As used in this chapter, "CPI" refers to the United States**
8 **Bureau of Labor Statistics Consumer Price Index for Indiana, all**
9 **items, all urban consumers, or its successor index.**
10 **Sec. 3. As used in this chapter, "fiscal year spending" means all**
11 **state governmental expenditures and reserve increases in a state**
12 **fiscal year, except the following:**
13 (1) **Refunds made in the current or next state fiscal year.**
14 (2) **Gifts.**
15 (3) **Federal funds.**

SB 21—LS 6051/DI 13



1 (4) Collections for another government.

2 (5) Pension contributions by employees and pension fund
3 earnings.

4 (6) Reserve transfers or expenditures.

5 (7) Damage awards.

6 (8) Property sales.

7 Sec. 4. As used in this chapter, "inflation" means, with respect
8 to any fiscal year, the lesser of:

9 (1) the percentage change between:

10 (A) the CPI as last reported in the calendar year that
11 ended six (6) months before beginning of the fiscal year;
12 and

13 (B) the CPI as last reported in the calendar year that ended
14 eighteen (18) months before beginning of the fiscal year; or

15 (2) six percent (6%).

16 Sec. 5. As used in this chapter, "maximum annual percentage
17 change in fiscal year spending" means:

18 (1) inflation with respect to the fiscal year in question, as
19 calculated under section 4 of this chapter; plus

20 (2) one percent (1%).

21 Sec. 6. As used in this chapter, "state fiscal year" means the
22 twelve (12) month period beginning July 1 in a calendar year.

23 Sec. 7. Beginning with the state fiscal year that begins on July 1,
24 2001, the state may increase fiscal year spending in a state fiscal
25 year more than the maximum annual percentage change in fiscal
26 year spending applicable to that state fiscal year only to the extent
27 that the additional spending is approved under sections 8 or 9 of
28 this chapter.

29 Sec. 8. If revenue from sources not excluded from fiscal year
30 spending exceeds the spending limit imposed under this chapter for
31 that state fiscal year, the excess shall be refunded in the next state
32 fiscal year.

33 Sec. 9. The general assembly, by concurrent resolution adopted
34 by two-thirds of the members of the senate and two-thirds of the
35 members of the house of representatives before the beginning of a
36 state fiscal year, may authorize fiscal year spending that exceeds
37 the spending limits imposed by this chapter for that state fiscal
38 year. Each concurrent resolution adopted under this subsection
39 may apply to not more than one (1) state fiscal year.

40 Sec. 10. This chapter may be enforced in a private individual or
41 class action suit. Successful plaintiffs are allowed costs and
42 reasonable attorney's fees. The state may recover costs and



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1 **reasonable attorney's fees under this chapter only if a suit against**
2 **it is ruled frivolous. Revenue collected, kept, or spent illegally for**
3 **the four (4) state fiscal years preceding the date that the suit is filed**
4 **shall be refunded commencing for each state fiscal year on the date**
5 **the state exceeds the spending limitation imposed for that state**
6 **fiscal year under this chapter. Subject to judicial review, the state**
7 **may use any reasonable method for refunds under this chapter,**
8 **including temporary tax credits or rate reductions. Refunds need**
9 **not be proportional when prior payments are impractical to**
10 **identify or return.**

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SENATE MOTION

Mr. President: I move that Senator Garton be removed as author of Senate Bill 21 and that Senator Adams K be substituted therefor.

GARTON

SENATE MOTION

Mr. President: I move that Senator Kenley be added as coauthor of Senate Bill 21.

ADAMS K

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COMMITTEE REPORT

Mr. President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 21, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

(Reference is to SB 21 as introduced.)

and when so amended that said bill be reassigned to the Senate Committee on Finance.

GARTON, Chairperson

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SENATE MOTION

Mr. President: I move that Senator Kenley be removed as coauthor of Senate Bill 21.

KENLEY

SENATE MOTION

Mr. President: I move that Senator Kenley be added as second author of Senate Bill 21.

ADAMS K

SENATE MOTION

Mr. President: I move that Senators Weatherwax and Clark be added as coauthors of Senate Bill 21.

ADAMS K

SENATE MOTION

Mr. President: I move that Senator Waterman be added as coauthor of Senate Bill 21.

ADAMS K

SENATE MOTION

Mr. President: I move that Senator Long be added as coauthor of Senate Bill 21.

ADAMS K

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