

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 575 be amended to read as follows:

- 1 Page 2, between lines 6 and 7, begin a new paragraph and insert:
- 2 "SECTION 2. IC 20-20-36.3 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]:
- 5 **Chapter 36.3. Levy Replacement Grants**
- 6 **Sec. 1. As used in this chapter, "credit" refers to a credit**
- 7 **granted under IC 6-1.1-20.6.**
- 8 **Sec. 2. As used in this chapter, "circuit breaker replacement**
- 9 **amount" refers to the amount determined under section 5 of this**
- 10 **chapter.**
- 11 **Sec. 3. As used in this chapter, "grant" refers to a grant**
- 12 **distributed under this chapter.**
- 13 **Sec. 4. (a) Notwithstanding any other provision, a school**
- 14 **corporation is eligible for a grant under this chapter in a particular**
- 15 **year only if for that year the school corporation's total property**
- 16 **tax revenue is expected to be reduced by more than two percent**
- 17 **(2%) because of the application of credits in that year.**
- 18 **(b) Subject to subsection (a), an eligible school corporation is**
- 19 **entitled to a grant in:**
- 20 **(1) 2011 equal to the eligible school corporation's circuit**
- 21 **breaker replacement amount for property taxes imposed for**
- 22 **the March 1, 2010, and January 15, 2011, assessment dates;**
- 23 **and**
- 24 **(2) 2012 equal to the eligible school corporation's circuit**

1 breaker replacement amount for property taxes imposed for
2 the March 1, 2011, and January 15, 2012, assessment dates.

3 **Sec. 5. (a)** An eligible school corporation's circuit breaker
4 replacement amount for 2011 is equal to the result determined
5 under **STEP FOUR** of the following formula:

6 **STEP ONE:** Determine the amount of credits granted against
7 the eligible school corporation's combined levy for the eligible
8 school corporation's debt service fund, capital projects fund,
9 transportation fund, school bus replacement fund, and racial
10 balance fund.

11 **STEP TWO:** Determine the sum of the **STEP ONE** amounts
12 for all eligible school corporations in Indiana.

13 **STEP THREE:** Divide the lesser of the **STEP TWO** amount
14 or fifty million dollars (\$50,000,000) by the **STEP TWO**
15 amount, rounding to the nearest ten thousandth (0.0001).

16 **STEP FOUR:** Multiply the **STEP THREE** result by the **STEP**
17 **ONE** amount, rounding to the nearest dollar (\$1).

18 **(b)** An eligible school corporation is entitled to a grant under
19 this chapter in a calendar year. The grant is equal to the eligible
20 school corporation's circuit breaker replacement amount, as
21 determined for calendar year 2012. An eligible school
22 corporation's circuit breaker replacement amount for 2012 is equal
23 to the result determined under **STEP SIX** of the following formula:

24 **STEP ONE:** Determine the amount of credits granted against
25 the eligible school corporation's combined levy for the school
26 corporation's debt service fund, capital projects fund,
27 transportation fund, school bus replacement fund, and racial
28 balance fund.

29 **STEP TWO:** Determine an amount equal to two percent (2%)
30 of the school corporation's total combined property tax levy
31 for 2012, rounded to the nearest one dollar (\$1).

32 **STEP THREE:** Determine the greater of zero (0) or the result
33 of the **STEP ONE** amount minus the **STEP TWO** amount.

34 **STEP FOUR:** Determine the sum of the **STEP THREE**
35 amounts for all eligible school corporations in Indiana.

36 **STEP FIVE:** Determine the result of the lesser of:

37 (A) one (1); or

38 (B) the result of fifty million dollars (\$50,000,000) divided
39 by the **STEP FOUR** amount, rounding to the nearest ten
40 thousandth (0.0001).

41 **STEP SIX:** Multiply the **STEP FIVE** result by the **STEP**
42 **THREE** amount, rounding to the nearest dollar (\$1).

43 **Sec. 6.** The department shall administer the grant program.

44 **Sec. 7. (a)** Not later than July 30 of a calendar year, the budget
45 agency shall certify to the department an initial estimate of the
46 circuit breaker replacement amount attributable to each school
47 corporation for the calendar year.

1 (b) Not later than November 1 of a calendar year, the budget
2 agency shall certify to the department a final estimate of the circuit
3 breaker replacement amount attributable to each eligible school
4 corporation for the calendar year.

5 (c) The budget agency shall compute an amount certified under
6 this section using the best information available to the budget
7 agency at the time the certification is made.

8 **Sec. 8.** Subject to section 9 of this chapter, the department shall
9 distribute a grant to an eligible school corporation equal to fifty
10 percent (50%) of the eligible school corporation's estimated circuit
11 breaker replacement amount for the calendar year in two (2)
12 installments.

13 **Sec. 9.** Based on the final estimate of the circuit breaker
14 replacement amount certified to the department by the budget
15 agency, the department shall settle any overpayment or
16 underpayment of circuit breaker replacement amounts to an
17 eligible school corporation. The department may offset
18 overpayments of circuit breaker replacement amounts for a
19 particular calendar year against:

20 (1) a grant; or

21 (2) state tuition support distribution;

22 that the eligible school corporation would otherwise be entitled to
23 receive.

24 **Sec. 10.** An eligible school corporation shall deposit and use the
25 amount received from a grant as follows:

26 (1) An amount equal to the revenue lost to the eligible school
27 corporation's debt service fund as the result of the granting of
28 credits shall be deposited in the eligible school corporation's
29 debt service fund for purposes of the debt service fund.

30 (2) Any part of a grant remaining after making the deposit
31 required under subdivision (1) may be deposited in any
32 combination of the eligible school corporation's capital
33 projects fund, transportation fund, school bus replacement
34 fund, and racial balance fund, as determined by the school
35 corporation."

36 Page 17, between lines 9 and 10, begin a new paragraph and insert:

37 "SECTION 35. [EFFECTIVE JULY 1, 2011] (a) There is
38 appropriated to the department of education fifty million dollars
39 (\$50,000,000) from the state general fund for its use in school
40 circuit breaker replacement credits for the fiscal year beginning
41 July 1, 2011, and ending June 30, 2012.

42 (b) There is appropriated to the department of education fifty
43 million dollars (\$50,000,000) from the state general fund for its use
44 in school circuit breaker replacement credits for the fiscal year
45 beginning July 1, 2012, and ending June 30, 2013."

46 Re-number all SECTIONS consecutively.

(Reference is to ESB 575 as printed April 8, 2011.)

Representative Goodin