

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WITHDRAWN	Noes _____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

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 126, between lines 40 and 41, begin a new paragraph and
2 insert:
3 "SECTION 81. IC 20-49-8.3 IS ADDED TO THE INDIANA CODE
4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]:
6 **Chapter 8.3. Shortfall Loan**
7 **Sec. 1. As used in this chapter, "fund" refers to the common**
8 **school fund in the custody of the treasurer of state.**
9 **Sec. 2. As used in this chapter, "loan" means a loan made from**
10 **the fund under this chapter.**
11 **Sec. 3. (a) Subject to subsection (b), the state board may loan**
12 **money to a school corporation that has experienced a shortfall of**
13 **at least five percent (5%) in the collection of property tax levies in**
14 **the current year or the preceding years for the school**
15 **corporation's general fund or another school corporation fund as**
16 **a result of any of the following:**
17 **(1) Erroneous assessed valuation amounts provided to the**
18 **eligible school corporation.**
19 **(2) Erroneous figures used to determine the eligible school**
20 **corporation's general fund property tax rate.**
21 **(3) A change in the assessed valuation of property as the result**
22 **of appeals under IC 6-1.1 or IC 6-1.5.**
23 **(4) The payment of refunds that resulted from appeals under**
24 **IC 6-1.1 or IC 6-1.5.**

1 **(5) Any other reason.**

2 **(b) As required under IC 6-1.1-20.6-9.5, a school corporation**
 3 **may not borrow money to compensate the school corporation for**
 4 **the reduction of property tax collections resulting from the**
 5 **granting of credits under IC 6-1.1-20.6.**

6 **Sec. 4. A school corporation that desires to obtain a loan must**
 7 **submit an application to the state board on forms that the state**
 8 **board prescribes after consulting with the department and the**
 9 **budget agency.**

10 **Sec. 5. (a) Subject to subsection (c), the state board shall**
 11 **determine the terms of a loan after consulting with the department.**
 12 **The budget agency must approve the terms of a loan before the**
 13 **loan is made.**

14 **(b) The state board may grant more than one (1) loan to the**
 15 **same school corporation under this chapter or provide for a line of**
 16 **credit payable from the fund that may be accessed each time that**
 17 **a default occurs over the term specified by the state board upon the**
 18 **notice to the department, budget agency, or state board as specified**
 19 **in the terms of the loan.**

20 **(c) A school corporation receiving a loan shall repay a**
 21 **distribution from the loan not later than thirty-six (36) months**
 22 **after the date on which money from the loan is distributed to the**
 23 **school corporation.**

24 **Sec. 6. A school corporation that obtains a loan may annually**
 25 **levy a tax in the debt service fund to repay the loan.**

26 **Sec. 7. This chapter may not be construed to prohibit a school**
 27 **corporation from repaying a loan before the date specified in**
 28 **section 5(c) of this chapter."**

29 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 21, 2011.)

Representative Kersey