

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WITHDRAWN	Noes _____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 39. 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. The state board may loan money to a school corporation**
- 12 **that has experienced a shortfall of any amount in the collection of**
- 13 **property tax levies in the current year or the preceding years for**
- 14 **the school corporation's general fund or another school**
- 15 **corporation fund if:**
- 16 **(1) a taxpayer with tangible property subject to taxation by**
- 17 **the school corporation has filed a petition to reorganize or has**
- 18 **another bankruptcy petition under the federal bankruptcy**
- 19 **code;**
- 20 **(2) the taxpayer has defaulted on at least one (1) of its**
- 21 **property tax payments; and**
- 22 **(3) at the time the school corporation applies for a loan, the**
- 23 **unencumbered balance of the counter-cyclical revenue and**
- 24 **economic stabilization fund established by IC 4-10-18-2 is less**

1 **than three hundred million dollars (\$300,000,000).**
2 **Sec. 4. A school corporation that desires to obtain a loan under**
3 **this chapter must submit an application to the state board on forms**
4 **that the state board prescribes after consulting with the**
5 **department and the budget agency.**
6 **Sec. 5. (a) Subject to subsection (c), the state board shall**
7 **determine the terms of a loan after consulting with the department.**
8 **The budget agency must approve the terms of a loan before the**
9 **loan is made.**
10 **(b) The state board may:**
11 **(1) grant more than one (1) loan to the same school**
12 **corporation under this chapter; or**
13 **(2) provide for a line of credit payable from the fund that may**
14 **be accessed each time that a default occurs over the term**
15 **specified by the state board;**
16 **upon notice to the department, budget agency, or state board as**
17 **specified in the terms of the loan or line of credit.**
18 **(c) A school corporation receiving a loan under this chapter**
19 **must repay a distribution from a loan within thirty-six (36) months**
20 **of the date on which money from the loan is distributed to the**
21 **school corporation.**
22 **Sec. 6. A school corporation that obtains a loan under this**
23 **chapter may annually levy a tax in the debt service fund to repay**
24 **the loan.**
25 **Sec. 7. This chapter may not be construed to prohibit a school**
26 **corporation from repaying a loan under this chapter before the**
27 **date specified in section 5(c) of this chapter."**
28 Renumber all SECTIONS consecutively.
 (Reference is to HB 1001 as printed February 21, 2011.)

Representative VanDenburgh