

SENATE MOTION

MADAM PRESIDENT:

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

- 1 Page 210, between lines 3 and 4, begin a new paragraph and insert:
2 "SECTION 162. IC 20-20-36.3 IS ADDED TO THE INDIANA
3 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2011]:
5 **Chapter 36.3. Property Tax Circuit Breaker Replacement Grant**
6 **Sec. 1. As used in this chapter, "circuit breaker replacement**
7 **amount" refers to the amount determined under section 5 of this**
8 **chapter.**
9 **Sec. 2. As used in this chapter, "credit" refers to a credit**
10 **granted under IC 6-1.1-20.6.**
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**
25 **breaker replacement amount for property taxes imposed for**
26 **the March 1, 2011, and January 15, 2012, assessment dates.**
27 **Sec. 5. (a) An eligible school corporation's circuit breaker**
28 **replacement amount for 2011 is equal to the result determined**
29 **under STEP SIX of the following formula:**
30 **STEP ONE: Determine the amount of credits granted against**

- 1 the eligible school corporation's combined levy for the school
 2 corporation's debt service fund, capital projects fund,
 3 transportation fund, school bus replacement fund, and racial
 4 balance fund.
- 5 **STEP TWO:** Determine an amount equal to two percent (2%)
 6 of the school corporation's total combined property tax levy
 7 for 2011, rounded to the nearest one dollar (\$1).
- 8 **STEP THREE:** Determine the greater of zero (0) or the result
 9 of the STEP ONE amount minus the STEP TWO amount.
- 10 **STEP FOUR:** Determine the sum of the STEP THREE
 11 amounts for all eligible school corporations in Indiana.
- 12 **STEP FIVE:** Determine the result of the lesser of:
 13 (A) one (1); or
 14 (B) the result of twenty-five million dollars (\$25,000,000)
 15 divided by the STEP FOUR amount, rounding to the
 16 nearest ten thousandth (0.0001).
- 17 **STEP SIX:** Multiply the STEP FIVE result by the STEP
 18 THREE amount, rounding to the nearest one dollar (\$1).
- 19 (b) An eligible school corporation's circuit breaker replacement
 20 amount for 2012 is equal to the result determined under STEP SIX
 21 of the following formula:
- 22 **STEP ONE:** Determine the amount of credits granted against
 23 the eligible school corporation's combined levy for the school
 24 corporation's debt service fund, capital projects fund,
 25 transportation fund, school bus replacement fund, and racial
 26 balance fund.
- 27 **STEP TWO:** Determine an amount equal to two percent (2%)
 28 of the school corporation's total combined property tax levy
 29 for 2012, rounded to the nearest one dollar (\$1).
- 30 **STEP THREE:** Determine the greater of zero (0) or the result
 31 of the STEP ONE amount minus the STEP TWO amount.
- 32 **STEP FOUR:** Determine the sum of the STEP THREE
 33 amounts for all eligible school corporations in Indiana.
- 34 **STEP FIVE:** Determine the result of the lesser of:
 35 (A) one (1); or
 36 (B) the result of twenty-five million dollars (\$25,000,000)
 37 divided by the STEP FOUR amount, rounding to the
 38 nearest ten thousandth (0.0001).
- 39 **STEP SIX:** Multiply the STEP FIVE result by the STEP
 40 THREE amount, rounding to the nearest one dollar (\$1).
- 41 **Sec. 6. (a)** The department shall administer the grant program.
- 42 (b) A school corporation shall apply for a grant under this
 43 chapter as prescribed by the department.
- 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. (a) Subject to section 9 of this chapter, the department**
9 **shall distribute a grant in two (2) equal installments to an eligible**
10 **school corporation based on the eligible school corporation's**
11 **estimated grant amount for the calendar year.**

12 **(b) There is appropriated to the department from the state**
13 **general fund the amount necessary to make grants under this**
14 **chapter.**

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

21 **(1) a grant; or**

22 **(2) a state tuition support distribution;**

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

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

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

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

- 1 **Sec. 11. This chapter expires January 1, 2013."**
- 2 Renumber all SECTIONS consecutively.
(Reference is to EHB 1001 as printed April 19, 2011.)

Senator BRODEN