

Adopted	Rejected
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# COMMITTEE REPORT

<b>YES:</b>	<b>20</b>
<b>NO:</b>	<b>0</b>

## MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1376, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning state
- 3 and local administration and to make an appropriation.
- 4 Delete everything after the enacting clause and insert the following:
- 5 SECTION 1. IC 4-10-22-3, AS ADDED BY P.L.229-2011,
- 6 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 7 JANUARY 1, 2012 (RETROACTIVE)]: Sec. 3. **(a) Subject to**
- 8 **subsection (b)**, after completing the presentation to the state budget
- 9 committee described in section 2 of this chapter, the governor shall:
- 10 (1) transfer fifty percent (50%) of any excess reserves to the
- 11 pension stabilization fund established by IC 5-10.4-2-5 for the
- 12 purposes of the pension stabilization fund; and
- 13 (2) (1) use fifty percent (50%) of any excess reserves for the

1 purposes of providing an automatic **refundable** taxpayer **refund**  
 2 **credit** under section 4 of this chapter; **and**

3 **(2) transfer the excess reserves not needed for an automatic**  
 4 **refundable taxpayer credit under section 4 of this chapter to**  
 5 **the pension stabilization fund established by IC 5-10.4-2-5.**

6 **(b) If the excess reserves on June 30 of any year are less than**  
 7 **twenty million dollars (\$20,000,000), the governor shall carry over**  
 8 **the excess reserves to each subsequent year until the total excess**  
 9 **reserves, including any carryover amount, equal at least twenty**  
 10 **million dollars (\$20,000,000). In the year that total excess reserves**  
 11 **equal at least twenty million dollars (\$20,000,000), the excess**  
 12 **reserves shall be used as provided in subsection (a).**

13 SECTION 2. IC 4-10-22-4, AS ADDED BY P.L.229-2011,  
 14 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 JANUARY 1, 2012 (RETROACTIVE)]: Sec. 4. The following apply  
 16 if sufficient excess state reserves are available to provide an automatic  
 17 taxpayer refund to each taxpayer eligible for a refund:

18 (1) To qualify for a refund, a taxpayer:

19 (A) must have filed an Indiana resident individual adjusted  
 20 gross income tax return for the preceding two (2) taxable  
 21 years; and

22 (B) must have paid individual adjusted gross income tax to the  
 23 state for the preceding taxable year.

24 Individuals who file a tax return but do not pay any individual  
 25 adjusted gross income tax to the state are not entitled to a refund:

26 (2) The amount of the refund is determined for each qualifying  
 27 taxpayer on a pro rata basis, based on the qualifying taxpayer's  
 28 portion of the total individual adjusted gross income tax liability  
 29 paid by all qualifying taxpayers in the preceding taxable year.

30 (3) The refund shall be applied as a credit against adjusted gross  
 31 income tax liability in the taxpayer's taxable year in which a  
 32 refund is provided. The credit may not be carried forward.

33 **(a) An individual is entitled to a refundable tax credit against**  
 34 **the individual's adjusted gross income tax liability in a taxable year**  
 35 **if:**

36 **(1) the office of management and budget determines that the**  
 37 **state possessed excess state reserves on June 30 in the**  
 38 **taxpayer's current taxable year of at least twenty million**

- 1           dollars (\$20,000,000);
- 2           **(2) the individual is an Indiana resident who filed an Indiana**
- 3           **resident individual adjusted gross income tax return for the**
- 4           **immediately preceding year, not later than the due date for**
- 5           **the return, determined after applying any extension granted**
- 6           **for the return; and**
- 7           **(3) the individual continues to be an Indiana resident who files**
- 8           **an Indiana resident individual adjusted gross income tax**
- 9           **return for the current taxable year not later than the due date**
- 10           **for the return, determined after applying any extension**
- 11           **granted for the return.**
- 12           **(b) The refundable tax credit under this section shall be applied**
- 13           **to a taxpayer's adjusted gross income tax liability after applying all**
- 14           **other tax credits to which the taxpayer is otherwise eligible. The**
- 15           **amount of the refundable tax credit under this section is**
- 16           **determined on a per return basis. The refundable tax credit is**
- 17           **equal to:**
- 18                 **(1) the credit amount determined under subsection (c) or (d),**
- 19                 **if the individual files a single Indiana resident individual**
- 20                 **adjusted gross income tax return for the current taxable year;**
- 21                 **or**
- 22                 **(2) the result of the credit amount determined under**
- 23                 **subsection (c) or (d) multiplied by two (2), if the individual**
- 24                 **files a joint Indiana resident individual adjusted gross income**
- 25                 **tax return with the individual's spouse for the current taxable**
- 26                 **year.**
- 27           **(c) Except as provided in subsection (d), the credit amount is the**
- 28           **amount determined under STEP THREE of the following formula:**
- 29                 **STEP ONE: Determine the result of:**
- 30                         **(1) the amount of the state excess reserves determined for**
- 31                         **June 30 in the taxable year; divided by**
- 32                         **(2) the number of resident individuals filing a single or**
- 33                         **joint Indiana resident individual adjusted gross income tax**
- 34                         **return for the immediately preceding year, not later than**
- 35                         **the due date for the return, determined after applying any**
- 36                         **extension granted for the return.**
- 37                 **STEP TWO: Round the STEP ONE result to the nearest one**
- 38                 **dollar (\$1).**

- 1           **STEP THREE: Determine the lesser of:**
- 2               **(1) the STEP TWO result; or**
- 3               **(2) fifty dollars (\$50).**
- 4           **(d) This subsection applies only when the result determined in**
- 5           **subsection (c), STEP TWO is greater than one hundred dollars**
- 6           **(\$100). For a state fiscal year subject to this subsection, the credit**
- 7           **amount is the amount determined under STEP FIVE of the**
- 8           **following formula:**
- 9               **STEP ONE: Determine the result of:**
- 10               **(1) the result determined under subsection (c), STEP**
- 11               **TWO; minus**
- 12               **(2) one hundred dollars (\$100).**
- 13           **STEP TWO: Round the STEP ONE result to the nearest one**
- 14           **dollar (\$1).**
- 15           **STEP THREE: Determine the result of**
- 16               **(1) the STEP TWO result; divided by**
- 17               **(2) two (2).**
- 18           **STEP FOUR: Round the STEP THREE result to the nearest**
- 19           **one dollar (\$1).**
- 20           **STEP FIVE: Determine the sum of:**
- 21               **(1) the STEP FOUR result; plus**
- 22               **(2) fifty dollars (\$50).**
- 23           **SECTION 3. IC 34-13-3-14 IS AMENDED TO READ AS**
- 24           **FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as**
- 25           **provided in section 20 of this chapter, the governor may compromise**
- 26           **or settle a claim or suit brought against the state or its employees.**
- 27           **(b) The following definitions apply throughout subsection (c):**
- 28               **(1) "Eligible person" refers to a person or the estate of a**
- 29               **person that properly filed a claim with the state, in the form**
- 30               **prescribed by the attorney general, before December 31, 2011,**
- 31               **for physical injury or death resulting from an occurrence.**
- 32               **(2) "Occurrence" refers to one (1) or more acts or omissions**
- 33               **by the state or employees of the state in connection with a**
- 34               **single event occurring after July 31, 2011, and before**
- 35               **September 1, 2011, that resulted in the death of seven (7) or**
- 36               **more persons.**
- 37           **(c) Notwithstanding section 4(a)(2) of this chapter, the attorney**
- 38           **general shall attempt to resolve all claims and suits brought against**

1 the state or its employees for an occurrence for an amount that, in  
2 the aggregate, does not exceed ten million dollars (\$10,000,000).  
3 Notwithstanding sections 6 and 9 of this chapter, only an eligible  
4 person is eligible to receive compensation under this subsection.  
5 The attorney general shall attempt to resolve claims or suits for an  
6 occurrence as follows:

7 (1) The estate of an eligible person whose death resulted from  
8 an occurrence shall receive seven hundred thousand dollars  
9 (\$700,000).

10 (2) Except as provided in subdivision (3), each other eligible  
11 person who was physically injured as a result of an  
12 occurrence shall be compensated for the physical injury in an  
13 amount that does not exceed the least of the following:

14 (A) The amount of the eligible person's losses.

15 (B) The amount claimed by the eligible person in relation  
16 to the claim filed before December 31, 2011.

17 (C) Seven hundred thousand dollars (\$700,000).

18 (3) Eligible persons who suffered physical injuries involving  
19 permanent paralysis or trauma or requiring major and  
20 ongoing long-term care may be compensated under  
21 subdivision (2) in an amount that exceeds the medical expense  
22 amounts claimed by the person in relation to the claim  
23 according to a formula determined by the attorney general.  
24 The formula used by the attorney general for compensating  
25 eligible persons must be substantially similar to the formula  
26 used by the attorney general for payments made before  
27 January 1, 2012, in relation to the occurrence.

28 To receive a distribution under this subsection for an occurrence,  
29 an eligible person must have already released all governmental  
30 entities and public employees from any liability for loss resulting  
31 from the occurrence. The release must be in a form that is  
32 satisfactory to the attorney general. The amount payable after  
33 December 31, 2011, shall be reduced by any amount that was paid  
34 under this chapter for the death or physical injury before January  
35 1, 2012. If the aggregate losses incurred by all eligible persons  
36 exceed ten million dollars (\$10,000,000), the attorney general shall  
37 make the payments required under subdivision (1) and use the  
38 remaining amount available under ten million dollars

1       (\$10,000,000) by proportionately reducing the amount distributed  
 2       to eligible persons under subdivision (2) according to a formula  
 3       determined by the attorney general.

4       SECTION 4. [EFFECTIVE UPON PASSAGE] (a) The definitions  
 5       in P.L.229-2011, SECTION 1 apply throughout this SECTION.

6       (b) The following definitions apply throughout this SECTION:

7           (1) "2012-2013 school year" means the school year (as defined  
 8           in IC 20-18-2-17) beginning July 1, 2012, and ending June 30,  
 9           2013.

10          (2) "Charter school" has the meaning set forth in  
 11          IC 20-24-1-4.

12          (3) "Current ADM" has the meaning set forth in  
 13          IC 20-43-1-10.

14          (4) "Eligible pupil" has the meaning set forth in  
 15          IC 20-43-1-11.

16          (5) "School corporation" has the meaning set forth in  
 17          IC 20-18-2-16.

18       (c) Augmentation is allowed for the appropriation in  
 19       P.L.229-2011, SECTION 9 to the department of education for  
 20       full-day kindergarten, beginning July 1, 2012, and ending June 30,  
 21       2013.

22       (d) Notwithstanding P.L.229-2011, SECTION 9, each school  
 23       corporation and charter school that applies to the department of  
 24       education for a grant for full-day kindergarten is entitled to receive  
 25       a distribution in the 2012-2013 school year from the amount  
 26       appropriated in P.L.229-2011, SECTION 9 for full-day  
 27       kindergarten for the state fiscal year beginning July 1, 2012, and  
 28       ending June 30, 2013, as augmented under this SECTION. The  
 29       total amount to be distributed to a school corporation or charter  
 30       school for the 2012-2013 school year equals the result of:

31           (1) two thousand four hundred dollars (\$2,400); multiplied by

32           (2) the number of eligible pupils who are:

33               (A) counted in the current ADM of the school corporation  
 34               in the initial count of ADM in the 2012-2013 school year;  
 35               and

36               (B) enrolled in and attending full-day kindergarten on the  
 37               count date on which the current ADM is determined.

38       (e) A school corporation or charter school that applies for a

1       **grant for full-day kindergarten may not charge a fee for enrolling**  
2       **in or attending full-day kindergarten in the school year beginning**  
3       **July 1, 2012, and ending June 30, 2013.**

4       **(f) This SECTION expires July 1, 2013.**

5       **SECTION 5. An emergency is declared for this act.**

(Reference is to HB 1376 as introduced.)

**and when so amended that said bill do pass.**

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Representative Espich