

PROPOSED AMENDMENT

SB 4 # 5

DIGEST

Various changes. Amends provisions in the bill regarding budget committee review of tax credits in determining the annual aggregate tax credit cap under current law. Provides that effective July 1, 2028, a county may (instead of shall) provide property tax funding for the operation of community mental health centers and makes conforming changes. Urges the legislative council to assign to the interim study committee on courts and the judiciary the task of undertaking a comprehensive study of all court fees and fines.

1 Page 2, delete lines 40 through 42, begin a new paragraph and
2 insert:
3 "SECTION 3. IC 5-28-6-9, AS AMENDED BY P.L.213-2025,
4 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 9. (a) Subject to subsection (c), the aggregate
6 amount of applicable tax credits that the corporation may certify:
7 (1) for each state fiscal year ending on or before June 30, 2025,
8 for all taxpayers is two hundred fifty million dollars
9 (\$250,000,000); and
10 (2) for each state fiscal year ending on or after July 1, 2025, for all
11 taxpayers is three hundred million dollars (\$300,000,000). Each
12 certification under this subdivision **tax credit award** is subject to
13 budget committee review:
14 **(A) beginning after February 1, 2026, and before May 1,
15 2026, after the first calendar quarter in which the award
16 is made; and**
17 **(B) after April 30, 2026, at the next budget committee
18 meeting immediately following the date of the tax credit
19 award.**
20 (b) For purposes of determining the amount of applicable tax credits
21 that have been certified for a state fiscal year, the following apply:
22 (1) An applicable tax credit is considered awarded in the state
23 fiscal year in which the taxpayer can first claim the credit,
24 determined without regard to any carryforward period or
25 carryback period.

(2) An applicable tax credit awarded by the corporation before July 1, 2022, shall be counted toward the aggregate credit limitation under this section.

(3) If an accelerated credit is awarded under IC 6-3.1-26-15, the amount counted toward the aggregate credit limitation under this section for a state fiscal year shall be the amount of the credit for the taxable year described in subdivision (1) prior to any discount.

(c) Notwithstanding subsection (a), if the corporation determines that:

(1) an applicable tax credit should be certified in a state fiscal year; and

(2) certification of the applicable tax credit will result in an aggregate amount of applicable tax credits certified for that state fiscal year that exceeds the maximum amount provided in subsection (a);

the corporation may, after review by the budget committee, certify the applicable tax credit to the taxpayer.

(d) This section expires December 31, 2032.".

Page 3, delete lines 1 through 32.

Page 14, delete lines 35 thro

Delete pages 15 through 16.

Page 17, delete lines 1 through 8, begin a new paragraph and insert:
"SECTION 10. IC 12-29-2-1.2, AS AMENDED BY
P.L.182-2009(ss), SECTION 300, IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 1.2. (a) The county
executive of a county may authorize the furnishing of financial
assistance for the purposes described in subsection (b) to a community
mental health center that is located or will be located:

(1) in the county;

(2) anywhere in Indiana, if the community mental health center is organized to provide services to at least two (2) counties, including the county executive's county; or

(3) in an adjacent state, if the center is organized to provide services to Indiana residents, including residents in the county executive's county.

If a community mental health center is organized to serve more than one (1) county, upon request of the county executive, each county fiscal body may appropriate money annually from the county's general fund to provide financial assistance for the community mental health center.

(b) Assistance authorized under this section shall be used for the

1 following purposes:

2 (1) Constructing a community mental health center.

3 (2) Operating a community mental health center.

4 (c) The appropriation from a county authorized under subsection (a)
 5 may not exceed the product of the amount determined under section
 6 2(b)(2) of this chapter for that year multiplied by one and five hundred
 7 four thousandths (1.504).

8 (d) (c) For purposes of this subsection, "first calendar year" refers
 9 to the first calendar year after 2008 in which the county imposes an ad
 10 valorem property tax levy for the county general fund to provide
 11 financial assistance under this chapter. If a county did not provide
 12 financial assistance under this chapter in 2008, the county, for a
 13 following calendar year:

14 (1) may propose a financial assistance budget; and

15 (2) shall refer its proposed financial assistance budget for the first
 16 calendar year to the department of local government finance
 17 before the tax levy is advertised.

18 The ad valorem property tax levy to fund the budget for the first
 19 calendar year is subject to review and approval under IC 6-1.1-18.5-10.

20 SECTION 1. IC 12-29-2-2, AS AMENDED BY P.L.159-2020,
 21 SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2028]: Sec. 2. (a) A county ~~shall~~ may provide funding for the
 23 operation of community mental health centers. ~~in the amount~~
 24 ~~determined under subsection (b) or, in the case of Marion County for~~
 25 ~~calendar year 2019, calendar year 2020, and calendar year 2021, the~~
 26 ~~amount determined under subsection (c).~~

27 (b) Except as provided in subsection (c), the amount of funding
 28 under subsection (a) for a calendar year is equal to the following:

29 (1) The county's maximum appropriation amount for the operation
 30 of community mental health centers determined under this
 31 chapter in the previous calendar year, if the STEP THREE result
 32 under the following formula is less than or equal to zero (0):

33 STEP ONE: Determine the amount of the certified levy for
 34 funds subject to the civil maximum levy in the immediately
 35 preceding calendar year minus the amount of credits granted
 36 under IC 6-1.1-20.6 that were allocated to funds subject to the
 37 civil maximum levy in the immediately preceding calendar
 38 year, as determined by the department of local government
 39 finance under IC 6-1.1-20.6-11.

40 STEP TWO: Determine the amount of the certified levy for

1 funds subject to the civil maximum levy in the year prior to the
2 immediately preceding calendar year minus the amount of
3 credits granted under IC 6-1.1-20.6 that were allocated to
4 funds subject to the civil maximum levy in the year prior to the
5 immediately preceding calendar year, as determined by the
6 department of local government finance under
7 IC 6-1.1-20.6-11.

8 STEP THREE: Determine the remainder of the STEP ONE
9 amount minus the STEP TWO amount.

10 (2) If the STEP THREE result under the formula in subdivision
11 (1) is greater than zero (0), then the county's maximum
12 appropriation amount for the operation of community mental
13 health centers determined under this chapter in the previous
14 calendar year, multiplied by the greater of:

15 (A) one (1); or

16 (B) the result of STEP SIX of the following formula:

17 STEP ONE: Determine the maximum levy growth quotient
18 for the year under IC 6-1.1-18.5 minus one (1).

19 STEP TWO: Determine the amount of the certified levy for
20 funds subject to the civil maximum levy in the immediately
21 preceding calendar year minus the amount of credits granted
22 under IC 6-1.1-20.6 that were allocated to funds subject to
23 the civil maximum levy in the immediately preceding
24 calendar year, as determined by the department of local
25 government finance under IC 6-1.1-20.6-11.

26 STEP THREE: Determine the amount of the certified levy
27 for funds subject to the civil maximum levy in the
28 immediately preceding calendar year.

29 STEP FOUR: Determine the result of the STEP TWO
30 amount divided by the STEP THREE amount.

31 STEP FIVE: Determine the product of the STEP ONE
32 amount multiplied by the STEP FOUR result.

33 STEP SIX: Determine the STEP FIVE amount plus one (1).

34 The department of local government finance shall verify the maximum
35 appropriation calculation under this subsection as part of the
36 certification of the county's budget under IC 6-1.1-17. For taxes due
37 and payable in 2020, the department of local government finance shall
38 calculate the maximum appropriation under this subsection as if the
39 taxes were due and payable in 2019.

40 (c) This subsection applies only in calendar year 2019; calendar year

1 2020, and calendar year 2021. In the case of Marion County, the
2 amount of funding under subsection (a) for a calendar year is
3 determined under this subsection and is equal to the following:

4 (1) For calendar year 2019, the sum of:

5 (A) the actual amount of the appropriations by the county for
6 community mental health centers under this chapter in 2018;
7 plus

8 (B) the result of thirty-three percent (33%) multiplied by the
9 result of:

10 (i) the amount that would have, except for the application of
11 this subsection, applied to the county under subsection (b)
12 for calendar year 2019; minus

13 (ii) the actual amount of the appropriations by the county for
14 community mental health centers under this chapter in 2018.

15 (2) For calendar year 2020, the sum of:

16 (A) the actual amount of the appropriations by the county for
17 community mental health centers under this chapter in 2019;
18 plus

19 (B) the result of sixty-six percent (66%) multiplied by the
20 result of:

21 (i) the amount that would have, except for the application of
22 this subsection, applied to the county under subsection (b)
23 for calendar year 2020; minus

24 (ii) the actual amount of the appropriations by the county for
25 community mental health centers under this chapter in 2019.

26 (3) For calendar year 2021, the amount that would have, except
27 for the application of this subsection, applied to the county under
28 subsection (b) for calendar year 2021.

29 The department of local government finance shall verify the maximum
30 appropriation calculation under this subsection as part of the
31 certification of the county's budget under IC 6-1.1-17. This subsection
32 expires January 1, 2022.

33 **(d) (b)** The funding provided by a county under this section shall be
34 used solely for:

35 (1) the operations of community mental health centers serving the
36 county; or

37 (2) contributing to the nonfederal share of medical assistance
38 payments to community mental health centers serving the county.

39 SECTION 11. IC 12-29-2-4, AS AMENDED BY P.L.76-2018,
40 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

1 JULY 1, 2028]: Sec. 4. The amount derived from the calculation under
2 section 2(b) of this chapter or, in the case of Marion County for
3 calendar year 2019; calendar year 2020; and calendar year 2021, the
4 calculation under section 2(c) of this chapter represents the combined
5 maximum appropriation to all centers serving the particular county. If
6 the county provides funding under section 2 of this chapter for the
7 operation of community mental health centers, the allotment to each
8 center shall be apportioned according to the proportion of:

9 (1) the county's population residing in the primary service area of
10 each center that is certified by the division of mental health and
11 addiction to serve the county; to
12 (2) the total population of the county.

13 SECTION 12. IC 12-29-2-13, AS AMENDED BY P.L.143-2011,
14 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2028]: Sec. 13. (a) This section applies to Lake County.

16 (b) In addition to any other appropriation under this article, the
17 county annually may fund each center serving the county from the
18 county's general fund. in an amount not exceeding the following:

19 (1) For 2004, the product of the amount determined under section
20 2(b)(1) of this chapter multiplied by seven hundred fifty-two
21 thousandths (0.752).

22 (2) For 2005 and each year thereafter, the product of the amount
23 determined under section 2(b)(2) of this chapter for that year
24 multiplied by seven hundred fifty-two thousandths (0.752).

25 (c) The receipts from the tax levied under this section shall be used
26 for the leasing, purchasing, constructing, or operating of facilities for
27 community based residential programs (as defined in IC 12-7-2-40) for
28 individuals with a mental illness.

29 (d) Money appropriated under this section must be:

30 (1) budgeted under IC 6-1.1-17; and
31 (2) included in the center's budget submitted to the division of
32 mental health and addiction.

33 (e) Permission for a levy increase in excess of the levy limitations
34 may be ordered under IC 6-1.1-18.5-15 only if the levy increase is
35 approved by the division of mental health and addiction for a
36 community mental health center.

37 SECTION 13. IC 12-29-2-20, AS AMENDED BY P.L.76-2018,
38 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2028]: Sec. 20. (a) Unless otherwise agreed to by the county
40 and the community mental health center, the county payment to the

1 community mental health center shall be paid by the county treasurer
2 to the treasurer of each community mental health center's board of
3 directors at least as frequently as provided in the following:

4 (1) One-half(1/2) of the county payment to the community mental
5 health center shall be made on the second Monday in July.

6 (2) One-half(1/2) of the county payment to the community mental
7 health center shall be made on the second Monday in December.

8 (b) A county making a payment under this section or from other
9 county sources to a community mental health center that qualifies as a
10 community mental health center disproportionate share provider under
11 IC 12-15-16-1 shall certify that the payment represents expenditures
12 eligible for financial participation under 42 U.S.C. 1396b(w)(6)(A) and
13 42 CFR 433.51. The office shall assist a county in making this
14 certification.

15 (c) Payments by the county fiscal body must be in the amounts:

16 (1) determined by ~~sections 2 through section~~ 4 of this chapter;
17 and

18 (2) authorized by sections 1.2 and 13 of this chapter.

19 **SECTION 13. [EFFECTIVE UPON PASSAGE]** **(a) The legislative**
20 **council is urged to assign to the interim study committee on courts**
21 **and the judiciary the task of undertaking a comprehensive study**
22 **of all court fees and fines, including those under IC 29, IC 31,**
23 **IC 32, IC 33, IC 34, and IC 35, and preparing a report on the study**
24 **containing:**

25 **(1) a listing of all court fees and fines;**
26 **(2) the total amount of revenue received from all court fees**
27 **and fines;**
28 **(3) a listing of the distribution source for all court fees and**
29 **fines;**
30 **(4) the court or state government entity that oversees each**
31 **distribution of all court fees and fines; and**
32 **(5) any other relevant information on court fees and fines.**

33 **(b) Before November 1, 2026, the report on the study and all**
34 **findings and recommendations of the interim study committee on**
35 **courts and the judiciary shall be submitted to the legislative council**
36 **in an electronic format under IC 5-14-6.**

37 **(c) This SECTION expires July 1, 2027."**

38 Renumber all SECTIONS consecutively.

(Reference is to SB 4 as introduced.)