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# SENATE BILL No. 4

Proposed Changes to January 29, 2026 printing by AM000410

## DIGEST OF PROPOSED AMENDMENT

Home and community based services waiver. Requires the office of the secretary of family and social services to apply to the United States Department of Health and Human Services for an amendment to each home and community based services Medicaid waiver to use a specified asset limit threshold when determining an individual's eligibility for services under a home and community based services Medicaid waiver.

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 2-5-1.1-7, AS AMENDED BY P.L.213-2025,
- 2 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 UPON PASSAGE]: Sec. 7. (a) The council shall maintain a bipartisan
- 4 service and administrative agency for the general assembly to assist it
- 5 in the performance of its constitutional responsibilities as a separate
- 6 and independent legislative branch of state government. The service
- 7 and administrative agency shall be known as the "Legislative Services
- 8 Agency".
- 9 (b) In maintaining the legislative services agency the council shall:
- 10 (1) establish the qualifications for and employ such personnel as
- 11 are required to carry out the purposes and provisions of this
- 12 chapter;
- 13 (2) employ an executive director, to be charged with the
- 14 administrative responsibility of all offices, departments, or
- 15 divisions which the council may from time to time establish, and
- 16 to serve as chief executive under the council;
- 17 (3) adopt rules and regulations governing personnel practices

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- 1 and establishing the rights, privileges, powers, and duties of all
- 2 employees;
- 3 (4) provide for employees to be covered by the public employees'
- 4 retirement fund; and
- 5 (5) establish a pay scale for all employees including the
- 6 executive director.

7 Rules and regulations adopted by the council under subdivision (3) are  
 8 not subject to IC 4-22-2. In those rules and regulations, the council may  
 9 limit the political activity of legislative services agency employees.

10 (c) The executive director is entitled to serve as long as he  
 11 properly performs his duties, but he may be removed at any time upon  
 12 the affirmative vote of twelve (12) members of the council.

13 (d) The executive director may submit to the council such reports  
 14 and drafts of resolutions, budgets, and appropriation bills as may be  
 15 required for the efficient operation of the council's activities and  
 16 programs.

17 (e) The legislative services agency shall perform such bill drafting,  
 18 research, code revision, fiscal, budgetary, and management analysis,  
 19 information, administrative, and other services as are requested by the  
 20 council.

21 (f) The legislative services agency shall perform a fiscal impact  
 22 analysis for each executive order issued by the governor ~~under~~  
 23 ~~IC 10-14-3~~ within seven (7) days of the executive order issuance and  
 24 provide the fiscal note to:

- 25 (1) the legislative council; and
- 26 (2) the budget committee.

27 SECTION 2. IC 4-29.5-18-2, AS ADDED BY P.L.171-2021,  
 28 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 UPON PASSAGE]: Sec. 2. The Pokagon Indiana Education Fund shall  
 30 be used solely to make payments directly to Indiana ~~public~~ institutions  
 31 of higher learning or workforce development and training programs  
 32 approved by the Indiana Department of Workforce Development for  
 33 eligible Band citizens for direct costs and expenses, such as tuition,  
 34 on-campus room and board, and other direct education expenses. To be  
 35 eligible, a Band citizen must (i) be enrolled in the Band prior to  
 36 benefitting from any payment, and (ii) meet the education or workforce  
 37 provider admission requirements. Priority shall be given to Band  
 38 citizens who are legal residents of the State of Indiana as of the date of  
 39 their application for benefits.

40 SECTION 3. IC 5-28-6-9, AS AMENDED BY P.L.213-2025,  
 41 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 UPON PASSAGE]: Sec. 9. (a) Subject to subsection (c), the aggregate

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1 amount of applicable tax credits that the corporation may certify:  
 2 (1) for each state fiscal year ending on or before June 30, 2025,  
 3 for all taxpayers is two hundred fifty million dollars  
 4 (\$250,000,000); and  
 5 (2) for each state fiscal year ending on or after July 1, 2025, for  
 6 all taxpayers is three hundred million dollars (\$300,000,000).  
 7 Each ~~certification under this subdivision tax credit award~~ is  
 8 subject to budget committee review:

9 **(A) beginning after February 1, 2026, and before May 1,**  
 10 **2026, after the first calendar quarter in which the award**  
 11 **is made; and**

12 **(B) after April 30, 2026, at the next budget committee**  
 13 **meeting immediately following the date of the tax credit**  
 14 **award.**

15 (b) For purposes of determining the amount of applicable tax  
 16 credits that have been certified for a state fiscal year, the following  
 17 apply:

18 (1) An applicable tax credit is considered awarded in the state  
 19 fiscal year in which the taxpayer can first claim the credit,  
 20 determined without regard to any carryforward period or  
 21 carryback period.

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

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

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

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

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

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

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

41 [ SECTION 4. IC 12-15-1.3-18.8 IS ADDED TO THE INDIANA  
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2026]: Sec. 18.8. (a) Before September 1, 2026, the office of the secretary shall apply to the United States Department of Health and Human Services for an amendment to each home and community based services Medicaid waiver to, when determining an individual's eligibility for a home and community based services Medicaid waiver, use an asset limit threshold as follows:

- (1) For a single individual, five thousand dollars (\$5,000).
- (2) For a married individual, ten thousand dollars (\$10,000).

(b) The office of the secretary shall implement the changes in determining eligibility for a home and community based services Medicaid waiver specified in subsection (a) beginning on the date on which the United States Department of Health and Human Services approves the request for changes by the office of the secretary under this section.

] SECTION ~~4~~[5]. IC 12-29-2-2, AS AMENDED BY P.L.159-2020, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 2. (a) A county shall provide funding for the operation of community mental health centers in the amount determined under subsection (b) or, in the case of Marion County for calendar year 2019, calendar year 2020, and calendar year 2021, the amount determined under subsection (c).

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

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

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

STEP TWO: Determine the amount of the certified levy for funds subject to the civil maximum levy in the year prior to the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the year prior to the immediately preceding calendar year, as determined by

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1 the department of local government finance under  
 2 IC 6-1.1-20.6-11.  
 3 STEP THREE: Determine the remainder of the STEP ONE  
 4 amount minus the STEP TWO amount.  
 5 (2) If the STEP THREE result under the formula in subdivision  
 6 (1) is greater than zero (0), then the county's maximum  
 7 appropriation amount for the operation of community mental  
 8 health centers determined under this chapter in the previous  
 9 calendar year, multiplied by the greater of:  
 10 (A) one (1); or  
 11 (B) the result of STEP SIX of the following formula:  
 12 STEP ONE: Determine the maximum levy growth  
 13 quotient for the year under IC 6-1.1-18.5 minus one  
 14 (1).  
 15 STEP TWO: Determine the amount of the certified  
 16 levy for funds subject to the civil maximum levy in the  
 17 immediately preceding calendar year minus the amount  
 18 of credits granted under IC 6-1.1-20.6 that were  
 19 allocated to funds subject to the civil maximum levy in  
 20 the immediately preceding calendar year, as  
 21 determined by the department of local government  
 22 finance under IC 6-1.1-20.6-11.  
 23 STEP THREE: Determine the amount of the certified  
 24 levy for funds subject to the civil maximum levy in the  
 25 immediately preceding calendar year.  
 26 STEP FOUR: Determine the result of the STEP TWO  
 27 amount divided by the STEP THREE amount.  
 28 STEP FIVE: Determine the product of the STEP ONE  
 29 amount multiplied by the STEP FOUR result.  
 30 STEP SIX: Determine the STEP FIVE amount plus one  
 31 (1).  
 32 The department of local government finance shall verify the maximum  
 33 appropriation calculation under this subsection as part of the  
 34 certification of the county's budget under IC 6-1.1-17. For taxes due  
 35 and payable in 2020, the department of local government finance shall  
 36 calculate the maximum appropriation under this subsection as if the  
 37 taxes were due and payable in 2019.  
 38 (c) This subsection applies only in calendar year 2019, calendar  
 39 year 2020, and calendar year 2021. In the case of Marion County, the  
 40 amount of funding under subsection (a) for a calendar year is  
 41 determined under this subsection and is equal to the following:  
 42 (1) For calendar year 2019, the sum of:

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- 1 (A) the actual amount of the appropriations by the county
- 2 for community mental health centers under this chapter in
- 3 2018; plus
- 4 (B) the result of thirty-three percent (33%) multiplied by the
- 5 result of:
- 6 (i) the amount that would have, except for the
- 7 application of this subsection, applied to the county
- 8 under subsection (b) for calendar year 2019; minus
- 9 (ii) the actual amount of the appropriations by the
- 10 county for community mental health centers under this
- 11 chapter in 2018.

- 12 (2) For calendar year 2020, the sum of:
- 13 (A) the actual amount of the appropriations by the county
- 14 for community mental health centers under this chapter in
- 15 2019; plus
- 16 (B) the result of sixty-six percent (66%) multiplied by the
- 17 result of:
- 18 (i) the amount that would have, except for the
- 19 application of this subsection, applied to the county
- 20 under subsection (b) for calendar year 2020; minus
- 21 (ii) the actual amount of the appropriations by the
- 22 county for community mental health centers under this
- 23 chapter in 2019.

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

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

31 **(d) A county may meet the funding requirements under this**  
 32 **section with any funding source in lieu of or in combination with**  
 33 **property taxes but excluding federal funds.**

34 ~~(d)~~ (e) The funding provided by a county under this section shall  
 35 be used solely for:

- 36 (1) the operations of community mental health centers serving
- 37 the county; or
- 38 (2) contributing to the nonfederal share of medical assistance
- 39 payments to community mental health centers serving the
- 40 county.

41 **(f) Services authorized through a community mental health**  
 42 **center certification shall only be provided in the community mental**

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1 **health center's designated county or counties.**

2 **(g) Notwithstanding subsection (f), the division of mental**  
 3 **health and addiction may authorize approval for a community**  
 4 **mental health center to provide school based services outside the**  
 5 **community mental health center's designated service area.**

6 SECTION ~~16~~ [6]. IC 12-29-2-16, AS AMENDED BY  
 7 P.L.59-2024, SECTION 2, IS AMENDED TO READ AS FOLLOWS  
 8 [EFFECTIVE JULY 1, 2028]: Sec. 16. (a) A community mental health  
 9 center that is certified by the division of mental health and addiction  
 10 shall provide an annual report to the division of mental health and  
 11 addiction and to the fiscal body and the board of county commissioners  
 12 of each county located in the community mental health center's primary  
 13 service area. The annual report under this section must include the  
 14 following:

15 (1) Information concerning the operational and community based  
 16 activities undertaken during the year by the community mental  
 17 health center in each county from which the community mental  
 18 health center received funding under this chapter.

19 (2) A listing, by the county of patients' residence, of the  
 20 following information:

21 (A) The total number of patients served by the community  
 22 mental health center.

23 (B) The total number of patients receiving addiction  
 24 treatment services from the community mental health  
 25 center.

26 (C) The total number of patients receiving mental health  
 27 services from the community mental health center.

28 (D) The total number of patients receiving both addiction  
 29 treatment services and mental health services from the  
 30 community mental health center.

31 (3) A copy of the most recent financial audit provided to the  
 32 division of mental health and addiction under 440 IAC 4.1-2-5,  
 33 including a balance sheet of assets and liabilities, which shall be  
 34 prepared by an independent certified public accountant.

35 (4) Demographic information of patients served by the  
 36 community mental health center, including the following:

37 (A) The number of adults served and the:

38 (i) five (5) most common addiction substances; and

39 (ii) ten (10) most common primary mental health  
 40 diagnoses;

41 of the adults.

42 (B) The number of children served and the:

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- 1 (i) five (5) most common addiction substances; and
- 2 (ii) ten (10) most common primary mental health
- 3 diagnoses;
- 4 of the children.
- 5 (5) The total number of clinical encounters in the preceding
- 6 fiscal year.
- 7 (6) The total number of completed intakes in the preceding fiscal
- 8 year.
- 9 (7) The average time from initial engagement to an offered
- 10 initial evaluation.
- 11 (8) The average time from initial evaluation to an offered
- 12 follow-up visit.
- 13 (9) The community mental health center's performance in
- 14 comparison to the state's performance on measures identified by
- 15 the division of mental health and addiction, including client
- 16 satisfaction and clinical outcomes.
- 17 (10) Data related to the connection between a patient and
- 18 additional county or regional based services, including any of the
- 19 following, if available:
  - 20 (A) Self, family, or guardian referrals.
  - 21 (B) Law enforcement or the criminal justice system.
  - 22 (C) A hospital or physician.
  - 23 (D) Child or youth services, including the department of
  - 24 child services, systems of care, or schools.
  - 25 (E) A twenty-four (24) hour crisis intervention service.
  - 26 (F) An enhanced call center.
- 27 (b) The division of mental health and addiction shall:
  - 28 (1) specify the format of the annual reports that must be provided
  - 29 by community mental health centers under subsection (a);
  - 30 (2) determine the measures to be used concerning performance
  - 31 required by subsection (a)(9); and
  - 32 (3) include a summary of that information in the annual report
  - 33 prepared by the division under subsection (c).
- 34 (c) **A community mental health center that is certified by the**
- 35 **division of mental health and addiction shall annually provide to the**
- 36 **county fiscal body and board of county commissioners of each county**
- 37 **a report that includes the following:**
  - 38 (1) An overview of the total funding provided to all community
  - 39 mental health centers during the year under this chapter,
  - 40 including funding provided by the division for purposes of
  - 41 programs under this chapter **that includes the following:**
    - 42 (A) **The total amount of revenue received from the**

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- county under this chapter.
- (B) The total amount of expenditures made from revenue received from the county under this chapter.**
- (C) The total amount of expenditures by category from revenue received from the county under this chapter.**
- (D) The total amount of expenditures on services from revenue received from the county under this chapter, and as a percent of the total revenue received from the county under this chapter.**

(2) A count, by county of residence, of the following concerning patients served by the community mental health centers under programs funded under this chapter:

- (A) The total number of patients served.
- (B) The total number of patients receiving addiction treatment services.
- (C) The total number of patients receiving mental health services.
- (D) The total number of patients receiving both addiction treatment services and mental health services.

(3) An assessment, specified by the county of patients' residence, of the overall outcomes of the treatment provided to patients of the community mental health centers.

(4) A summary of the information provided by community mental health centers in the annual reports provided under subsection (a), and an explanation of the differences between the patient count information provided by the community mental health centers in those reports and the patient count information included in the division's report under this subsection.

(d) The division of mental health and addiction may provide a report required under subsection (c) to the county fiscal body and the board of county commissioners by publishing the report on the division's website.

**SECTION ~~6~~ [7]. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged 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, including those under IC 29, IC 31, IC 32, IC 33, IC 34, and IC 35, and preparing a report on the study containing:**

- (1) a listing of all court fees and fines;**
- (2) the total amount of revenue received from all court fees and fines;**
- (3) a listing of the distribution source for all court fees and**

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1           **finer;**  
2           **(4) the court or state government entity that oversees each**  
3           **distribution of all court fees and fines; and**  
4           **(5) any other relevant information on court fees and fines.**  
5           **(b) Before November 1, 2026, the report on the study and all**  
6           **findings and recommendations of the interim study committee on**  
7           **courts and the judiciary shall be submitted to the legislative council**  
8           **in an electronic format under IC 5-14-6.**  
9           **(c) This SECTION expires July 1, 2027.**  
10          SECTION ~~7~~[8]. [EFFECTIVE JULY 1, 2025  
11          (RETROACTIVE)] (a) Notwithstanding any other provision, the  
12          budget agency, subject to budget committee review, may use the  
13          appropriation to the financial responsibility and opportunity  
14          growth fund in P.L.213-2025 (HEA 1001-2025) or augment the  
15          financial responsibility and opportunity growth fund for the  
16          purpose of providing funding to the Child Care and Development  
17          Fund voucher program administered by the family and social  
18          services administration in addition to the uses for the  
19          appropriation as authorized in P.L.213-2025 (HEA 1001-2025).  
20          (b) This SECTION expires July 1, 2027.  
21          SECTION ~~8~~[9]. An emergency is declared for this act.

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