

PROPOSED AMENDMENT

HB 1045 # 2

DIGEST

Student debt assistance grants. Establishes the Hoosier higher education student debt alleviation assistance trust fund (fund) to award grants to Indiana residents with student loan debt. Provides that the commission for higher education (commission) administers the fund. Requires the commission to establish criteria for grant amounts and the awarding of grants. Provides that any appropriations in excess of \$25,000,000 that would otherwise revert to the state general fund at the end of a state fiscal year are instead deposited in the fund. Requires the department of state revenue to deposit utility receipts tax revenues received after June 30, 2022, in the fund.

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 4-13-2-19, AS AMENDED BY P.L.136-2018,
4 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2022]: Sec. 19. (a) Except as specifically provided for in
6 appropriation acts **and subject to subsection (d)**, every appropriation
7 or part thereof remaining unexpended and unencumbered at the close
8 of any fiscal year shall lapse and be returned to the general revenue
9 fund. However, an appropriation for purchase of real estate or for
10 construction or other permanent improvement shall not lapse until the
11 purposes for which the appropriation was made shall have been
12 accomplished or abandoned, unless such appropriation has remained
13 during an entire fiscal biennium without any expenditure therefrom or
14 encumbrance thereon.
15 (b) Except as otherwise expressly provided by law, the provisions
16 of this section shall apply to every appropriation of a stated sum for a
17 specified purpose or purposes made from the general revenue fund, but
18 shall not, unless expressly so provided by law, apply to any fund or
19 balance of a fund derived wholly or partly from special taxes, fees,
20 earnings, fines, federal grants, or other sources which are by law
21 appropriated for special purposes by standing, continuing, rotary, or
22 revolving appropriations.
23 (c) In the case of federal funds encumbered by a state agency that

is the recipient of the federal grant, for purposes of meeting reimbursements that are to come due after the expiration of the federal grant, the state agency's encumbrance on its ledgers shall be recognized as valid by the auditor of state for one (1) year or until the money is expended, whichever is sooner.

(d) If the total amount of appropriations in any state fiscal year that remain unexpended and unencumbered at the close of the state fiscal year exceeds twenty-five million dollars (\$25,000,000), the amount that exceeds twenty-five million dollars (\$25,000,000) that would otherwise revert to the state general fund under subsection (a) must instead be deposited in the Hoosier higher education student debt alleviation assistance trust fund established by IC 21-18-16-2.

SECTION 2. IC 6-2.3-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1. **(a) This subsection applies to utility receipts tax revenues received before July 1, 2022.** On or before the fifth day of each month, the total amount of utility receipts tax revenues received by the department in the immediately preceding month shall be deposited in the state general fund.

(b) This subsection applies to utility receipts tax revenues received after June 30, 2022. On or before the fifth day of each month, the total amount of utility receipts tax revenues received by the department in the immediately preceding month shall be deposited in the Hoosier higher education student debt alleviation assistance trust fund established by IC 21-18-16-2."

Page 5, between lines 18 and 19, begin a new paragraph and insert:
"SECTION 4. IC 21-18-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

Chapter 16. Hoosier Higher Education Student Debt Alleviation Assistance Trust Fund

Sec. 1. As used in this chapter, "fund" refers to the Hoosier higher education student debt alleviation assistance trust fund established by section 2 of this chapter.

Sec. 2. The Hoosier higher education student debt alleviation assistance trust fund is established to award grants to Indiana residents with student loan debt.

Sec. 3. The commission shall administer the fund.

Sec. 4. (a) The fund consists of the following:

(1) Any deposit in the fund required under IC 4-13-2-19(d).

1 **(2) Any deposit in the fund required under IC 6-2.3-8-1(b).**

2 **(3) Appropriations to the fund.**

3 **(4) Gifts, grants, loans, bond proceeds, and other money**
 4 **received for deposit in the fund.**

5 **(5) Interest, premiums, or other earnings on the fund.**

6 **(b) Money in the fund at the end of a state fiscal year does not**
 7 **revert to the state general fund and is not subject to transfer to any**
 8 **other fund for any other use or purpose outside of those specified**
 9 **in this chapter.**

10 **(c) Money in the fund is continuously appropriated for purposes**
 11 **of the fund.**

12 **Sec. 5. The treasurer of state shall invest the money in the fund**
 13 **not currently needed to meet the obligations of the fund in the same**
 14 **manner as other public funds may be invested. Interest that**
 15 **accrues from these investments shall be deposited in the fund.**

16 **Sec. 6. Not later than November 1, 2022, the commission shall**
 17 **establish:**

18 **(1) amounts for grants; and**

19 **(2) criteria for awarding grants;**

20 **under this chapter.**

21 **Sec. 7. Not later than July 1, 2023, the commission shall award**
 22 **initial grants from the fund. The commission shall award annual**
 23 **grants from the fund in each successive year."**

24 Renumber all SECTIONS consecutively.

(Reference is to HB 1045 as introduced.)