

PROPOSED AMENDMENT

HB 1386 # 2

DIGEST

Medicaid matters. Provides that appropriations in the biennial budget bill for Medicaid assistance and Medicaid administration that remain unexpended and unencumbered at the close of the state fiscal year do not revert to the state general fund and instead remain available for the purposes of Medicaid assistance and Medicaid administration.

- 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 THE
4 TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL
5 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 UPON PASSAGE]: Sec. 19. (a) Except as specifically provided for in
7 appropriation acts **or subsection (d)**, every appropriation or part
8 thereof remaining unexpended and unencumbered at the close of any
9 fiscal year shall lapse and be returned to the general ~~revenue~~ fund.
10 However, an appropriation for purchase of real estate or for
11 construction or other permanent improvement shall not lapse until the
12 purposes for which the appropriation was made shall have been
13 accomplished or abandoned, unless such appropriation has remained
14 during an entire fiscal biennium without any expenditure therefrom or
15 encumbrance thereon.
16 (b) Except as otherwise expressly provided by law, the provisions
17 of this section shall apply to every appropriation of a stated sum for a
18 specified purpose or purposes made from the general ~~revenue~~ fund, but
19 shall not, unless expressly so provided by law, apply to any fund or
20 balance of a fund derived wholly or partly from special taxes, fees,
21 earnings, fines, federal grants, or other sources which are by law
22 appropriated for special purposes by standing, continuing, rotary, or
23 revolving appropriations.
24 (c) In the case of federal funds encumbered by a state agency that
25 is the recipient of the federal grant, for purposes of meeting
26 reimbursements that are to come due after the expiration of the federal

1 grant, the state agency's encumbrance on its ledgers shall be recognized
2 as valid by the ~~auditor~~ of state **comptroller** for one (1) year or until the
3 money is expended, whichever is sooner.

4 **(d) Notwithstanding subsection (a), beginning with the state**
5 **fiscal year ending June 30, 2024, and each state fiscal year**
6 **thereafter, appropriations in the biennial budget bill for Medicaid**
7 **assistance and Medicaid administration that remain unexpended**
8 **and unencumbered at the close of a state fiscal year and that would**
9 **otherwise lapse and be returned to the state general fund shall not**
10 **revert to the state general fund, but instead shall remain available**
11 **to the office of Medicaid policy and planning for the purposes of**
12 **Medicaid assistance and Medicaid administration."**

13 Page 20, after line 4, begin a new paragraph and insert:

14 "SECTION 26. **An emergency is declared for this act.**".

15 Renumber all SECTIONS consecutively.

(Reference is to HB 1386 as introduced.)