



March 23, 2023

ENGROSSED SENATE BILL No. 151

DIGEST OF SB 151 (Updated March 22, 2023 6:21 pm - DI 134)

Citations Affected: IC 6-3.1; IC 14-19; IC 27-1; IC 31-26.

Synopsis: Foster families. Provides that the amount of foster care support tax credits allowed may not exceed \$2,000,000 in each calendar year beginning after December 31, 2023, and ending before January 1, 2028. Requires the department of state revenue (department) to post certain information regarding the: (1) application for the tax credit; (2) timeline for receiving the tax credit; and (3) total amount of tax credits awarded during the current calendar year; on the department's website. Makes various changes to the process to apply
(Continued next page)

Effective: July 1, 2023.

**Walker K, Ford Jon, Holdman,
Hunley, Niezgodski, Gaskill, Alting,
Rogers, Baldwin, Buchanan,
Walker G, Niemeyer, Melton,
Qaddoura, Bassler,
Randolph Lonnie M, Tomes, Yoder**
(HOUSE SPONSORS — SCHAIBLEY, OLTHOFF, LAUER,
GARCIA WILBURN)

January 9, 2023, read first time and referred to Committee on Tax and Fiscal Policy.
January 26, 2023, amended, reported favorably — Do Pass.
January 30, 2023, read second time, amended, ordered engrossed.
January 31, 2023, engrossed. Read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 28, 2023, read first time and referred to Committee on Ways and Means.
March 23, 2023, amended, reported — Do Pass.

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Digest Continued

for the tax credit. Provides that money in the insuring foster youth trust fund (fund) at the end of a state fiscal year does not revert to the state general fund. Provides that the fund's administrative expenses may not exceed 10% of the amounts deposited into the fund. Provides, in addition to inpatients of state or federally owned or operated hospitals or institutions and their supervisors, that the department of natural resources (DNR) may not charge an admission fee to foster families who reside together in the same licensed foster family home, or other certain foster youth, for the use of any property owned or managed by the DNR for purposes of the statutes concerning state parks and recreation areas. Provides that an agreement among insurers through which automobile insurance is provided to motorists unable to obtain the insurance through ordinary methods must also make insurance available to certain foster youth. Provides that a state or local government agency, a foster parent, or an entity providing services shall not be liable for any damages resulting from a foster youth's operation of an automobile owned and insured by the foster youth.

ES 151—LS 6665/DI 129



March 23, 2023

First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 151

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

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

- 1 SECTION 1. IC 6-3.1-35.8-1, AS ADDED BY P.L.165-2021,
2 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 1. (a) As used in this chapter, "foster care" means
4 living in a place licensed under IC 31-27.
5 (b) As used in this chapter, "person" means an individual, a
6 corporation, a limited liability company, a partnership, or another legal
7 entity.
8 (c) As used in this chapter, "qualifying contribution" means a
9 monetary payment made by a person to the insuring foster youth
10 trust fund established by IC 31-26-4.5-4.
11 (d) As used in this chapter, "qualifying foster care organization"
12 means an organization that meets the following qualifications:
13 (1) The organization is exempt from federal income taxes under
14 Section 501(c)(3) of the Internal Revenue Code.

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- 1 (2) The organization provides:
 2 (A) foster care prevention services and programs as required
 3 by 42 U.S.C. 671; or
 4 (B) direct assistance to individuals in the foster care system.
 5 (3) The organization spends at least fifty percent (50%) of its
 6 available revenue on qualified services to Indiana residents.
 7 (4) The organization affirms that it will continue spending at least
 8 fifty percent (50%) of its available revenue on qualified services
 9 to Indiana residents.
 10 (5) The organization provides ongoing qualified services to at
 11 least two hundred (200) Indiana residents.
 12 ~~(d) As used in this chapter, "state fiscal year" means a twelve (12)~~
 13 ~~month period beginning on July 1 and ending on June 30.~~
 14 (e) As used in this chapter, "state tax liability" means the taxpayer's
 15 total tax liability that is incurred under:
 16 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and
 17 (2) IC 6-5.5 (the financial institutions tax);
 18 as computed after the application of the credits that, under
 19 IC 6-3.1-1-2, are to be applied before the credit provided by this
 20 chapter.
 21 (f) As used in this chapter, "tax credit" means a deduction from any
 22 tax otherwise due under IC 6-3 or IC 6-5.5.
 23 SECTION 2. IC 6-3.1-35.8-2, AS ADDED BY P.L.165-2021,
 24 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2023]: Sec. 2. A person who makes a **qualifying contribution**
 26 **or makes a** monetary contribution to a qualifying foster care
 27 organization shall receive a tax credit as provided in section 3 of this
 28 chapter.
 29 SECTION 3. IC 6-3.1-35.8-3, AS ADDED BY P.L.165-2021,
 30 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2023]: Sec. 3. (a) Subject to the limitations provided in
 32 subsection (b) and sections 5 and 6 of this chapter, the department shall
 33 grant a tax credit against any state tax liability due equal to fifty percent
 34 (50%) of **a qualifying contribution or of** the amount of the monetary
 35 contribution by a person to a qualifying foster care organization that is
 36 approved by the department of child services under section 4(c) of this
 37 chapter.
 38 (b) The tax credit which a taxpayer receives under this chapter may
 39 not exceed ten thousand dollars (\$10,000) for any taxable year of the
 40 taxpayer.
 41 (c) If a person that is:
 42 (1) exempt from adjusted gross income tax (IC 6-3-1 through



1 IC 6-3-7) under IC 6-3-2-2.8(2); or
 2 (2) a partnership;
 3 does not have any tax liability against which the credit provided by this
 4 section may be applied, a shareholder or a partner of the business firm
 5 is entitled to a credit against the shareholder's or partner's liability
 6 under the adjusted gross income tax.

7 (d) The amount of the tax credit provided by this section under
 8 subsection (c) is equal to:

9 (1) the tax credit determined for the business firm for the taxable
 10 year under subsection (a); multiplied by

11 (2) the percentage of the business firm's distributive income to
 12 which the shareholder or the partner is entitled.

13 The tax credit provided by this section is in addition to any credit to
 14 which a shareholder or partner is otherwise entitled under this chapter.
 15 However, a business firm and a shareholder or partner of that business
 16 firm may not claim a credit under this chapter for the same **qualifying**
 17 **contribution or** monetary contribution to a qualifying foster care
 18 organization.

19 **(e) To apply a credit against the state tax liability of a business**
 20 **firm or person, the business firm or person must claim the credit**
 21 **on the annual state tax return of the business firm or person in the**
 22 **manner prescribed by the department.**

23 SECTION 4. IC 6-3.1-35.8-4, AS ADDED BY P.L.165-2021,
 24 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2023]: Sec. 4. (a) Any business firm or person that desires to
 26 claim a tax credit as provided in this chapter shall file with the
 27 department, in the form that the department may prescribe, an
 28 application stating the amount of the contribution or investment that it
 29 proposes to ~~make~~ **made** that would qualify for a tax credit, ~~and proof~~
 30 **of payment of the contribution**, the amount sought to be claimed as
 31 a credit, ~~and any other information that the department determines~~
 32 **is necessary to determine whether the business firm or person is**
 33 **eligible for the credit.**

34 (b) The department shall ~~promptly notify an applicant whether, or~~
 35 ~~the extent to which, the tax credit is allowable in the state fiscal year in~~
 36 ~~which the application is filed, as provided in section 5 of this chapter.~~
 37 ~~If the credit is allowable in that state fiscal year, the applicant shall~~
 38 ~~within thirty (30) days after receipt of the notice file with the~~
 39 ~~department a statement, in the form and accompanied by the proof of~~
 40 ~~payment as the department may prescribe, setting forth that the amount~~
 41 ~~to be claimed as a credit under this chapter has been paid to a~~
 42 ~~qualifying foster care organization for an approved program or purpose;~~



1 or permanently set aside in a special account to be used solely for an
 2 approved program or purpose. **notify the applicant not later than**
 3 **forty-five (45) days after the department receives an application**
 4 **for a tax credit under subsection (a) that the applicant has been:**

- 5 (1) approved for the tax credit; or
 6 (2) denied the tax credit.

7 (c) The department may disallow any credit claimed under this
 8 chapter for which the statement or proof of payment is not filed within
 9 the ~~thirty (30) day period~~. An organization must apply to the
 10 department of child services for approval as a qualifying foster care
 11 organization for purposes of this chapter. The department of child
 12 services shall approve each organization applicant that is a qualifying
 13 foster care organization as defined in section ~~†(e)~~ **1(d)** of this chapter
 14 and provide a list of each approved organization annually to the
 15 department before ~~July~~ **January 1** of each year.

16 SECTION 5. IC 6-3.1-35.8-5, AS ADDED BY P.L.165-2021,
 17 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2023]: Sec. 5. (a) The amount of tax credits allowed under this
 19 chapter may not exceed two million dollars (\$2,000,000) ~~in for the~~
 20 ~~state fiscal year period~~ beginning July 1, 2021, through ~~June 30, 2025~~.
 21 **December 31, 2023.**

22 (b) **The amount of tax credits allowed under this chapter may**
 23 **not exceed two million dollars (\$2,000,000) in each calendar year**
 24 **beginning after December 31, 2023, and ending before January 1,**
 25 **2028.**

26 ~~(b)~~ (c) The department shall record the time of filing of each
 27 application for allowance of a tax credit required under section 4 of this
 28 chapter and shall approve the applications, if they otherwise qualify for
 29 a tax credit under this chapter, in the chronological order in which the
 30 applications are filed in the ~~state fiscal~~ **calendar** year.

31 ~~(c)~~ (d) When the total tax credits approved under this section equal
 32 the maximum amount allowable, ~~in any state fiscal year~~, no application
 33 thereafter filed for that ~~same fiscal~~ **calendar** year shall be approved.
 34 However, if any applicant for whom a credit has been approved fails to
 35 file the statement of proof of payment required under section 4 of this
 36 chapter, an amount equal to the credit previously allowed or set aside
 37 for the applicant may be allowed to any subsequent applicant in the
 38 year. In addition, The department may, if the applicant so requests,
 39 approve a credit application, in whole or in part, with respect to the
 40 next succeeding state fiscal year.

41 SECTION 6. IC 6-3.1-35.8-6.1 IS ADDED TO THE INDIANA
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2023]: **Sec. 6.1. The department shall provide**
 2 **the following information on the department's website:**

- 3 **(1) The application for the tax credit provided in this chapter.**
 4 **(2) A timeline for receiving the credit provided in this chapter.**
 5 **(3) The total amount of credits awarded under this chapter**
 6 **during the current calendar year.**

7 SECTION 7. IC 6-3.1-35.8-8, AS ADDED BY P.L.165-2021,
 8 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2023]: Sec. 8. This chapter expires ~~July~~ **January 1, 2025-**
 10 **2028.**

11 SECTION 8. IC 14-19-3-1 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 1. **(a)** The department
 13 may not charge a price of admission to:

- 14 **(1) inpatients of state or federally owned or operated hospitals or**
 15 **institutions and their supervisors;**
 16 **(2) foster families who reside together in the same foster**
 17 **family home licensed under IC 31-27-4; or**
 18 **(3) individuals who meet the definition of foster youth set**
 19 **forth in IC 31-26-4.5-2;**

20 for the use of state parks, playgrounds, recreational areas, or day
 21 facilities under the control of the department. **any property owned or**
 22 **managed by the department for purposes of this article.**

23 **(b)** If necessary, the department may adopt rules to require
 24 **concerning that the appropriate form of identification or**
 25 **documentation required for admission to a location described in**
 26 **subsection (a). be made of the patients and their supervisors by the**
 27 **issuance of passes or otherwise.**

28 SECTION 9. IC 27-1-22-20.1 IS ADDED TO THE INDIANA
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2023]: **Sec. 20.1. (a) For purposes of this**
 31 **section, an individual is a "foster youth" if:**

- 32 **(1) the department of child services; or**
 33 **(2) a designee of the department of child services;**

34 **certifies or acknowledges that the individual is a foster youth (as**
 35 **defined by IC 31-26-4.5-2).**

36 **(b) An agreement entered into under section 20 of this chapter**
 37 **must make automobile insurance available to a foster youth who:**

- 38 **(1) is at least sixteen (16) years of age and not more than**
 39 **twenty-three (23) years of age; and**
 40 **(2) is receiving services from the department of child services.**

41 **(c) An applicant who is a foster youth is responsible for paying**
 42 **all costs of a policy of automobile insurance issued under**



1 subsection (b). A state or local government agency, foster parent,
 2 or entity providing services to an applicant under a contract or at
 3 the direction of a state or local government agency shall not be
 4 required to pay any costs associated with a policy of automobile
 5 insurance issued under subsection (b) and shall not be liable for
 6 any damages that result from the foster youth's operation of an
 7 automobile owned and insured by the foster youth.

8 SECTION 10. IC 31-26-4.5-4, AS ADDED BY P.L.59-2022,
 9 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2023]: Sec. 4. (a) The insuring foster youth trust fund is
 11 established to carry out the purposes of this chapter.

12 (b) The fund consists of the following:

13 (1) Appropriations made by the general assembly.

14 (2) Interest as provided in subsection (f).

15 (3) Fees collected from an insuring foster youth trust license plate,
 16 if one is issued under IC 9-18.5.

17 (4) Money received pursuant to subsection (c).

18 (5) Money donated to the fund, including donations from a
 19 nonprofit subsidiary corporation established under section 9 of
 20 this chapter.

21 (6) Money transferred to the fund from other funds.

22 (c) The department may apply for all federal funds that are available
 23 for which the state is eligible to carry out the purposes of this chapter.

24 (d) The department shall administer the fund.

25 (e) The expenses of administering the fund and this chapter shall be
 26 paid from the fund. **The fund's administrative expenses may not**
 27 **exceed ten percent (10%) of the amounts deposited into the fund.**

28 (f) The treasurer of state shall invest the money in the fund not
 29 currently needed to meet the obligations of the fund in the same
 30 manner as other public trust funds are invested. Interest that accrues
 31 from these investments shall be deposited in the fund.

32 (g) Money in the fund is continuously appropriated for the purposes
 33 of the fund.

34 (h) **Money in the fund at the end of a state fiscal year does not**
 35 **revert to the state general fund.**



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 151, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Page 1, delete lines 8 through 10.

Page 1, line 11, reset in roman "(c)".

Page 1, line 11, delete "(d)".

Page 2, line 13, strike "(e)" and insert "(d)".

Page 2, line 20, strike "(f)" and insert "(e)".

Page 2, delete lines 22 through 27.

Page 2, line 33, delete "a qualifying contribution or of".

Page 3, line 15, delete "qualifying".

Page 3, line 16, delete "contribution or".

Page 4, line 12, reset in roman "1(c)".

Page 4, line 12, delete "1(d)".

Page 4, line 14, reset in roman "July 1".

Page 4, line 14, delete "January 1".

Page 4, delete lines 15 through 38, begin a new paragraph and insert:

"SECTION 5. IC 6-3.1-35.8-5, AS ADDED BY P.L.165-2021, SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 5. (a) The amount of tax credits allowed under this chapter may not exceed two million dollars (\$2,000,000) in ~~the each~~ state fiscal year beginning July 1, 2021, through June 30, ~~2025~~. **2028.**

(b) The department shall record the time of filing of each application for allowance of a tax credit required under section 4 of this chapter and shall approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total tax credits approved under this section equal the maximum amount allowable in any state fiscal year, no application thereafter filed for that same fiscal year shall be approved. ~~However,~~ if any applicant for whom a credit has been approved fails to file the statement of proof of payment required under section 4 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. ~~In addition,~~ The department may, if the applicant so requests, approve a



credit application, in whole or in part, with respect to the next succeeding state fiscal year."

Page 5, line 4, delete "calendar" and insert "**state fiscal**".

Page 5, line 7, after "expires" reset in roman "July".

Page 5, line 7, delete "January".

Page 6, delete lines 32 through 42.

Delete page 7.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 151 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 14, Nays 0.

SENATE MOTION

Madam President: I move that Senate Bill 151 be amended to read as follows:

Page 5, line 14, delete "receiving foster" and insert "**a foster youth (as defined by IC 31-26-4.5-2.)**".

Page 5, delete line 15.

(Reference is to SB 151 as printed January 27, 2023.)

WALKER K

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 151, 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:

Page 1, between lines 7 and 8, begin a new paragraph and insert:

"(c) As used in this chapter, "qualifying contribution" means a monetary payment made by a person to the insuring foster youth trust fund established by IC 31-26-4.5-4."

Page 1, line 8, strike "(c)" and insert "(d)".

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Page 2, line 11, reset in roman "(e)".

Page 2, line 11, delete "(d)".

Page 2, line 18, reset in roman "(f)".

Page 2, line 18, delete "(e)".

Page 2, between lines 19 and 20, begin a new paragraph and insert:
 "SECTION 2. IC 6-3.1-35.8-2, AS ADDED BY P.L.165-2021, SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 2. A person who makes a **qualifying contribution or makes a** monetary contribution to a qualifying foster care organization shall receive a tax credit as provided in section 3 of this chapter."

Page 2, line 25, after "(50%) of" insert "**a qualifying contribution or of**".

Page 3, line 6, after "same" insert "**qualifying contribution or**".

Page 4, line 2, strike "1(c)" and insert "**1(d)**".

Page 4, line 4, strike "July 1" and insert "**January 1**".

Page 4, line 8, strike "in" and insert "**for**".

Page 4, line 8, reset in roman "the".

Page 4, line 8, delete "each".

Page 4, line 9, strike "state fiscal year" and insert "**period**".

Page 4, line 9, strike "June 30,".

Page 4, line 9, delete "2028." and insert "**December 31, 2023.**".

Page 4, between lines 9 and 10, begin a new paragraph and insert:
 "**(b) The amount of tax credits allowed under this chapter may not exceed two million dollars (\$2,000,000) in each calendar year beginning after December 31, 2023, and ending before January 1, 2028.**".

Page 4, line 10, strike "(b)" and insert "**(c)**".

Page 4, line 14, strike "state fiscal" and insert "**calendar**".

Page 4, line 15, strike "(c)" and insert "**(d)**".

Page 4, line 16, after "allowable" insert ",".

Page 4, line 16, strike "in any state fiscal year,".

Page 4, line 17, strike "same fiscal" and insert "**calendar**".

Page 4, line 22, strike "The department may, if the applicant so requests, approve a".

Page 4, strike lines 23 through 24.

Page 4, line 32, delete "state fiscal" and insert "**calendar**".

Page 4, line 35, after "expires" strike "July" and insert "**January**".

Page 4, line 40, delete "or".

Page 4, line 42, after "IC 31-27-4;" insert "**or**".

Page 4, after line 42, begin a new line block indented and insert:

"(3) individuals who meet the definition of foster youth set forth



in IC 31-26-4.5-2;".

Page 5, line 1, reset in roman "the use of".

Page 5, line 16, delete "IC 31-26-4.5-2.)" and insert "**IC 31-26-4.5-2).**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 151 as reprinted January 31, 2023.)

THOMPSON

Committee Vote: yeas 24, nays 0.

