

SENATE BILL No. 287

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-23-2.8; IC 7.1-4; IC 14-12; IC 14-28-7.

Synopsis: Grant programs and liquor excise taxes. Creates the Indiana arts commission arts development fund to provide grants to fund the arts throughout Indiana. Creates the DNR (department of natural resources) waterways development fund to provide grants to: (1) maintain and clean state, county, and local waterways; and (2) purchase land near a waterway that will assist in cleaning that waterway. Creates the DNR parks and trails development fund to provide money to maintain state and local parks and trails. Creates the water infrastructure development revolving fund to provide money to repair existing water infrastructure. Raises the alcohol excise tax by \$0.09. Requires 2 1/4 cents of the alcohol excise tax collected on each gallon of liquor be distributed to the: (1) Indiana arts commission arts development fund; (2) DNR waterways development fund; (3) DNR parks and trails development fund; and (4) water infrastructure development revolving fund.

Effective: July 1, 2017.

Ford

January 9, 2017, read first time and referred to Committee on Tax and Fiscal Policy.



First Regular Session 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

SENATE BILL No. 287

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

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

- 1 SECTION 1. IC 4-23-2.8 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2017]:
- 4 **Chapter 2.8. Indiana Arts Commission Arts Development Fund**
- 5 **Sec. 1. As used in this chapter, "fund" refers to the Indiana arts**
- 6 **commission arts development fund created by section 3 of this**
- 7 **chapter.**
- 8 **Sec. 2. As used in this chapter, "participant" means a county,**
- 9 **city, town, or township.**
- 10 **Sec. 3. (a) The Indiana arts commission arts development fund**
- 11 **is created to provide grants to fund the arts throughout Indiana.**
- 12 **(b) The commission shall administer the fund.**
- 13 **(c) Financial assistance and grants may be made from the fund**
- 14 **to participants.**
- 15 **(d) Money in the fund does not revert to the state general fund.**
- 16 **The fund must be used exclusively for the purposes of this chapter.**
- 17 **Sec. 4. (a) Distributions from the fund in a state fiscal year must**



1 be equal to at least fifty percent (50%) of the money deposited in
2 the fund in the previous state fiscal year.

3 (b) If the balance of the fund exceeds two hundred fifty percent
4 (250%) of the funds deposited in the previous fiscal year, the
5 commission shall distribute the excess within that state fiscal year.

6 **Sec. 5. The commission may evaluate the participation of a**
7 **participant in the accomplishment of a project in which the**
8 **authority provided funding under this chapter.**

9 SECTION 2. IC 7.1-4-3-1 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. Rate of Tax. An
11 excise tax at the rate of two dollars and ~~sixty-eight~~ **seventy-seven** cents
12 ~~(\$2.68)~~ **(\$2.77)** a gallon is imposed upon the sale, gift, or the
13 withdrawal for sale or gift, of liquor and wine that contains twenty-one
14 percent (21%), or more, of absolute alcohol reckoned by volume.

15 SECTION 3. IC 7.1-4-14 IS ADDED TO THE INDIANA CODE
16 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2017]:

18 **Chapter 14. Collections for Water Infrastructure Development**
19 **and Distributions**

20 **Sec. 1. (a) The department shall deposit two and twenty-five**
21 **hundredths cents (\$0.0225) of the liquor excise tax collected on**
22 **each gallon of liquor daily with the treasurer of state.**

23 (b) Not later than the fifth day of the following month, the
24 treasurer of state shall transfer the deposits under subsection (a)
25 into the water infrastructure development revolving fund
26 established under IC 14-28-7.

27 (c) Money deposited in the water infrastructure development
28 revolving fund may be used for all the purposes permitted under
29 IC 14-28-7.

30 SECTION 4. IC 7.1-4-15 IS ADDED TO THE INDIANA CODE
31 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2017]:

33 **Chapter 15. Collections for DNR Waterways Development and**
34 **Distributions**

35 **Sec. 1. (a) The department shall deposit two and twenty-five**
36 **hundredths cents (\$0.0225) of the liquor excise tax collected on**
37 **each gallon of liquor daily with the treasurer of state.**

38 (b) Not later than the fifth day of the following month, the
39 treasurer of state shall transfer the deposits under subsection (a)
40 into the DNR waterways development fund established under
41 IC 14-12-4.

42 (c) Money deposited in the DNR waterways development fund



1 may be used for all the purposes permitted under IC 14-12-4.

2 SECTION 5. IC 7.1-4-16 IS ADDED TO THE INDIANA CODE
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2017]:

5 **Chapter 16. Collections for DNR Parks and Trails Development
6 and Distributions**

7 **Sec. 1. (a) The department shall deposit two and twenty-five
8 hundredths cents (\$0.0225) of the liquor excise tax collected on
9 each gallon of liquor daily with the treasurer of state.**

10 **(b) Not later than the fifth day of the following month, the
11 treasurer of state shall transfer the deposits under subsection (a)
12 into the DNR parks and trails development fund established under
13 IC 14-12-5.**

14 **(c) Money deposited in the DNR parks and trails development
15 fund may be used for all the purposes permitted under IC 14-12-5.**

16 SECTION 6. IC 7.1-4-17 IS ADDED TO THE INDIANA CODE
17 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2017]:

19 **Chapter 17. Collections for Arts Development and Distributions**

20 **Sec. 1. (a) The department shall deposit two and twenty-five
21 hundredths cents (\$0.0225) of the liquor excise tax collected on
22 each gallon of liquor daily with the treasurer of state.**

23 **(b) Not later than the fifth day of the following month, the
24 treasurer of state shall transfer the deposits under subsection (a)
25 into the Indiana arts commission arts development fund
26 established under IC 4-23-2.8.**

27 **(c) Money deposited in the Indiana arts commission arts
28 development fund may be used for all the purposes permitted
29 under IC 4-23-2.8.**

30 SECTION 7. IC 14-12-4 IS ADDED TO THE INDIANA CODE AS
31 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
32 1, 2017]:

33 **Chapter 4. DNR Waterways Development Fund**

34 **Sec. 1. As used in this chapter, "fund" refers to the DNR
35 waterways development fund created by section 3 of this chapter.**

36 **Sec. 2. As used in this chapter, "participant" means a state
37 agency, county, city, town, or township.**

38 **Sec. 3. (a) The DNR waterways development fund is created to
39 provide money to:**

- 40 **(1) maintain and clean state, county, and local waterways; and**
41 **(2) purchase land near a waterway that will assist in cleaning**
42 **that waterway.**



- 1 **(b) The department shall administer the fund.**
 2 **(c) Financial assistance and grants may be made from the fund**
 3 **to participants.**
 4 **(d) Money in the fund does not revert to the state general fund.**
 5 **The fund is to be used exclusively for the purposes of this chapter.**
 6 **Sec. 4. (a) Distributions from the fund in a state fiscal year must**
 7 **be equal to at least fifty percent (50%) of the money deposited in**
 8 **the fund in the previous state fiscal year.**
 9 **(b) If the balance of the fund exceeds two hundred fifty percent**
 10 **(250%) of the funds deposited in the previous fiscal year, the**
 11 **department shall distribute the excess within that state fiscal year.**
 12 **Sec. 5. This section does not apply to a state agency participant.**
 13 **Money distributed to a participant must be matched by at least an**
 14 **equal amount of money derived from any of the following nonstate**
 15 **sources:**
 16 **(1) Private foundations.**
 17 **(2) Federal sources.**
 18 **(3) Local government sources.**
 19 **(4) Quasi-governmental entities.**
 20 **(5) Any other source whose funds do not include money**
 21 **appropriated by the general assembly.**
 22 **Sec. 6. The department may evaluate the participation of a**
 23 **participant in the accomplishment of a project in which the**
 24 **authority provided funding under this chapter.**
 25 SECTION 8. IC 14-12-5 IS ADDED TO THE INDIANA CODE AS
 26 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 27 1, 2017]:
 28 **Chapter 5. DNR Parks and Trails Development Fund**
 29 **Sec. 1. As used in this chapter, "fund" refers to the DNR parks**
 30 **and trails development fund created by section 3 of this chapter.**
 31 **Sec. 2. As used in this chapter, "participant" means a state**
 32 **agency, county, city, town, or township.**
 33 **Sec. 3. (a) The DNR parks and trails development fund is**
 34 **created to provide money to maintain state and local parks and**
 35 **trails.**
 36 **(b) The department shall administer the fund.**
 37 **(c) Financial assistance and grants may be made from the fund**
 38 **to participants.**
 39 **(d) Money in the fund does not revert to the state general fund.**
 40 **The fund is to be used exclusively for the purposes of this chapter.**
 41 **Sec. 4. (a) Distributions from the fund in a state fiscal year must**
 42 **be equal to at least fifty percent (50%) of the money deposited in**



1 the fund in the previous state fiscal year.

2 (b) If the balance of the fund exceeds two hundred fifty percent
3 (250%) of the funds deposited in the previous fiscal year, the
4 department shall distribute the excess within that state fiscal year.

5 Sec. 5. This section does not apply to a state agency participant.
6 Money distributed to a participant must be matched by at least an
7 equal amount of money derived from any of the following nonstate
8 sources:

9 (1) Private foundations.

10 (2) Federal sources.

11 (3) Local government sources.

12 (4) Quasi-governmental entities.

13 (5) Any other source whose funds do not include money
14 appropriated by the general assembly.

15 Sec. 6. The department may evaluate the participation of a
16 participant in the accomplishment of a project in which the
17 authority provided funding under this chapter.

18 SECTION 9. IC 14-28-7 IS ADDED TO THE INDIANA CODE AS
19 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
20 1, 2017]:

21 Chapter 7. Water Infrastructure Development Revolving Fund

22 Sec. 1. As used in this chapter, "authority" refers to the Indiana
23 finance authority established by IC 4-4-11-4.

24 Sec. 2. As used in this chapter, "fund" refers to the water
25 infrastructure development revolving fund created by section 4 of
26 this chapter.

27 Sec. 3. As used in this chapter, "participant" means a county,
28 city, town, or township.

29 Sec. 4. (a) The water infrastructure development revolving fund
30 is created to provide money to repair existing water infrastructure
31 for the benefit of participants under this chapter.

32 (b) The authority shall administer the fund in the manner
33 provided by IC 4-4-11 and this chapter.

34 (c) Financial assistance and grants may be made from the fund
35 to participants in the manner provided by IC 4-4-11 and this
36 chapter.

37 (d) Money in the fund does not revert to the state general fund.
38 The fund is a revolving fund to be used exclusively for the purposes
39 of this chapter.

40 Sec. 5. (a) Distributions from the fund in a state fiscal year must
41 be equal to at least fifty percent (50%) of the money deposited in
42 the fund in the previous state fiscal year.



1 **(b) If the balance of the fund exceeds two hundred fifty percent**
2 **(250%) of the funds deposited in the previous fiscal year, the**
3 **authority shall distribute the excess within that state fiscal year.**
4 **Sec. 6. Money distributed to a participant must be matched by**
5 **at least an equal amount of money derived from any of the**
6 **following nonstate sources:**
7 **(1) Private foundations.**
8 **(2) Federal sources.**
9 **(3) Local government sources.**
10 **(4) Quasi-governmental entities.**
11 **(5) Any other source whose funds do not include money**
12 **appropriated by the general assembly.**
13 **Sec. 7. The authority may evaluate the participation of a**
14 **participant in the accomplishment of a project in which the**
15 **authority provided funding under this chapter.**

