

SENATE BILL No. 414

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-10-24.

Synopsis: Use of state general fund investment earnings. Provides that beginning after the 2016 state fiscal year, the investment earnings on the state general fund for the preceding state fiscal year shall be distributed to counties if the combined balances of the state general fund, the Medicaid contingency and reserve account, the state tuition reserve fund, and the state rainy day fund exceed \$1,000,000,000. Specifies that the investment earnings are distributed to counties proportionately based on population. Provides that a distribution received by a county may be used, after appropriation by the county fiscal body, only for purposes related to health, mental health, education, and nutrition. Specifies certain permissible uses.

Effective: July 1, 2016.

Merritt

January 12, 2015, read first time and referred to Committee on Appropriations.



First Regular Session 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 414



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

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

1 SECTION 1. IC 4-10-24 IS ADDED TO THE INDIANA CODE AS
 2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 3 1, 2016]:
 4 **Chapter 24. Use of State General Fund Investment Earnings for**
 5 **Human Infrastructure**
 6 **Sec. 1. The budget agency shall, not later than July 31, 2016, and**
 7 **not later than July 31 of each year thereafter, determine whether**
 8 **the total combined balances of the state general fund, the Medicaid**
 9 **contingency and reserve account, the state tuition reserve fund,**
 10 **and the counter-cyclical revenue and economic stabilization fund**
 11 **(state rainy day fund) at the end of the most recently completed**
 12 **state fiscal year exceeded one billion dollars (\$1,000,000,000).**
 13 **Sec. 2. If the budget agency determines that the total combined**
 14 **balances described in section 1 of this chapter exceeded one billion**
 15 **dollars (\$1,000,000,000) at the end of the most recently completed**
 16 **state fiscal year:**



1 (1) a distribution shall be made to each county as provided in
2 section 3 of this chapter; and

3 (2) the budget agency shall certify to the auditor of state and
4 to the budget committee that a distribution is required to be
5 made as provided in section 3 of this chapter.

6 **Sec. 3. The following apply if a distribution is required under
7 this section in a particular year:**

8 (1) The auditor of state shall, not later than August 31 of the
9 year, make a distribution from the state general fund to the
10 fiscal officer of each county in the amount determined under
11 subdivision (2).

12 (2) The amount of the distribution that shall be made to a
13 particular county is equal to the result of:

14 (A) the amount of the total investment earnings that were
15 earned on the state general fund during the most recently
16 ended state fiscal year, as determined by the treasurer of
17 state (excluding any investment earnings on the common
18 school fund and excluding any interest earned on loans
19 from the common school fund); multiplied by

20 (B) a fraction equal to:

21 (i) the county's population; divided by

22 (ii) the population of all counties.

23 (3) The amount necessary to make the distribution
24 determined under subdivision (2) is appropriated from the
25 state general fund for the state fiscal year in which the
26 distribution is made.

27 **Sec. 4. (a) The fiscal officer of a county receiving a distribution
28 under this chapter shall:**

29 (1) establish a county human infrastructure fund; and

30 (2) deposit the distribution in the county human
31 infrastructure fund.

32 (b) Investment earnings on money in the county human
33 infrastructure fund shall be deposited in the county human
34 infrastructure fund.

35 (c) Money deposited in the county human infrastructure fund:

36 (1) may not be transferred to any other county fund; and

37 (2) may be used by the county, after appropriation by the
38 county fiscal body, only for purposes related to health, mental
39 health, education, and nutrition, such as:

40 (A) prenatal and postnatal health care services;

41 (B) health screening, diagnosis, and treatment services;

42 (C) mental health treatment and counseling services;



1 **(D) suicide prevention services;**
2 **(E) services to address childhood obesity;**
3 **(F) addiction prevention, treatment, and counseling**
4 **services;**
5 **(G) early childhood education services; and**
6 **(H) job training services.**
7 **Sec. 5. The amount of any distributions made under this chapter**
8 **in a year shall for purposes of IC 4-10-22 be subtracted from the**
9 **total amount of state reserves for the preceding state fiscal year**
10 **before a determination is made under IC 4-10-22 concerning the**
11 **use of state reserves.**

