

PROPOSED AMENDMENT

HB 1432 # 32

DIGEST

Revenue sharing. Sets forth certain conditions for the transfer of surplus revenue to the pension stabilization fund, supplemental allowance reserve accounts, and the pension relief fund. Requires the surplus revenue after the required transfers have been made to be set aside by the board of trustees of the Indiana public retirement system to be distributed to the county treasurer of each county that does not have a riverboat in the same proportions that excess wagering taxes set aside for revenue sharing for riverboats are distributed. Requires a political subdivision that is served by a volunteer fire department to contribute at least \$300 annually to the public employees' defined contribution plans of eligible members of the volunteer fire department. Lists other permissible uses for shared revenue derived from surplus lottery taxes.

- 1 Page 8, delete lines 16 through 42.
- 2 Page 9, delete lines 1 through 18, begin a new paragraph and insert:
- 3 "SECTION 12. IC 4-30-16-3, AS AMENDED BY P.L.108-2019,
- 4 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2025]: Sec. 3. (a) The commission shall transfer the surplus
- 6 revenue in the administrative trust fund as follows:
- 7 (1) Before the last business day of January, April, July, and
- 8 October, the commission shall transfer seven million five hundred
- 9 thousand dollars (\$7,500,000) of the surplus revenue to the
- 10 Indiana public retirement system for credit, as determined by the
- 11 board of trustees of the Indiana public retirement system:
- 12 (A) first, to the pension stabilization fund established by
- 13 IC 5-10.4-2-5, to be used as a credit against the unfunded
- 14 accrued liability of the pre-1996 account (as defined by
- 15 IC 5-10.4-1-12) **if the pre-1996 account is less than ninety**
- 16 **percent (90%) funded; and**
- 17 (B) second, **not more than five percent (5%) of the surplus**
- 18 **revenue** to one (1) or more of the supplemental allowance
- 19 reserve accounts established under:
- 20 (i) IC 2-3.5-3-2(c) (for the legislators' defined benefit plan);
- 21 (ii) IC 5-10-5.5-4(c) (for the state excise police, gaming
- 22 agent, gaming control officer, and conservation enforcement

officers' retirement plan);

(iii) IC 5-10.2-2-2(a)(3) (for the public employees' retirement fund); or

(iv) IC 5-10.2-2-2(c)(3) (for the Indiana state teachers' retirement fund).

(2) Before the last business day of January, April, July, and October, the commission shall transfer seven million five hundred thousand dollars (\$7,500,000) of the surplus revenue to the treasurer of state for deposit in the pension relief fund (IC 5-10.3-11) **if any of the pension funds covered under IC 5-10.3-11 are less than ninety percent (90%) funded.**

(3) The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) and (2), **less the amount required to satisfy subsection (c), shall be transferred by the commission to the treasurer of state for deposit on that day in the lottery surplus fund set aside by the board of trustees of the Indiana public retirement system for revenue sharing to be distributed before the last business day of December to the county treasurer of each county that does not have a riverboat (as defined by IC 4-33-2-17) in the same proportions that wagering taxes set aside for revenue sharing are distributed under IC 4-33-13-5(d).**

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1) and (a)(2). Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1) and (a)(2) shall be transferred to the lottery surplus fund.

(c) Before the last business day of December, the commission shall transfer five hundred thousand dollars (\$500,000) to the treasurer of state for deposit in the Indiana responsible gaming and problem gambling services program fund established by IC 4-33-25-3.

(d) If a political subdivision that receives a revenue sharing distribution under subsection (a)(3) is served by a volunteer fire department, the political subdivision shall make a minimum annual contribution out of the revenue sharing money on behalf of each eligible member of the volunteer fire department, under

1 **IC 5-10.3-6-1.1, of three hundred dollars (\$300) to the eligible**
 2 **member's public employees' defined contribution plan.**

3 **(e) Once the required contributions out of revenue sharing**
 4 **money under subsection (d) have been satisfied, revenue sharing**
 5 **money distributed under subsection (a)(3) may be used for, among**
 6 **other expenditures, the following:**

7 **(1) To reduce the property tax levy of the city, town, or county**
 8 **for a particular year (a property tax reduction under this**
 9 **subdivision does not reduce the maximum levy of the city,**
 10 **town, or county under IC 6-1.1-18.5).**

11 **(2) For deposit in a special fund or allocation fund created**
 12 **under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and**
 13 **IC 36-7-30 to provide funding for debt repayment.**

14 **(3) To fund sewer and water projects, including storm water**
 15 **management projects or other infrastructure projects.**

16 **(4) For public safety.**

17 **(5) For economic or community development projects or for**
 18 **a project in partnership with a redevelopment authority**
 19 **established under IC 36-7-14.5."**

20 Page 54, between lines 10 and 11, begin a new paragraph and insert:

21 "SECTION 48. IC 5-10.3-6-1.1, AS AMENDED BY P.L.92-2021,
 22 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2025]: Sec. 1.1. (a) This section applies to a political
 24 subdivision that is served by a volunteer fire department.

25 (b) The following definitions apply throughout this section:

26 (1) "Nominal compensation" has the meaning set forth in
 27 IC 36-8-12-2.

28 (2) "Volunteer fire department" has the meaning set forth in
 29 IC 36-8-12-2.

30 (c) The governing body of a political subdivision may adopt an
 31 ordinance or resolution specifying the departmental, occupational, or
 32 other definable classifications of members of the volunteer fire
 33 department that are required to become members of the plan. A
 34 political subdivision may become a participant in the plan if the
 35 ordinance or resolution is filed with and approved by the board.

36 (d) The governing body of a political subdivision shall determine
 37 the amounts of the contributions that the political subdivision will
 38 make on behalf of the eligible members of the volunteer fire
 39 department. However, the contributions that are made on behalf of each
 40 eligible member of the volunteer fire department in any specified

1 departmental, occupational, or other definable classification must be
2 equal. The governing body of the political subdivision shall specify the
3 amounts of the contributions that the political subdivision will make for
4 each departmental, occupational, or other definable classification of the
5 members of the volunteer fire department in an ordinance or resolution
6 adopted under subsection (c) and in any subsequent ordinance or
7 resolution that changes the contribution amounts. If the governing body
8 of the political subdivision changes the contribution amounts, the
9 governing body shall file the ordinance or resolution with the board.
10 The new contribution amounts become effective on the later of the date
11 on which the ordinance or resolution is approved by the board or the
12 effective date specified in the resolution.

13 (e) Contributions made under this section on behalf of the eligible
14 members of a volunteer fire department may not be considered in the
15 computation of nominal compensation for purposes of IC 36-8-12.

16 **(f) Contributions described in this section include contributions**
17 **out of revenue sharing money required to be made to the public**
18 **employees' defined contribution plans of eligible members of a**
19 **volunteer fire department under IC 4-30-16-3(d).**

20 ~~(f)~~ **(g)** An individual who participates in the plan under subsection
21 (c) does not earn creditable service (as defined in IC 5-10.2-3-1) in the
22 fund for the individual's service with a volunteer fire department."

23 Renumber all SECTIONS consecutively.

(Reference is to HB 1432 as introduced.)