

HOUSE BILL No. 1320

DIGEST OF INTRODUCED BILL

Citations Affected: IC 10-14-4-5; IC 10-15-3-12; IC 22-11-14.

Synopsis: Fireworks excise tax. Establishes the COVID-19 fireworks public safety fee fund for the purpose of assisting certain public safety and medical personnel who have encountered direct hardship due to COVID-19. Raises the public safety fee on the retail sales of fireworks from 5% to 10%. Provides that 50% of the public safety fee is to be deposited in the state general fund and 50% of the public safety fee is to be deposited in the COVID-19 fireworks public safety fee fund.

Effective: July 1, 2021.

Andrade

January 14, 2021, read first time and referred to Committee on Ways and Means.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1320

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

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

- 1 SECTION 1. IC 10-14-4-5, AS AMENDED BY P.L.57-2008,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 5. (a) The state disaster relief fund is established
4 to provide financial assistance to:
5 (1) assist eligible entities in paying for:
6 (A) the costs of repairing, replacing, or restoring public
7 facilities or individual residential real or personal property
8 damaged or destroyed by a disaster; or
9 (B) response costs incurred by an eligible entity during a
10 disaster; and
11 (2) allow the agency to pay for response costs incurred by the
12 state or a local unit of government at the direction of the agency.
13 The agency may provide financial assistance in response to a disaster
14 only from the balance in the fund that is unobligated on the date the
15 disaster occurs.
16 (b) The fund consists of the following:
17 (1) Money appropriated by the general assembly.



1 (2) Money deposited under ~~IC 22-11-14-12(c)(2)~~.
 2 **IC 22-11-14-12(c)(1)(B).**

3 (c) The agency shall administer the fund. Expenses of administering
 4 the fund shall be paid from money in the fund. The treasurer of state
 5 shall invest the money in the fund not currently needed to meet the
 6 obligations of the fund in the same manner as other public funds may
 7 be invested.

8 (d) Money in the fund at the end of a state fiscal year does not revert
 9 to the state general fund.

10 SECTION 2. IC 10-15-3-12, AS AMENDED BY P.L.78-2013,
 11 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2021]: Sec. 12. (a) The regional public safety training fund is
 13 established for the purpose of providing regional and advanced training
 14 for public safety service providers, including fire investigation training.
 15 The department shall administer the fund. The fund consists of the
 16 following:

17 (1) Public safety fees deposited under ~~IC 22-11-14-12(c)(1)~~.
 18 **IC 22-11-14-12(c)(1)(A).**

19 (2) Money transferred from the statewide arson investigation
 20 financial assistance fund under IC 22-12-6-2(e) (before its
 21 expiration).

22 (3) Money appropriated to the fund by the general assembly.

23 (4) Donations, gifts, and money received from any other source,
 24 including transfers from other funds or accounts.

25 Money described in subdivision (2) must be used for fire investigation
 26 training.

27 (b) The expenses of administering the fund shall be paid from
 28 money in the fund.

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

33 (d) Money in the fund at the end of a state fiscal year does not revert
 34 to the state general fund. Any amount remaining in the fund at the end
 35 of a state fiscal year that has not been encumbered shall be transferred
 36 to the fire training infrastructure fund established by IC 22-14-6-2.

37 SECTION 3. IC 22-11-14-12, AS AMENDED BY P.L.107-2007,
 38 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2021]: Sec. 12. (a) A user fee, known as the public safety fee,
 40 is imposed on retail transactions made in Indiana of fireworks, in
 41 accordance with section 13 of this chapter.

42 (b) A person who acquires fireworks in a retail transaction is liable



1 for the public safety fee on the transaction and, except as otherwise
 2 provided in this chapter, shall pay the public safety fee to the retailer
 3 as a separate added amount to the consideration in the transaction. The
 4 retailer shall collect the public safety fee as an agent for the state.

5 (c) The public safety fee shall be deposited as follows:

6 **(1) Fifty percent (50%) of the public safety fee shall be**
 7 **deposited** in the state general fund. The auditor of state shall
 8 annually transfer the money received from the public safety fee as
 9 follows:

10 ~~(1)~~ **(A)** Two million dollars (\$2,000,000) shall be deposited in
 11 the regional public safety training fund established by
 12 IC 10-15-3-12.

13 ~~(2)~~ **(B)** Any additional money received shall be deposited in
 14 the state disaster relief fund established by IC 10-14-4-5.

15 **(2) Fifty percent (50%) of the public safety fee shall be**
 16 **deposited in the COVID-19 fireworks public safety fee fund**
 17 **established by IC 22-11-14-16.**

18 (d) The department of state revenue shall adopt rules under
 19 IC 4-22-2 necessary for the collection of the public safety fee money
 20 from retailers as described in subsections (b) and (c).

21 SECTION 4. IC 22-11-14-13, AS ADDED BY P.L.187-2006,
 22 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2021]: Sec. 13. (a) The public safety fee is measured by the
 24 gross retail income received by a retail merchant in a retail unitary
 25 transaction of fireworks and is imposed at the following rates:

PUBLIC SAFETY FEE	GROSS RETAIL INCOME FROM THE RETAIL UNITARY TRANSACTION		
\$ 0		less than	\$ 0.10
\$ 0.01	at least \$ 0.10	but less than	\$ 0.30
\$ 0.02	at least \$ 0.30	but less than	\$ 0.50
\$ 0.03	at least \$ 0.50	but less than	\$ 0.70
\$ 0.04	at least \$ 0.70	but less than	\$ 0.90
\$ 0.05	at least \$ 0.90	but less than	\$ 1.10

36 On a retail unitary transaction in which the gross retail income received
 37 by the retail merchant is one dollar and ten cents (\$1.10) or more, the
 38 public safety fee is ~~five percent (5%)~~ **ten percent (10%)** of that gross
 39 retail income.

40 (b) If the public safety fee computed under subsection (a) results in
 41 a fraction of one-half cent (\$0.005) or more, the amount of the public
 42 safety fee shall be rounded to the next additional cent.



1 SECTION 5. IC 22-11-14-16 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2021]: **Sec. 16. (a) As used in this section,**
4 **"department" means the department of labor.**

5 **(b) The COVID-19 fireworks public safety fee fund is**
6 **established for the purpose of assisting first responders, law**
7 **enforcement personnel, firefighters, nurses, and emergency**
8 **medical services personnel who have encountered direct hardship**
9 **due to coronavirus disease (COVID-19).**

10 **(c) The fund consists of money deposited in the fund from the**
11 **collection of a portion of the public safety fees related to the sale of**
12 **fireworks as described in section 12 of this chapter.**

13 **(d) The department shall administer the fund. The department**
14 **may:**

15 **(1) adopt rules under IC 4-22-2 necessary to administer the**
16 **fund to carry out this section; and**

17 **(2) make distributions from the fund in accordance with this**
18 **section and the rules adopted under this section.**

19 **(e) The expenses of administering the fund shall be paid from**
20 **money in the fund.**

21 **(f) The treasurer of state shall invest the money in the fund not**
22 **currently needed to meet the obligations of the fund in the same**
23 **manner as other public money may be invested. Interest that**
24 **accrues from the investments must be deposited in the fund.**

25 **(g) Money in the fund at the end of a state fiscal year does not**
26 **revert to the state general fund.**

