



Reprinted  
January 17, 2020

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## SENATE BILL No. 144

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DIGEST OF SB 144 (Updated January 16, 2020 2:47 pm - DI 104)

**Citations Affected:** IC 31-26; noncode.

**Synopsis:** Kids first trust fund board subsidiary corporation. Provides that the members of the Indiana kids first trust fund board (board) serve terms of four years (rather than two years under current law) and provides for the terms of the appointed members of the board to be staggered. Provides that at least two meetings of the board each year must be conducted with at least a quorum of the members of the board. Provides that not later than 10 days after a meeting of the board, the board shall post a draft of the minutes of the meeting on the board's Internet web site. Requires the board to study to the topic of establishing a nonprofit subsidiary corporation and provide a report to the general assembly with the board's findings. Allows the board to create a nonprofit subsidiary corporation to solicit and accept private funding, gifts, donations, bequests, devises, and contributions.

**Effective:** July 1, 2020.

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**Zay, Ruckelshaus, Garten, Messmer,  
Merritt, Grooms, Ford Jon, Koch,  
Kruse, Freeman, Charbonneau,  
Stoops, Crane**

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January 6, 2020, read first time and referred to Committee on Family and Children Services.

January 13, 2020, reported favorably — Do Pass.

January 16, 2020, read second time, amended, ordered engrossed.

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SB 144—LS 6461/DI 119





Reprinted  
January 17, 2020

Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

## SENATE BILL No. 144

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A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

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

- 1 SECTION 1. IC 31-26-4-5, AS ADDED BY P.L.145-2006,  
2 SECTION 272, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) The Indiana kids first trust  
4 fund board is established.  
5 (b) The purpose of the board is to determine whether proposed  
6 projects under this chapter should be approved and to perform other  
7 duties given to the board by this chapter. The board shall approve  
8 projects and recommend to the department that the projects receive  
9 funds under sections 12 and 14 of this chapter.  
10 (c) The board shall, before January 1 of each year, prepare a budget  
11 for expenditures from the fund for the following state fiscal year. The  
12 budget must contain priorities for expenditures from the fund to  
13 accomplish the projects that have been approved under this chapter.  
14 The budget shall be submitted to the department and the budget  
15 committee.  
16 (d) The board may employ staff necessary to carry out the duties of  
17 the board.

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1           **(e) The board may establish a subsidiary corporation under**  
 2 **section 17 of this chapter.**

3           SECTION 2. IC 31-26-4-8, AS ADDED BY P.L.145-2006,  
 4 SECTION 272, IS AMENDED TO READ AS FOLLOWS  
 5 [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) The board shall meet at least  
 6 quarterly and at the call of the chair.

7           (b) Six (6) voting members of the board constitute a quorum. The  
 8 board may take action only in the presence of a quorum.

9           (c) The affirmative vote of a majority of the members of the board  
 10 is necessary for the board to take any action.

11           **(d) At least two (2) meetings of the board each year must be**  
 12 **conducted with at least a quorum of the members of the board.**

13           **(e) Not later than ten (10) days after a meeting of the board, the**  
 14 **board shall post a draft of the minutes of the meeting on the**  
 15 **board's Internet web site.**

16           SECTION 3. IC 31-26-4-9, AS ADDED BY P.L.145-2006,  
 17 SECTION 272, IS AMENDED TO READ AS FOLLOWS  
 18 [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) The term of a board member  
 19 begins on the later of the following:

20           (1) The day the term of the member whom the individual is  
 21 appointed to succeed expires.

22           (2) The day the individual is appointed.

23           (b) The term of a member expires July 1 of the ~~second~~ **fourth** year  
 24 after the member is appointed. However, a member serves at the  
 25 pleasure of the appointing authority.

26           (c) The appointing authority may reappoint a member for a new  
 27 term.

28           (d) The appointing authority shall appoint an individual to fill a  
 29 vacancy among the members.

30           SECTION 4. IC 31-26-4-12, AS AMENDED BY P.L.198-2016,  
 31 SECTION 660, IS AMENDED TO READ AS FOLLOWS  
 32 [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) The Indiana kids first trust  
 33 fund is established to carry out the purposes of this chapter.

34           (b) The fund consists of the following:

35           (1) Appropriations made by the general assembly.

36           (2) Interest as provided in subsection (e).

37           (3) Fees from kids first trust license plates issued under  
 38 IC 9-18-30 (before its expiration) or IC 9-18.5-14.

39           (4) Money donated to the fund, **including donations from a**  
 40 **subsidiary corporation established under section 17 of this**  
 41 **chapter.**

42           (5) Money transferred to the fund from other funds.



- 1 (c) The treasurer of state shall administer the fund.
- 2 (d) The expenses of administering the fund and this chapter shall be  
3 paid from the fund.
- 4 (e) The treasurer of state shall invest the money in the fund not  
5 currently needed to meet the obligations of the fund in the same  
6 manner as other public trust funds are invested. Interest that accrues  
7 from these investments shall be deposited in the fund.
- 8 (f) An appropriation made by the general assembly to the fund shall  
9 be allotted and allocated at the beginning of the fiscal period for which  
10 the appropriation was made.
- 11 (g) Money in the fund at the end of a state fiscal year does not revert  
12 to the state general fund or any other fund.
- 13 (h) Subject to this chapter, there is annually appropriated to the  
14 department all money in the fund for the purposes of this chapter.  
15 However, the department may not request the allotment of money from  
16 the appropriation for a project that has not been approved and  
17 recommended by the board.
- 18 SECTION 5. IC 31-26-4-17 IS ADDED TO THE INDIANA CODE  
19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
20 1, 2020]: **Sec. 17. (a) The board may establish a nonprofit  
21 subsidiary corporation that is exempt from federal income taxation  
22 under Section 501(c)(3) of the Internal Revenue Code to solicit and  
23 accept private funding, gifts, donations, bequests, devises, and  
24 contributions.**
- 25 **(b) The board shall study the topic of establishing a nonprofit  
26 subsidiary described in subsection (a). Not later than December 31,  
27 2020, the board shall submit a report to the general assembly in an  
28 electronic format under IC 5-14-6 addressing the board's findings  
29 and determinations under this subsection. If the board determines  
30 to establish a nonprofit subsidiary corporation as described in  
31 subsection (a), the report must also include an implementation plan  
32 and estimated budget for the establishment of the nonprofit  
33 subsidiary corporation.**
- 34 **(c) A subsidiary corporation established under this section is  
35 governed by a board of directors comprised of members appointed  
36 by the Indiana kids first trust fund board. Employees of the  
37 Indiana kids first trust fund board may serve on the board of  
38 directors of the subsidiary corporation. A subsidiary corporation  
39 established under this section:**
- 40 **(1) shall use money received under subsection (a) to carry out,  
41 in any manner, the purposes and programs of the board;**
- 42 **(2) shall report to the budget committee each year**



- 1 concerning:
- 2 (A) the use of money received; and
- 3 (B) the balances in any accounts or funds established by
- 4 the subsidiary corporation;
- 5 (3) may donate money received to the Indiana kids first trust
- 6 fund; and
- 7 (4) may deposit money received in an account or fund that is:
- 8 (A) administered by the subsidiary corporation; and
- 9 (B) not part of the state treasury.
- 10 (d) Not later than ten (10) days after a meeting of the board of
- 11 directors of the subsidiary corporation established under this
- 12 section, the subsidiary corporation shall post a draft of the minutes
- 13 of the meeting on the subsidiary corporation's Internet web site.
- 14 (e) Employees of the Indiana kids first trust fund board shall
- 15 provide administrative support for a subsidiary corporation
- 16 established under this section. Employees of the board directly
- 17 involved in the subsidiary corporation may engage in fundraising
- 18 activities on behalf of the subsidiary corporation.
- 19 (f) The state board of accounts shall annually audit a subsidiary
- 20 corporation established under this section.
- 21 SECTION 6. [EFFECTIVE JULY 1, 2020] (a) The definitions in
- 22 IC 31-26-4 apply throughout this SECTION.
- 23 (b) As used in this SECTION, "appointed board member"
- 24 means a member of the board appointed under:
- 25 (1) IC 31-26-4-6(1);
- 26 (2) IC 31-26-4-6(2); or
- 27 (3) IC 31-26-4-6(4).
- 28 (c) Notwithstanding IC 31-26-4-9, as amended by this act, the
- 29 term of an appointed board member serving on the board on July
- 30 1, 2020, expires July 1 of the second year after the date of
- 31 member's appointment.
- 32 (d) Notwithstanding IC 31-26-4-9, as amended by this act, when
- 33 the term of an appointed board member expires under subsection
- 34 (c), the term of the member appointed to fill the appointed board
- 35 member's vacancy is as follows:
- 36 (1) The term of one (1) member appointed under
- 37 IC 31-26-4-6(1) is one (1) year.
- 38 (2) The term of one (1) member appointed under
- 39 IC 31-26-4-6(1) is four (4) years.
- 40 (3) The term of one (1) member appointed under
- 41 IC 31-26-4-6(2) is two (2) years.
- 42 (4) The term of one (1) member appointed under



- 1           **IC 31-26-4-6(2) is three (3) years.**
- 2           **(5) The term of one (1) member appointed under**
- 3           **IC 31-26-4-6(4) is one (1) year.**
- 4           **(6) The term of one (1) member appointed under**
- 5           **IC 31-26-4-6(4) is two (2) years.**
- 6           **(7) The term of one (1) member appointed under**
- 7           **IC 31-26-4-6(4) is three (3) years.**
- 8           **(8) The term of one (1) member appointed under**
- 9           **IC 31-26-4-6(4) is four (4) years.**
- 10          **(e) This SECTION expires December 31, 2024.**



## COMMITTEE REPORT

Madam President: The Senate Committee on Family and Children Services, to which was referred Senate Bill No. 144, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 144 as introduced.)

GROOMS, Chairperson

Committee Vote: Yeas 9, Nays 0

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 SENATE MOTION

Madam President: I move that Senate Bill 144 be amended to read as follows:

Page 2, line 1, delete "shall" and insert "**may**".

Page 2, line 12, delete "in" and insert ".".

Page 2, delete line 13.

Page 2, line 14, delete "thirty (30)" and insert "**ten (10)**".

Page 2, line 15, delete "provide" and insert "**post a draft of**".

Page 2, line 15, delete "to the general" and insert "**on the board's Internet web site.**".

Page 2, delete line 16.

Page 2, line 40, delete "from the" and insert "**from a**".

Page 3, delete lines 19 through 42, begin a new paragraph and insert:

"SECTION 5. IC 31-26-4-17 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2020]: **Sec. 17. (a) The board may establish a nonprofit subsidiary corporation that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code to solicit and accept private funding, gifts, donations, bequests, devises, and contributions.**

**(b) The board shall study the topic of establishing a nonprofit subsidiary described in subsection (a). Not later than December 31, 2020, the board shall submit a report to the general assembly in an electronic format under IC 5-14-6 addressing the board's findings and determinations under this subsection. If the board determines to establish a nonprofit subsidiary corporation as described in subsection (a), the report must also include an implementation plan**

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and estimated budget for the establishment of the nonprofit subsidiary corporation.

(c) A subsidiary corporation established under this section is governed by a board of directors comprised of members appointed by the Indiana kids first trust fund board. Employees of the Indiana kids first trust fund board may serve on the board of directors of the subsidiary corporation. A subsidiary corporation established under this section:

- (1) shall use money received under subsection (a) to carry out, in any manner, the purposes and programs of the board;
- (2) shall report to the budget committee each year concerning:
  - (A) the use of money received; and
  - (B) the balances in any accounts or funds established by the subsidiary corporation;
- (3) may donate money received to the Indiana kids first trust fund; and
- (4) may deposit money received in an account or fund that is:
  - (A) administered by the subsidiary corporation; and
  - (B) not part of the state treasury.

(d) Not later than ten (10) days after a meeting of the board of directors of the subsidiary corporation established under this section, the subsidiary corporation shall post a draft of the minutes of the meeting on the subsidiary corporation's Internet web site.

(e) Employees of the Indiana kids first trust fund board shall provide administrative support for a subsidiary corporation established under this section. Employees of the board directly involved in the subsidiary corporation may engage in fundraising activities on behalf of the subsidiary corporation.

(f) The state board of accounts shall annually audit a subsidiary corporation established under this section."

Page 4, delete lines 1 through 17.

Re-number all SECTIONS consecutively.

(Reference is to SB 144 as printed January 14, 2020.)

ZAY

