

# HOUSE BILL No. 1663

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 2-2.1-4; IC 4-10-21.

**Synopsis:** Appropriation limitations. Revises the formula for determining the state spending cap to be 99% of available general revenue. Voids general appropriations whenever total appropriations exceed 99% of available general revenue. Voids the appropriations made by a major budget bill whenever the bill or its conference committee report fails to include certain disclosures concerning the amount of spending being proposed by the general assembly.

**Effective:** July 1, 2003.

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**Noe, Grubb**

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January 21, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

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 2002 Regular or Special Session of the General Assembly.

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## HOUSE BILL No. 1663



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

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

1 SECTION 1. IC 2-2.1-4 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2003]:

4 **Chapter 4. Budget Bills**

5 **Sec. 1. As used in this chapter, "general appropriation" refers**  
6 **to an appropriation described in section 10 of this chapter.**

7 **Sec. 2. Except as provided in sections 4 and 5 of this chapter, all**  
8 **of the general appropriations enacted by the general assembly for**  
9 **a state fiscal year, including appropriations for a state fiscal year**  
10 **made by a continuing appropriation enacted in any law, are void**  
11 **if the total of general appropriations for the state fiscal year**  
12 **exceeds ninety-nine percent (99%) of the state revenue that the**  
13 **budget agency estimates under section 6 of this chapter will be**  
14 **available in the state fiscal year to pay for the appropriations. This**  
15 **section applies to all of the general appropriations enacted for a**  
16 **state fiscal year regardless of whether the appropriations were**  
17 **enacted in the same bill or in the same session of the general**



1 assembly.

2 **Sec. 3. The general appropriations enacted in one (1) particular**  
 3 **bill are void if:**

4 (1) the bill includes appropriations for a state fiscal year,  
 5 including increases in the appropriations for a state fiscal  
 6 year, that total at least one hundred million dollars  
 7 (\$100,000,000); and

8 (2) the last version of the bill available to and voted on by each  
 9 legislator or, if a later conference committee report was  
 10 adopted for the bill, the last conference committee report  
 11 available to and adopted by each legislator does not include  
 12 the following information on the first or second page of the  
 13 bill or in the bill's digest or synopsis:

14 (A) A materially accurate and complete explanation  
 15 indicating the dollar amount of the surplus or deficit  
 16 resulting from subtracting the total of all general  
 17 appropriations made for each state fiscal year affected by  
 18 the bill or conference committee report from the estimate  
 19 of state revenue for that state fiscal year.

20 (B) A materially accurate and complete explanation  
 21 indicating the percentage of the state revenue for each  
 22 state fiscal year affected by the bill or conference  
 23 committee report that is appropriated for general  
 24 appropriations payable in that state fiscal year.

25 **Sec. 4. Sections 2 and 3 of this chapter do not void an**  
 26 **appropriation for a purpose described in IC 4-10-15 for which**  
 27 **expenditures may be made without the enactment of an**  
 28 **appropriation.**

29 **Sec. 5. (a) An appropriation that otherwise must be considered**  
 30 **in complying with section 2 or 3 of this chapter shall be excluded**  
 31 **from all computations related to determining compliance with**  
 32 **section 2 or 3 of this chapter only if:**

33 (1) the general assembly, in a regular session, authorizes an  
 34 emergency appropriation by enacting a supplemental  
 35 appropriations act that contains all the statements described  
 36 in subsection (b); and

37 (2) the act is approved by a two-thirds (2/3) majority of the  
 38 house of representatives and a two-thirds (2/3) majority of the  
 39 senate.

40 (b) To satisfy subsection (a)(1), an act must contain the  
 41 following:

42 (1) A statement describing which appropriations in the act are

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- 1 excluded from the application of sections 2 and 3 of this  
2 chapter.
- 3 (2) A description of the additional amount of emergency  
4 appropriations and an explanation of the specific  
5 circumstances that created the need for a supplemental  
6 appropriation.
- 7 **Sec. 6. (a)** For each state fiscal year, the budget agency shall  
8 compute an estimate of state revenue using the formula established  
9 in section 7 of this chapter. An estimate for the two (2) years of a  
10 biennial budget period shall be computed before December 31 of  
11 the even-numbered year immediately preceding the beginning of  
12 the budget period. The first estimate required under this  
13 subsection is the estimate for the budget period beginning July 1,  
14 2005, which shall be computed before December 31, 2004.
- 15 (b) For the second state fiscal year in a budget period, the  
16 budget agency shall revise the estimate of state revenue using the  
17 formula established in section 7 of this chapter. The revision of the  
18 estimate for the second year of a budget period shall be prepared  
19 before December 31 of the odd-numbered year immediately  
20 preceding the second state fiscal year in the budget period. The  
21 first revision required under this subsection is the revision for the  
22 second year of the budget period beginning July 1, 2005, which  
23 shall be computed before December 31, 2005.
- 24 (c) The budget agency may revise an estimate calculated under  
25 subsection (a) or a revised estimate calculated under subsection (b)  
26 after the estimate is distributed. A revision under this subsection  
27 must be prepared not later than fifteen (15) days before either  
28 chamber of the general assembly adjourns a session sine die.
- 29 (d) The revenue forecast technical committee shall assist the  
30 budget agency in the preparation of state revenue estimates under  
31 this section.
- 32 (e) The last estimate computed under this section and  
33 distributed under section 8 of this chapter before the adjournment  
34 of a session applies to all appropriations enacted before the end of  
35 that session.
- 36 (f) The last estimate computed under this section and  
37 distributed under section 8 of this chapter before a version of a bill  
38 or a later conference committee report for a bill is printed applies  
39 to all appropriations affected by that version of a bill or conference  
40 committee report.
- 41 **Sec. 7.** The estimated state revenue for a state fiscal year is the  
42 amount determined under STEP THREE of the following formula:

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1           **STEP ONE: Determine the general revenues available for the**  
 2           **state fiscal year, which is equal to the estimated revenues**  
 3           **from all sources that are:**

4           **(A) forecast by the revenue forecast technical committee to**  
 5           **be received in the immediately following budget period;**  
 6           **and**

7           **(B) required by law to be deposited in the state general**  
 8           **fund or the property tax replacement fund;**  
 9           **including revenues from gross retail taxes, utility receipts**  
 10           **taxes, adjusted gross income taxes, cigarette taxes, taxes on**  
 11           **alcoholic beverages, riverboat wagering taxes, riverboat**  
 12           **admissions taxes, inheritance taxes, insurance premium taxes,**  
 13           **financial institution taxes, interest, and other miscellaneous**  
 14           **income other than revenues described in section 5(b)(1) of this**  
 15           **chapter.**

16           **STEP TWO: Determine the total of net adjustments to be**  
 17           **made to the general revenues for the state fiscal year, which**  
 18           **is the amount determined under clause (I) of the following**  
 19           **formula:**

20           **(A) Determine the disproportionate share and enhanced**  
 21           **disproportionate share revenues that will be received by**  
 22           **the state in the state fiscal year.**

23           **(B) Determine the inter-fund transfers to be made from the**  
 24           **build Indiana fund to the state general fund or the**  
 25           **property tax replacement fund in the state fiscal year.**

26           **(C) Determine the inter-fund transfers to be made from the**  
 27           **counter-cyclical revenue and economic stabilization fund**  
 28           **to the state general fund or the property tax replacement**  
 29           **fund in the state fiscal year.**

30           **(D) Determine the sum of the amounts determined under**  
 31           **clauses (A) through (C).**

32           **(E) Determine the inter-fund transfers to be made from the**  
 33           **state general fund or the property tax replacement fund to**  
 34           **the build Indiana fund in the state fiscal year.**

35           **(F) Determine the inter-fund transfers to be made from the**  
 36           **state general fund or the property tax replacement fund to**  
 37           **the counter-cyclical revenue and economic stabilization**  
 38           **fund in the state fiscal year.**

39           **(G) Determine the amount included in the amount**  
 40           **determined under STEP ONE that results from any of the**  
 41           **following:**

42           **(i) An extraordinary nonrecurring transfer into the state**

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1           general fund or the property tax replacement fund from  
2           a source other than the state general fund or the  
3           property tax replacement fund.

4           (ii) A distribution from the federal government that may  
5           be expended without an appropriation by the general  
6           assembly, other than a distribution described in clause  
7           (A).

8           (H) Determine the sum of the amounts determined under  
9           clauses (E) through (G).

10          (I) Subtract the amount determined under clause (H) from  
11          the amount determined under clause (D).

12          **STEP THREE: If:**

13          (A) the STEP TWO amount is zero (\$0), the estimated state  
14          revenues for the state fiscal year is the STEP ONE amount;

15          (B) the STEP TWO amount is greater than zero (\$0), the  
16          estimated state revenues for the state fiscal year is the sum  
17          of the STEP ONE amount and the STEP TWO amount;  
18          and

19          (C) the STEP TWO amount is less than zero (\$0), the  
20          estimated state revenues for the state fiscal year is the  
21          result of the STEP ONE amount minus the absolute value  
22          of the STEP TWO amount.

23          **Sec. 8. (a) Not earlier than December 1 and not later than the**  
24          **first session day of the general assembly after December 31 of each**  
25          **even-numbered year, the budget agency shall submit in writing to**  
26          **the executive director of the legislative services agency a report**  
27          **that includes at least the following information:**

28               (1) The estimated state revenue for each of the state fiscal  
29               years in the immediately following biennial budget period.

30               (2) The supporting data and calculations necessary for a  
31               person to independently verify the manner in which the  
32               estimates of state revenue described in subdivision (1) were  
33               determined.

34          **(b) Not earlier than December 1 and not later than the first**  
35          **session day of the general assembly after December 31 in each**  
36          **odd-numbered year, the budget agency shall submit in writing to**  
37          **the executive director of the legislative services agency a report**  
38          **that includes at least the following information:**

39               (1) The estimated state revenue for the second state fiscal year  
40               in the current budget period.

41               (2) The supporting data and calculations necessary for a  
42               person to independently verify the manner in which the

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1 estimate of state revenue described in subdivision (1) was  
2 determined.

3 (c) Not later than three (3) days (including Saturday, Sunday, or  
4 any holiday) after the budget agency revises an estimate of state  
5 revenue distributed under subsection (a) or subsection (b), the  
6 budget agency shall submit in writing to the executive director of  
7 the legislative services agency a report that includes at least the  
8 following information:

9 (1) The revised estimated state revenue for the state fiscal  
10 years affected by the report.

11 (2) The supporting data and calculations necessary for a  
12 person to independently verify the manner in which the  
13 revised estimates of state revenue described in subdivision (1)  
14 were determined.

15 **Sec. 9. (a)** The budget agency shall compute the dollar amount  
16 of the total of general appropriations from the state general fund  
17 and the property tax replacement fund for each state fiscal year for  
18 which an appropriation is made or being considered:

19 (1) each time that a bill or conference committee report  
20 described in section 3 of this chapter is being considered for  
21 final action by either chamber of the general assembly; and

22 (2) not later than thirty (30) days after the adjournment sine  
23 die of a session of the general assembly.

24 (b) While the general assembly is in session, written reports  
25 containing at least the total dollar amount of general  
26 appropriations must be delivered to the executive director of the  
27 legislative services agency in a format and on a schedule that  
28 allows bills and conference committee reports described in section  
29 3 of this chapter to be printed without delay with the information  
30 required under that section.

31 (c) Within thirty-five (35) days after a session of the general  
32 assembly adjourns sine die, a written report containing at least the  
33 total dollar amount of general appropriations must be delivered to  
34 the executive director of the legislative services agency. A report  
35 required by this subsection must be delivered not later than five (5)  
36 regular business days after it is computed.

37 **Sec. 10.** The total of general appropriations from the state  
38 general fund and the property tax replacement fund for a state  
39 fiscal year is equal to the amount determined under STEP THREE  
40 of the following formula:

41 **STEP ONE:** Determine the total amount that is authorized by  
42 appropriation for payment or transfer from the state general

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1 fund or the property tax replacement fund in the state fiscal  
 2 year, regardless of the bill or session in which the  
 3 appropriation is or is to be enacted.

4 **STEP TWO:** Determine the total amount included in the  
 5 **STEP ONE** amount that is appropriated from the state  
 6 general fund or the property tax replacement fund for:

- 7 (1) settlements and judgments;  
 8 (2) transfers between accounts in the state general fund,  
 9 accounts in the property tax replacement fund, or the state  
 10 general fund and the property tax replacement fund;  
 11 (3) the distribution of tax refunds or refundable tax  
 12 credits; or  
 13 (4) any purpose to the extent that money described in  
 14 section 7, **STEP TWO (G)(ii)** of this chapter (distribution  
 15 from the federal government that may be expended  
 16 without an appropriation) is to fund the appropriation.

17 **STEP THREE:** Subtract the **STEP TWO** amount from the  
 18 **STEP ONE** amount.

19 **Sec. 11. (a)** That part of an appropriation that is an open-ended  
 20 appropriation exceeding a specific amount appropriated for a  
 21 purpose is not to be considered in computing general  
 22 appropriations under section 10 of this chapter.

23 (b) For purposes of section 10 of this chapter, a descriptive  
 24 appropriation that does not authorize a specific amount for  
 25 expenditure in a state fiscal year is to be estimated as the maximum  
 26 amount that the budget agency estimates may be expended in the  
 27 state fiscal year for the purposes of the appropriation.

28 (c) For purposes of section 10 of this chapter, if an  
 29 appropriation of a specific amount is made for a period exceeding  
 30 one (1) state fiscal year, fifty percent (50%) of the appropriated  
 31 amount is to be allocated as a general appropriation for each state  
 32 fiscal year in a budget period.

33 (d) For purposes of section 10 of this chapter, language that only  
 34 authorizes a person to issue bonds, enter into a loan agreement,  
 35 enter into a lease, or enter into another agreement shall not be  
 36 treated as an appropriation unless the general assembly otherwise  
 37 appropriates money to pay for or repay the authorized obligations.

38 (e) For purposes of complying with section 3 of this chapter but  
 39 not section 2 of this chapter, only appropriations:

- 40 (1) that have been enacted into law;  
 41 (2) that are contained in the bill or conference committee  
 42 report in which appropriation surplus or deficit is to be

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1 printed;

2 (3) that were previously passed by both houses of the general  
3 assembly in the same session as the bill or conference  
4 committee report in which appropriation surplus or deficit is  
5 to be printed; or

6 (4) that are contained in any other bill that by rule of the  
7 house of representatives or the senate must be considered in  
8 complying with section 3 of this chapter;

9 shall be considered in computing the total of general  
10 appropriations under section 10 of this chapter.

11 SECTION 2. IC 4-10-21-0.5 IS ADDED TO THE INDIANA CODE  
12 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
13 1, 2003]: **Sec. 0.5. As used in this chapter, "general expenditures"**  
14 **refers to an expenditure from the state general fund or the**  
15 **property tax replacement fund that is authorized by a general**  
16 **appropriation subject to IC 2-2.1-4, other than any part of an**  
17 **appropriation excluded under IC 2-2.1-4-5.**

18 SECTION 3. IC 4-10-21-1, AS ADDED BY P.L.192-2002(ss),  
19 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2003]: Sec. 1. As used in this chapter, "state spending cap"  
21 refers:

22 (1) for state fiscal years ending before July 1, 2005, to the state  
23 spending cap determined under section 2 of this chapter; and

24 (2) for state fiscal years beginning after June 30, 2005, to the  
25 maximum amount that may be appropriated for general  
26 appropriations in a state fiscal year under IC 2-2.1-4.

27 SECTION 4. IC 4-10-21-2, AS ADDED BY P.L.192-2002(ss),  
28 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29 JULY 1, 2003]: Sec. 2. (a) For the state fiscal year beginning July 1,  
30 2003, and ending June 30, 2004, the state spending cap is equal to the  
31 result determined under STEP THREE of the following formula:

32 STEP ONE: Determine the sum of the total of the appropriations  
33 made from the state general fund and the property tax  
34 replacement fund (including continuing appropriations) for the  
35 state fiscal year beginning July 1, 2002, and ending June 30,  
36 2003.

37 STEP TWO: Subtract from the STEP ONE result two hundred  
38 forty-three million dollars (\$243,000,000), which is the amount  
39 of certain reversions made by state agencies.

40 STEP THREE: Multiply the STEP TWO result by one and  
41 thirty-five thousandths (1.035).

42 (b) For the state fiscal year beginning July 1, 2004, and ending June

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1 30, 2005, the state spending cap is equal to the product of the result  
 2 determined under subsection (a) multiplied by one and thirty-five  
 3 thousandths (1.035).

4 (e) The state spending cap for a state fiscal year beginning after  
 5 June 30, 2005, is equal to the product of the state spending growth  
 6 quotient for the state fiscal year determined under section 3 of this  
 7 chapter multiplied by the state spending cap for the immediately  
 8 preceding state fiscal year.

9 (d) (c) The state spending cap imposed under this section is  
 10 increased in the initial state fiscal year in which the state receives  
 11 additional revenue for deposit in the state general fund or property tax  
 12 replacement fund as a result of the enactment of a law that:

- 13 (1) establishes a new tax or fee after June 30, 2002;
- 14 (2) increases the rate of a previously enacted tax or fee after June  
 15 30, 2002; or
- 16 (3) reduces or eliminates an exemption, a deduction, or a credit  
 17 against a previously enacted tax or fee after June 30, 2002.

18 The amount of the increase is equal to the average revenue that the  
 19 budget agency estimates will be raised by the legislative action in the  
 20 initial two (2) full state fiscal years in which the legislative change is  
 21 in effect.

22 (e) (d) The state spending cap imposed under this section is  
 23 decreased in the initial state fiscal year in which the state is affected by  
 24 a decrease in revenue deposited in the state general fund or property  
 25 tax replacement fund as the result of the enactment of a law that:

- 26 (1) eliminates a tax or fee after June 30, 2002;
- 27 (2) eliminates any part of a tax rate or fee after June 30, 2002; or
- 28 (3) establishes or increases an exemption, a deduction, or a credit  
 29 against a tax or fee after June 30, 2002.

30 The amount of the decrease is equal to the average revenue that the  
 31 budget agency estimates will be lost as a result of the legislative action  
 32 in the initial two (2) full state fiscal years in which the legislative  
 33 change is in effect.

34 **(e) This section expires July 1, 2005.**

35 SECTION 5. IC 4-10-21-5, AS ADDED BY P.L.192-2002(ss),  
 36 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2003]: Sec. 5. (a) The maximum total amount that may be  
 38 expended in a state fiscal year from the state general fund, the property  
 39 tax replacement fund, and the counter-cyclical revenue and economic  
 40 stabilization fund is the least of the following:

- 41 (1) Subject to sections 6 and 7 of this chapter, the state spending  
 42 cap for the state fiscal year.

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(2) The amount appropriated by the general assembly from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund.

(3) The amount of money available in the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund to pay expenditures.

(b) Subject to sections 6 and 7 of this chapter, if the state spending cap for the state fiscal year is less than the amount appropriated by the general assembly in the state fiscal year from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund, the budget agency shall reduce the amounts available for expenditure from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund in the state fiscal year by using the procedures in IC 4-13-2-18.

**(c) This section expires July 1, 2005.**

SECTION 6. IC 4-10-21-5.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 5.1. (a) After June 30, 2005, the maximum total amount that may be expended for general expenditures in a state fiscal year is the least of the following:**

- (1) The state spending cap for the state fiscal year.**
- (2) The amount appropriated by the general assembly from the state general fund or the property tax replacement fund for general expenditures.**
- (3) The amount of money available in the state general fund or the property tax replacement fund to pay general expenditures.**

**(b) If the state spending cap for the state fiscal year is less than the amount appropriated by the general assembly for general expenditures in the state fiscal year, when all open-ended appropriations and nonspecific descriptive appropriations are considered, the budget agency shall reduce the amounts available for general expenditures to avoid a total amount of general expenditures that exceed the state spending cap by using the procedures set forth in IC 4-13-2-18.**

SECTION 7. IC 4-10-21-6, AS ADDED BY P.L.192-2002(ss), SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 6. (a) The following expenditures that would otherwise be subject to this chapter shall be excluded from all computations and determinations related to a state spending cap:**

- (1) Expenditures derived from money deposited in the state**

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1 general fund, the property tax replacement fund, and the  
 2 counter-cyclical revenue and economic stabilization fund from  
 3 any of the following:

- 4 (A) Gifts.
- 5 (B) Federal funds.
- 6 (C) Dedicated funds.
- 7 (D) Intergovernmental transfers.
- 8 (E) Damage awards.
- 9 (F) Property sales.

10 (2) Expenditures for any of the following:

- 11 (A) Transfers of money among the state general fund, the  
 12 property tax replacement fund, and the counter-cyclical  
 13 revenue and economic stabilization fund.
- 14 (B) Reserve fund deposits.
- 15 (C) Refunds of intergovernmental transfers.
- 16 (D) Payment of judgments against the state and settlement  
 17 payments made to avoid a judgment against the state, other  
 18 than a judgment or settlement payment for failure to pay a  
 19 contractual obligation or a personnel expenditure.
- 20 (E) Distributions or allocations of state tax revenues to a unit  
 21 of local government under IC 36-7-13, IC 36-7-26, IC 36-7-27,  
 22 IC 36-7-31, or IC 36-7-31.3.
- 23 (F) Motor vehicle excise tax replacement payments that are  
 24 derived from amounts transferred to the state general fund  
 25 from the lottery and gaming surplus account of the build  
 26 Indiana fund.
- 27 (G) Distributions of state tax revenues collected under IC 7.1  
 28 that are payable to cities and towns.

29 **(b) This section expires July 1, 2005.**

30 SECTION 8. IC 4-10-21-7, AS ADDED BY P.L.192-2002(ss),  
 31 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2003]: Sec. 7. (a) An appropriation otherwise subject to the  
 33 state spending cap limitation imposed by section 5 of this chapter shall  
 34 be treated as exempt from the state spending cap limitation only if the  
 35 general assembly specifically exempts the appropriation from the state  
 36 spending cap in clear and unambiguous language contained in the bill  
 37 making the appropriation.

38 (b) The following language shall be treated as meeting the  
 39 requirements of subsection (a):

40 "The general assembly waives the state spending cap limitation  
 41 imposed by IC 4-10-21-5 for the state fiscal year beginning July  
 42 1, (insert the applicable year), and ending June 30, (insert the

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1 applicable year), for the following appropriation: (insert the  
 2 language of the appropriation). Notwithstanding  
 3 IC 4-10-21-5(a)(1), the budget agency may allot appropriations  
 4 for the appropriation without making any reduction under  
 5 IC 4-10-21-5(b)."

6 (c) Language in a bill such as "Notwithstanding IC 4-10-21" or  
 7 "IC 4-10-21 does not apply to this appropriation" shall not be treated  
 8 as meeting the requirements of subsection (a). The budget agency may  
 9 consider the language described in this subsection or other language  
 10 that does not meet the requirements of subsection (a) only in  
 11 determining which appropriations to make available for expenditure  
 12 under section 5(b) of this chapter.

13 **(d) This section expires July 1, 2005.**

14 SECTION 9. IC 4-10-21-8, AS ADDED BY P.L.192-2002(ss),  
 15 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2003]: Sec. 8. (a) Not earlier than December 1 and not later  
 17 than the first session day of the general assembly after December 31 of  
 18 each even-numbered year, the budget agency shall submit a report in  
 19 writing to the executive director of the legislative services agency that  
 20 includes at least the following information:

21 (1) The state spending cap for each of the state fiscal years in the  
 22 immediately following biennial budget period.

23 (2) The supporting data and calculations necessary for a person to  
 24 independently verify the manner in which the state spending caps  
 25 described in subdivision (1) were determined.

26 **(b) This section expires July 1, 2005.**

27 SECTION 10. THE FOLLOWING ARE REPEALED [EFFECTIVE  
 28 JULY 1, 2003]: IC 4-10-21-3; IC 4-10-21-4.

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