

Adopted Rejected

COMMITTEE REPORT

YES:	21
NO:	0

MR. SPEAKER:

Your Committee on Ways and Means, to which was referred Senate Bill 459, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 1, delete lines 1 through 17.
- 2 Delete pages 2 through 6, begin a new paragraph and insert:
- 3 "SECTION 1. IC 6-3-2-20 IS ADDED TO THE INDIANA CODE
- 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 5 JANUARY 1, 2006]: **Sec. 20. (a) Each taxable year, an individual**
- 6 **who makes a contribution to a college choice 529 investment plan**
- 7 **established under IC 21-9 for the benefit of a dependent of the**
- 8 **individual may deduct from the individual's adjusted gross income**
- 9 **(as defined in IC 6-3-1-3.5(a)) the lesser of:**
- 10 **(1) the amount of the contribution made by the individual**
- 11 **during the taxable year; or**
- 12 **(2) two thousand dollars (\$2,000).**
- 13 **(b) Notwithstanding subsection (a), a husband and wife filing a**
- 14 **joint adjusted gross income tax return for a particular taxable year**
- 15 **may not claim a deduction under this section of more than two**
- 16 **thousand dollars (\$2,000)."**

1 Page 7, line 6, delete "ten (10) full-time employees who are" and
2 insert "**one (1) full-time employee who is**".

3 Page 8, line 27, delete "ten (10) full-time employees who are" and
4 insert "**one (1) full-time employee who is**".

5 Page 10, delete lines 3 through 33, begin a new paragraph and insert:
6 "SECTION 3. IC 21-9-4-1 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) The board
8 of directors of the authority is established. The board consists of the
9 following:

10 (1) The following four (4) ex officio members or directors:

11 (A) The treasurer of state.

12 (B) The state superintendent of public instruction.

13 (C) The Indiana commissioner of higher education.

14 (D) The budget director.

15 (2) ~~Five (5)~~ **Three (3)** appointed members or directors who:

16 (A) are appointed by the governor; and

17 (B) have knowledge, skill, and experience in academic,
18 business, financial, or education fields.

19 (b) During a member's term of service on the board, an appointed
20 member of the board may not be an official or employee of the state.

21 (c) Not more than ~~three (3)~~ **two (2)** of the appointed members of the
22 board may belong to the same political party.

23 (d) An appointed member serves a four (4) year term. An appointed
24 member shall hold over after the expiration of the member's term until
25 the member's successor is appointed and qualified.

26 (e) The governor may reappoint an appointed member of the board.

27 (f) A vacancy shall be filled for the balance of an unexpired term in
28 the same manner as the original appointment.

29 (g) The treasurer of state shall serve as chairman of the board. The
30 board shall annually elect one (1) of its ex officio members as vice
31 chairman, and may elect any other officer that the board desires.

32 (h) The governor may remove an appointed member for
33 misfeasance, malfeasance, willful neglect of duty, or other cause after
34 notice and a public hearing, unless the member expressly waives the
35 notice and hearing in writing.

36 SECTION 4. IC 21-9-4-5 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) ~~Five (5)~~
38 **Four (4)** members of the board are a quorum for:

- 1 (1) the transaction of business at a meeting of the board; or
 2 (2) the exercise of a power or function of the authority.

3 (b) This subsection applies to a meeting of the board at which at
 4 least ~~five (5)~~ **four (4)** members of the board are physically present at
 5 the place where the meeting is conducted. A member of the board may
 6 participate in a meeting of the board by using a means of
 7 communication that permits:

- 8 (1) the member;
 9 (2) all other members participating in the meeting; and
 10 (3) all members of the public physically present at the place where
 11 the meeting is conducted;

12 to simultaneously communicate with each other during the meeting. A
 13 member who participates in a meeting described in this subsection is
 14 considered to be present at the meeting. If a meeting is held under this
 15 subsection, the memoranda of the meeting prepared under
 16 IC 5-14-1.5-4 must state the name of each member who was physically
 17 present at the place where the meeting was conducted, who participated
 18 in the meeting by using a means of communication described in this
 19 subsection, and who was absent from the meeting.

20 (c) The affirmative vote of a majority of all the members of the
 21 board who are present is necessary for the authority to take action. A
 22 vacancy in the membership of the board does not impair the right of a
 23 quorum to exercise all the rights and perform all the duties of the
 24 authority. An action taken by the board under this article may be
 25 authorized by:

- 26 (1) resolution at any regular or special meeting; or
 27 (2) unanimous consent of all the members who have not
 28 abstained.

29 A resolution takes effect immediately upon adoption and need not be
 30 published or posted.

31 (d) The board shall meet at the call of the chairman and as provided
 32 in the bylaws of the authority.

33 (e) Meetings of the board may be held anywhere in Indiana.

34 SECTION 5. IC 21-9-10-5 IS ADDED TO THE INDIANA CODE
 35 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
 36 JANUARY 1, 2006]: **Sec. 5. The treasurer of state and the board for
 37 depositories shall cooperate and provide to the Indiana education
 38 savings authority the following:**

- 1 **(1) Clerical and professional staff and related support.**
- 2 **(2) Office space and services.**
- 3 **(3) Reasonable financial support for the development of rules,**
- 4 **policies, programs, and guidelines, including authority**
- 5 **operations and travel.**

6 SECTION 6. [EFFECTIVE JANUARY 1, 2006] **IC 6-3-2-20, as**
7 **added by this act, applies to taxable years beginning after**
8 **December 31, 2005."**

9 Renumber all SECTIONS consecutively.
 (Reference is to SB 459 as reprinted March 1, 2005.)

and when so amended that said bill do pass.

Representative Espich