

IC 6-1.1-21.4

Chapter 21.4. Rainy Day Fund Loans for Eligible School Corporations

IC 6-1.1-21.4-1

"Board"

Sec. 1. As used in this chapter, "board" refers to the state board of finance.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-2

"Eligible school corporation"

Sec. 2. As used in this chapter, "eligible school corporation" refers to a school corporation located in a county in which distributions of property tax revenue for 2007 or 2008 to the taxing units (as defined in IC 6-1.1-1-21) of the county:

- (1) have not been made; or
- (2) were delayed by more than sixty (60) days after either due date specified in IC 6-1.1-22-9.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-3

Eligible school corporation; loan application terms

Sec. 3. An eligible school corporation may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-4

Board determination of loan amount; disbursement of funds; loan repayment; no excessive levy; deposit of payments received

Sec. 4. (a) The board, after review by the budget committee, shall determine the terms of any loan made under this chapter. However, the interest rate on the loan may not exceed one percent (1%).

(b) The total amount of all loans under this chapter for all calendar years may not exceed six million dollars (\$6,000,000).

(c) An eligible school corporation receiving a loan under this chapter must repay the loan within seventy-two (72) months after the date on which the loan is made.

(d) The board may disburse in installments the proceeds of a loan made under this chapter.

(e) An eligible school corporation may repay a loan made under this chapter from any sources of revenue.

(f) The obligation to repay a loan made under this chapter is not a basis for an eligible school corporation to obtain an excessive tax levy under IC 6-1.1-19.

(g) Whenever the board receives a payment on a loan made under this chapter, the board shall deposit the amount paid in the counter-cyclical revenue and economic stabilization fund.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-5**Effects on levy excess funds**

Sec. 5. The proceeds of a loan received by an eligible school corporation under this chapter are not considered to be part of the ad valorem property tax levy actually collected by the eligible school corporation for taxes first due and payable during a particular calendar year for the purpose of calculating levy excess.

As added by P.L.131-2008, SEC.5.

IC 6-1.1-21.4-6**Loan is not bonded indebtedness**

Sec. 6. A loan under this chapter is not bonded indebtedness for purposes of IC 6-1.1-18.5.

As added by P.L.131-2008, SEC.5.