



PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

- 1 Page 81, between lines 8 and 9, begin a new paragraph and insert:
- 2 "SECTION 46. IC 5-36 IS ADDED TO THE INDIANA CODE AS
- 3 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
- 4 2025]:
- 5 **ARTICLE 36. FIRST TIME HOMEBUYER LINKED**
- 6 **DEPOSIT PROGRAM**
- 7 **Chapter 1. Definitions**
- 8 **Sec. 1. The definitions in this chapter apply throughout this**
- 9 **article.**
- 10 **Sec. 2. "Fund" refers to the linked deposit fund established by**
- 11 **IC 5-36-9-1.**
- 12 **Sec. 3. "Lender" means a financial institution (as defined in**
- 13 **IC 5-13-4-10) that:**
- 14 **(1) agrees to participate in the program;**
- 15 **(2) is eligible to make residential loans; and**
- 16 **(3) has been designated as a depository for public funds of the**
- 17 **state as provided in IC 5-13-9.5.**
- 18 **Sec. 4. "Loan" means a linked deposit loan.**
- 19 **Sec. 5. "Program" means the linked deposit program**
- 20 **established by the treasurer of state under this article.**
- 21 **Chapter 2. Linked Deposit Program**
- 22 **Sec. 1. The treasurer of state shall establish and administer the**

1 linked deposit program to assist a first time homebuyer in
2 obtaining financing for the purchase of a first home.

3 **Sec. 2.** The program shall allow the treasurer of state and a
4 lender to enter into a linked deposit agreement in the form
5 prescribed by the treasurer of state. Under the linked deposit
6 agreement:

7 (1) the treasurer of state shall place a certificate of deposit
8 with the lender at not more than three percent (3%) below the
9 comparable Treasury Bill rate as determined and calculated
10 by the treasurer of state;

11 (2) the lender will make a loan of an equivalent value to a first
12 time homebuyer at a percentage rate of interest reduced by at
13 least the same number of percentage points that the certificate
14 of deposit under subdivision (1) was reduced upon placement
15 with the lender; and

16 (3) the interest rates of both the loan and the certificate of
17 deposit shall move in tandem for the duration of the loan
18 term.

19 **Sec. 3.** A lender shall certify in writing to the treasurer of state,
20 in the form and manner prescribed by the treasurer of state, that
21 the loan complies with section 2(2) of this chapter.

22 Chapter 3. Linked Deposit Loan Application

23 **Sec. 1. (a)** To participate in the program, a first time homebuyer
24 must apply for a loan from a lender in the manner that is
25 customarily required by the lender.

26 (b) A lender shall make a credit decision with respect to a loan
27 application in accordance with all usual lending standards to
28 determine the creditworthiness of a first time homebuyer.

29 **Sec. 2.** If the lender approves the loan application, the lender
30 shall submit to the treasurer of state a linked deposit application
31 completed by the lender and company.

32 Chapter 4. Linked Deposit Application

33 **Sec. 1.** The treasurer of state shall prescribe the form of a linked
34 deposit application. However, the form must require at least the
35 following information:

36 (1) The amount of the first time homebuyer's loan.

37 (2) A feasibility study by an objective third party with a
38 positive determination that the first time homebuyer will be
39 able to repay the loan.

40 (3) A certification by the lender of the present borrowing rate
41 applicable to a first time homebuyer.

42 (4) A certification by the first time homebuyer that:

43 (A) the first time homebuyer is not currently participating
44 in the program; and

45 (B) the information contained in the linked deposit
46 application is, to the best of the first time homebuyer's
47 knowledge, true and correct.

1 (5) Any other information the treasurer of state requires.
2 **Sec. 2.** The treasurer of state shall approve or reject a linked
3 deposit application:
4 (1) not more than thirty (30) days after receipt of a complete
5 application; and
6 (2) in accordance with the guidelines adopted by the treasurer
7 of state.
8 **Sec. 3.** If the treasurer of state rejects the linked deposit
9 application, the treasurer of state shall provide a written notice of
10 rejection to the lender and the first time homebuyer that states the
11 reasons for rejecting the application.
12 **Sec. 4. (a)** If the treasurer of state approves the linked deposit
13 application, the treasurer of state shall:
14 (1) provide written notice of the approval to the lender and
15 the first time homebuyer; and
16 (2) place a certificate of deposit with the lender at a rate
17 below current market rates, as provided in IC 5-36-2-2.
18 **(b)** The treasurer of state may purchase a certificate of deposit
19 under subsection (a) using either or both of the following:
20 (1) Excess state funds under IC 5-13-10-1.
21 (2) Funds in the linked deposit fund established by
22 IC 5-36-9-1.
23 **Chapter 5. Linked Deposit Loan**
24 **Sec. 1.** The following apply to a loan made by a lender under the
25 program:
26 (1) The lender shall fund a loan in accordance with the linked
27 deposit agreement entered into with the treasurer of state.
28 (2) The purpose of the loan must be to finance the purchase of
29 a home by a first time homebuyer.
30 **Sec. 2.** A first time homebuyer may have only one (1)
31 outstanding loan under the program at any time. However, a loan
32 may be refinanced. The treasurer of state shall establish criteria
33 regarding the amount of a loan for refinancing.
34 **Sec. 3.** A loan may not be made to any of the following:
35 (1) An officer or director of the lender or an entity in which
36 any officer or director of the lender maintains a controlling
37 interest.
38 (2) An officer or employee of the office of the treasurer of
39 state or any entity in which any officer or employee of the
40 office of the treasurer of state maintains a controlling interest.
41 (3) An immediate family member of an officer or employee of
42 the office of the treasurer of state.
43 **Chapter 6. Certificates of Deposit**
44 **Sec. 1.** A certificate of deposit placed with a lender under the
45 program shall have a maturity date identical to the maturity date
46 of the loan with a term not exceeding ten (10) years.
47 **Sec. 2. (a)** Subject to subsection (b), at the discretion of the

1 **treasurer of state and with the approval of the lender:**

2 (1) a certificate of deposit may be renewed not more than
3 three (3) times; and

4 (2) each renewal must have a maturity date that matches the
5 maturity date of the loan not exceeding a maximum of five (5)
6 years.

7 (b) A certificate of deposit may only be renewed if:

8 (1) the loan principal has been reduced by at least five percent
9 (5%); and

10 (2) all interest has been paid to date from the time of the prior
11 loan or renewal.

12 (c) Interest shall be paid at the times determined by the
13 treasurer of state.

14 **Chapter 7. Liability**

15 **Sec. 1.** The state and treasurer of state are not liable to a lender
16 for payment of the principal or interest on a loan made to a
17 company.

18 **Sec. 2.** Any delay in payments in default on the part of a first
19 time homebuyer does not affect the linked deposit agreement
20 between the lender and the treasurer of state.

21 **Chapter 8. Annual Report**

22 **Sec. 1.** Not later than July 1, 2027, and before July 1 of each
23 year thereafter, the treasurer of state shall submit a report on the
24 status of the program to the following:

25 (1) The governor.

26 (2) The lieutenant governor.

27 (3) The legislative council in an electronic format under
28 IC 5-14-6.

29 **Chapter 9. Linked Deposit Fund**

30 **Sec. 1. (a)** The linked deposit fund is established. The fund shall
31 be administered by the treasurer of state. Money in the fund may
32 be used for placing certificates of deposit with lenders to implement
33 the program.

34 (b) The fund consists of money appropriated by the general
35 assembly.

36 (c) The expenses of administering the fund shall be paid from
37 money in the fund.

38 **Sec. 2. (a)** The treasurer of state shall invest the money in the
39 fund not currently needed to meet the obligations of the fund in the
40 same manner as other public funds may be invested. Interest that
41 accrues from these investments shall be deposited in the fund.

42 (b) Money in the fund at the end of a state fiscal year does not
43 revert to the state general fund.

44 **Chapter 10. Guidelines**

45 **Sec. 1.** The treasurer of state shall adopt guidelines to
46 implement this article, including guidelines governing:

47 (1) the form and content of applications for linked deposits;

- 1 **(2) a process for requesting renewal of a linked deposit;**
- 2 **(3) loan refinancing;**
- 3 **(4) monitoring compliance of lenders and companies;**
- 4 **(5) the form and terms of linked deposit agreements;**
- 5 **(6) standards for approval or rejection of linked deposit**
- 6 **applications; and**
- 7 **(7) any other guidelines the board determines are necessary**
- 8 **to implement and administer the program.**

9 **Sec. 2. In adopting the guidelines described in section 1 of this**
10 **chapter, the treasurer of state shall collaborate with or seek**
11 **guidance from:**

- 12 **(1) the state board of finance under IC 4-9.1; and**
- 13 **(2) the board for depositories under IC 5-13."**

14 Renumber all SECTIONS consecutively.
 (Reference is to HB 1001 as printed February 17, 2025.)

Representative DeLaney