

SENATE BILL No. 281

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-3-1.6-1.1; IC 21-3-3.1-2.1.

Synopsis: Funding for kindergarten. Provides that a kindergarten pupil counts as one pupil for the purposes of state distributions to school corporations if the kindergarten pupil is enrolled in a full-day kindergarten program. (Current law provides that a kindergarten pupil counts as one-half a pupil.) (The introduced version of this bill was prepared by the interim study committee on education issues.)

Effective: July 1, 1998; March 1, 2001.

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January 7, 1998, read first time and referred to Committee on Education.

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Introduced

Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

SENATE BILL No. 281

A BILL FOR AN ACT to amend the Indiana Code concerning education finance.

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

- 1 SECTION 1. IC 21-3-1.6-1.1, AS AMENDED BY P.L.2-1997,
2 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]: Sec. 1.1. As used in this chapter:
4 (a) "School corporation" means any local public school corporation
5 established under Indiana law.
6 (b) "School year" means a year beginning July 1 and ending the next
7 succeeding June 30.
8 (c) "State distribution" due a school corporation means the amount
9 of state funds to be distributed to a school corporation in any calendar
10 year under this chapter.
11 (d) "Average daily membership" or "ADM" of a school corporation
12 means the number of eligible pupils enrolled in the school corporation
13 or in a transferee corporation on a day to be fixed annually by the
14 Indiana state board of education. Such day shall fall within the first
15 thirty (30) days of the school term. If, however, extreme patterns of
16 student in-migration, illness, natural disaster, or other unusual
17 conditions in a particular school corporation's enrollment on the



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1 particular day thus fixed, cause the enrollment to be unrepresentative
2 of the school corporation's enrollment throughout a school year, the
3 Indiana state board of education may designate another day for
4 determining the school corporation's enrollment. The Indiana state
5 board of education shall monitor changes, which occur after the fall
6 count, in the number of students enrolled in programs for children with
7 disabilities and shall, before December 2 of that same year, make an
8 adjusted count of students enrolled in programs for children with
9 disabilities. The superintendent of public instruction shall certify the
10 adjusted count to the budget committee before February 5 of the
11 following year. In determining the ADM, each kindergarten pupil shall
12 be counted as one-half (1/2) pupil, **if the kindergarten pupil attends**
13 **a half-day kindergarten program, or one (1) pupil, if the**
14 **kindergarten pupil attends a full-day kindergarten program.**
15 Where a school corporation commences kindergarten in a school year,
16 the ADM of the current and prior calendar years shall be adjusted to
17 reflect the enrollment of the kindergarten pupils. "Current ADM" of a
18 school corporation used in computing its state distribution in a calendar
19 year means the ADM of the school year ending in the calendar year.
20 "ADM of the previous year" or "ADM of the prior year" of a school
21 corporation used in computing its state distribution in a calendar year
22 means the ADM of the school corporation for the school year ending
23 in the preceding calendar year.

24 (e) "Additional count" of a school corporation, or comparable
25 language, means the aggregate of the additional counts of the school
26 corporation for certain pupils as set out in section 3 of this chapter and
27 as determined at the times for calculating ADM. "Current additional
28 count" means the additional count of the school corporation for the
29 school year ending in the calendar year. "Prior year additional count"
30 of a school corporation used in computing its state distribution in a
31 calendar year means the additional count of the school corporation for
32 the school year ending in the preceding calendar year.

33 (f) "Adjusted assessed valuation" of any school corporation used in
34 computing state distribution for a calendar year means the assessed
35 valuation in the school corporation, adjusted as provided in
36 IC 6-1.1-34. The amount of the valuation shall also be adjusted
37 downward by the state board of tax commissioners to the extent it
38 consists of real or personal property owned by a railroad or other
39 corporation under the jurisdiction of a federal court under the federal
40 bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation
41 being involved in a bankruptcy proceeding the corporation is
42 delinquent in payment of its Indiana real and personal property taxes

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1 for the year to which the valuation applies. If the railroad or other
 2 corporation in some subsequent calendar year makes payment of the
 3 delinquent taxes, then the state superintendent of public instruction
 4 shall prescribe adjustments in the distributions of state funds pursuant
 5 to this chapter as are thereafter to become due to a school corporation
 6 affected by the delinquency as will ensure that the school corporation
 7 will not have been unjustly enriched under the provisions of
 8 P.L.382-1987(ss).

9 (g) "General fund" means a school corporation fund established
 10 under IC 21-2-11-2.

11 (h) "Teacher" means every person who is required as a condition of
 12 employment by a school corporation to hold a teacher's license issued
 13 or recognized by the state, except substitutes and any person paid
 14 entirely from federal funds.

15 (i) "Teacher ratio" of a school corporation used in computing state
 16 distribution in any calendar year means the ratio assigned to the school
 17 corporation pursuant to section 2 of this chapter.

18 (j) "Eligible pupil" means a pupil enrolled in a school corporation
 19 if:

20 (1) the school corporation has the responsibility to educate the
 21 pupil in its public schools without the payment of tuition;

22 (2) subject to subdivision (5), the school corporation has the
 23 responsibility to pay transfer tuition under IC 20-8.1-6.1, because
 24 the pupil is transferred for education to another school
 25 corporation (the "transferee corporation");

26 (3) the pupil is enrolled in a school corporation as a transfer
 27 student under IC 20-8.1-6.1-3 or entitled to be counted for ADM
 28 or additional count purposes as a resident of the school
 29 corporation when attending its schools under any other applicable
 30 law or regulation;

31 (4) the state is responsible for the payment of transfer tuition to
 32 the school corporation for the pupil under IC 20-8.1-6.1; or

33 (5) all of the following apply:

34 (A) The school corporation is a transferee corporation.

35 (B) The pupil does not qualify as a qualified pupil in the
 36 transferee corporation under subdivision (3) or (4).

37 (C) The transferee corporation's attendance area includes a
 38 state licensed private or public health care facility, child care
 39 facility, or foster family home where the pupil was placed:

40 (i) by or with the consent of the division of family and
 41 children;

42 (ii) by a court order; or



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1 (iii) by a child placing agency licensed by the division of
2 family and children.

3 (k) "General fund budget" of a school corporation means the amount
4 of the budget approved for a given year by the state board of tax
5 commissioners and used by the state board of tax commissioners in
6 certifying a school corporation's general fund tax levy and tax rate for
7 the school corporation's general fund as provided for in IC 21-2-11.

8 SECTION 2. IC 21-3-3.1-2.1, AS AMENDED BY P.L.6-1997,
9 SECTION 195, IS AMENDED TO READ AS FOLLOWS
10 [EFFECTIVE MARCH 1, 2001]: Sec. 2.1. (a) For each calendar year,
11 the allowable transportation distribution for each school corporation
12 shall be based on the following formula:

13 (1) The sum of two hundred seventy-five dollars (\$275) for 1988,
14 and two hundred eighty dollars (\$280) for 1989 and thereafter,
15 less the product of twenty dollars (\$20) multiplied by the linear
16 density of the school corporation.

17 (2) This remainder is then multiplied by the number of the school
18 corporation's eligible pupils.

19 (3) From this product is subtracted the product of thirteen and
20 sixty-seven hundredths cents (\$.1367) multiplied by each one
21 hundred dollars (\$100) of the school corporation's assessed value
22 for taxes first due and payable in the preceding year.

23 (b) Application of the formula in subsection (a) shall be governed
24 and modified by the following provisions:

25 (1) In calendar year 1976, and subsequent years, no school
26 corporation that receives funds under this chapter shall receive
27 less money than the school corporation was entitled to receive in
28 calendar year 1975 under IC 21-3-3 (repealed December 31,
29 1975).

30 (2) The linear density of the school corporation shall be
31 determined by dividing the total number of eligible pupils by the
32 round trip mileage of all vehicles used by or for the school
33 corporation in transporting pupils.

34 (3) Eligible pupils are those counted in ADM, enrolled in grades
35 K-12, and transported more than one (1) mile, or a preschool child
36 who is transported for purposes of attending a special education
37 program under IC 20-1-6-14.1, regardless of the distance
38 transported.

39 (4) The round trip mileage of a vehicle shall be the total miles
40 traveled by the vehicle measured from the first point the vehicle
41 picks up an eligible pupil to the last point at which an eligible
42 pupil disembarks at school, multiplied by two (2).



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- 1 (5) A kindergarten pupil, to the extent the pupil constitutes an
 2 eligible pupil, ~~shall be~~ is counted as one-half (1/2) an eligible
 3 pupil, **if the kindergarten pupil attends a half-day**
 4 **kindergarten program, or one (1) eligible pupil, if the**
 5 **kindergarten pupil attends a full-day kindergarten program.**
 6 A preschool pupil attending a special education program under
 7 IC 20-1-6-14.1 is counted as one (1) eligible pupil.
- 8 (6) All the factors, applied in sections 1 and 3 of this chapter for
 9 determining the transportation distribution for any school
 10 corporation for any calendar year, shall be those existing in the
 11 school year ending in the preceding calendar year.
- 12 (7) If subsection (a)(3) requires the use of the assessed valuation
 13 for a year in which a general reassessment becomes effective, the
 14 state shall make an adjustment in the assessed value used to
 15 neutralize the effect of the general reassessment. The adjustment
 16 applies to all subsequent years before another general
 17 reassessment becomes effective.
- 18 SECTION 3. [EFFECTIVE JULY 1, 1998] (a) **Notwithstanding**
 19 **IC 21-3-3.1-2.1(b)(5), for the purposes of IC 21-3-3.1-2.1(b)(5), a**
 20 **kindergarten pupil, to the extent the pupil constitutes an eligible**
 21 **pupil, is counted as one-half (1/2) an eligible pupil, if the**
 22 **kindergarten pupil attends a half-day kindergarten program, or**
 23 **one (1) eligible pupil, if the kindergarten pupil attends a full-day**
 24 **kindergarten program.**
 25 (b) This SECTION expires February 28, 2001.

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