

HOUSE BILL No. 1366

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 6-3.5-6-18.5; IC 12; IC 16-33-3-10; IC 16-33-4; IC 16-35; IC 20-8.1; IC 20-12-31-5; IC 31-19-26-1; IC 31-34-24-8; IC 31-37-24-8; IC 31-40-1; IC 33-13-14-6.

Synopsis: Transfer of county welfare costs to the state. Eliminates property tax levies for public welfare, except for: (1) property tax levies needed to repay loans and bonds issued to fund expenditures made before January 1, 1999; and (2) property tax levies imposed to support county homes. Transfers responsibility for funding public welfare services to the state. Provides that each county office of family and children is part of the state division of family and children. Eliminates welfare reporting related to the county auditor. Establishes the human services study committee to prepare, for introduction in the general assembly, any legislation needed to implement the transfer of responsibilities from the counties to the state.

Effective: Upon passage; July 1, 1998; January 1, 1999; March 1, 2001.

Espich, Friend

January 13, 1998, read first time and referred to Committee on Ways and Means.



C
O
P
Y

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.

HOUSE BILL No. 1366



A BILL FOR AN ACT to amend the Indiana Code concerning welfare financing and to make an appropriation.

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

1 SECTION 1. IC 6-1.1-18-3, AS AMENDED BY P.L.25-1995,
2 SECTION 27 (CURRENT VERSION), IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 3. (a) Except as
4 provided in subsection (b), the sum of all tax rates for all political
5 subdivisions imposed on tangible property within a political
6 subdivision may not exceed:
7 (1) one dollar and twenty-five cents (\$1.25) on each one hundred
8 dollars (\$100) of assessed valuation in territory outside the
9 corporate limits of a city or town; or
10 (2) two dollars (\$2) on each one hundred dollars (\$100) of
11 assessed valuation in territory inside the corporate limits of a city
12 or town.
13 (b) The proper officers of a political subdivision shall fix tax rates
14 which are sufficient to provide funds for the purposes itemized in this
15 subsection. The portion of a tax rate fixed by a political subdivision
16 shall not be considered in computing the tax rate limits prescribed in
17 subsection (a) if that portion is to be used for one (1) of the following



C
O
P
Y

1 purposes:

- 2 (1) To pay the principal or interest on a funding, refunding, or
 3 judgment funding obligation of the political subdivision.
 4 (2) To pay the principal or interest on an outstanding obligation
 5 issued by the political subdivision if notice of the sale of the
 6 obligation was published before March 9, 1937.
 7 (3) To pay the principal or interest upon:
 8 (A) an obligation issued by the political subdivision to meet an
 9 emergency which results from a flood, fire, pestilence, war, or
 10 any other major disaster; or
 11 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 12 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
 13 to acquire necessary equipment or facilities for municipal or
 14 county government.
 15 (4) To pay the principal or interest upon an obligation issued in
 16 the manner provided in IC 6-1.1-20-3 (before its repeal) or
 17 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.
 18 (5) To pay a judgment rendered against the political subdivision.
 19 ~~(6) To meet the requirements of the county welfare fund; the~~
 20 ~~county welfare administration fund; for public welfare services;~~
 21 ~~or the family and children's fund for child services (as defined in~~
 22 ~~IC 12-19-7-1).~~
 23 ~~(7) To meet the requirements of the county hospital care for the~~
 24 ~~indigent fund.~~
 25 (c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a
 26 county board of tax adjustment, a county auditor, or the state board of
 27 tax commissioners may review the portion of a tax rate described in
 28 subsection (b) only to determine if it exceeds the portion actually
 29 needed to provide for one (1) of the purposes itemized in that
 30 subsection.
 31 SECTION 2. IC 6-1.1-18-3, AS AMENDED BY P.L.6-1997,
 32 SECTION 82 (DELAYED VERSION), IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as
 34 provided in subsection (b), the sum of all tax rates for all political
 35 subdivisions imposed on tangible property within a political
 36 subdivision may not exceed:
 37 (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each
 38 one hundred dollars (\$100) of assessed valuation in territory
 39 outside the corporate limits of a city or town; or
 40 (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each
 41 one hundred dollars (\$100) of assessed valuation in territory
 42 inside the corporate limits of a city or town.

C
O
P
Y



1 (b) The proper officers of a political subdivision shall fix tax rates
 2 which are sufficient to provide funds for the purposes itemized in this
 3 subsection. The portion of a tax rate fixed by a political subdivision
 4 shall not be considered in computing the tax rate limits prescribed in
 5 subsection (a) if that portion is to be used for one (1) of the following
 6 purposes:

7 (1) To pay the principal or interest on a funding, refunding, or
 8 judgment funding obligation of the political subdivision.

9 (2) To pay the principal or interest on an outstanding obligation
 10 issued by the political subdivision if notice of the sale of the
 11 obligation was published before March 9, 1937.

12 (3) To pay the principal or interest upon:

13 (A) an obligation issued by the political subdivision to meet an
 14 emergency which results from a flood, fire, pestilence, war, or
 15 any other major disaster; or

16 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 17 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
 18 to acquire necessary equipment or facilities for municipal or
 19 county government.

20 (4) To pay the principal or interest upon an obligation issued in
 21 the manner provided in IC 6-1.1-20-3 (before its repeal) or
 22 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.

23 (5) To pay a judgment rendered against the political subdivision.

24 ~~(6) To meet the requirements of the county welfare fund; the~~
 25 ~~county welfare administration fund; for public welfare services;~~
 26 ~~or the family and children's fund for child services (as defined in~~
 27 ~~IC 12-19-7-1).~~

28 ~~(7) To meet the requirements of the county hospital care for the~~
 29 ~~indigent fund.~~

30 (c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a
 31 county board of tax adjustment, a county auditor, or the state board of
 32 tax commissioners may review the portion of a tax rate described in
 33 subsection (b) only to determine if it exceeds the portion actually
 34 needed to provide for one (1) of the purposes itemized in that
 35 subsection.

36 SECTION 3. IC 6-1.1-18.5-9.7, AS AMENDED BY P.L.52-1996,
 37 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JANUARY 1, 1999]: Sec. 9.7. (a) The ad valorem property tax levy
 39 limits imposed by section 3 of this chapter do not apply to ad valorem
 40 property taxes imposed under any of the following:

41 (1) IC 12-16, except IC 12-16-1.

42 (2) IC 12-19-3-3 through IC 12-19-3-7.



C
O
P
Y

1 ~~(3) IC 12-19-4.~~

2 ~~(4) IC 12-19-5.~~

3 ~~(5) IC 12-19-7.~~

4 ~~(6) IC 12-20-24.~~

5 (b) For purposes of computing the ad valorem property tax levy
6 limits imposed under section 3 of this chapter, a county's or township's
7 ad valorem property tax levy for a particular calendar year does not
8 include that part of the levy imposed under ~~the citations listed in~~
9 ~~subsection (a): IC 12-20-24.~~

10 (c) Section 8(b) of this chapter does not apply to bonded
11 indebtedness that **was issued to pay obligations incurred before**
12 **January 1, 1999, and that** will be repaid through property taxes
13 imposed under IC 12-19.

14 SECTION 4. IC 6-1.1-21-2, AS AMENDED BY P.L.253-1997(ss),
15 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 1999]: Sec. 2. As used in this chapter:

17 (a) "Taxpayer" means a person who is liable for taxes on property
18 assessed under this article.

19 (b) "Taxes" means taxes payable in respect to property assessed
20 under this article. The term does not include special assessments,
21 penalties, or interest, but does include any special charges which a
22 county treasurer combines with all other taxes in the preparation and
23 delivery of the tax statements required under IC 6-1.1-22-8(a).

24 (c) "Department" means the department of state revenue.

25 (d) "Auditor's abstract" means the annual report prepared by each
26 county auditor which under IC 6-1.1-22-5 is to be filed on or before
27 March 1 of each year with the auditor of state.

28 (e) "Mobile home assessments" means the assessments of mobile
29 homes made under IC 6-1.1-7.

30 (f) "Postabstract adjustments" means adjustments in taxes made
31 subsequent to the filing of an auditor's abstract which change
32 assessments therein or add assessments of omitted property affecting
33 taxes for such assessment year.

34 (g) "Total county tax levy" means the sum of:

35 (1) the remainder of:

36 (A) the aggregate levy of all taxes for all taxing units in a
37 county which are to be paid in the county for a stated
38 assessment year as reflected by the auditor's abstract for the
39 assessment year, adjusted, however, for any postabstract
40 adjustments which change the amount of the aggregate levy;
41 minus

42 (B) the sum of any increases in property tax levies of taxing

C
O
P
Y



units of the county that result from appeals described in:

(i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) filed after December 31, 1982; plus

(ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus

(iii) ~~IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county);~~ minus

(C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), ~~IC 12-19-5~~; or IC 12-20-24; minus

(D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

(i) is entered into after December 31, 1983;

(ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and

(iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 were satisfied prior to January 1, 1984; minus

(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of ~~IC 21-2-6~~ or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

(i) the total property taxes imposed in the county for the stated assessment year under authority of ~~IC 21-2-6~~ or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 **(before its repeal)** or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment

C
O
P
Y



- 1 year; minus
 2 (G) the amount of property taxes imposed in the county for the
 3 stated assessment year under:
 4 (i) IC 21-2-15 for a capital projects fund; plus
 5 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 6 (iii) IC 20-14-13 for a library capital projects fund; plus
 7 (iv) IC 20-5-17.5-3 for an art association fund; plus
 8 (v) IC 21-2-17 for a special education preschool fund; plus
 9 (vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in
 10 a school corporation's maximum permissible general fund
 11 levy for certain transfer tuition costs; plus
 12 (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in
 13 a school corporation's maximum permissible general fund
 14 levy for transportation operating costs; minus
 15 (H) the amount of property taxes imposed by a school
 16 corporation that is attributable to the passage, after 1983, of a
 17 referendum for an excessive tax levy under IC 6-1.1-19,
 18 including any increases in these property taxes that are
 19 attributable to the adjustment set forth in ~~IC 6-1.1-19-1.5(a)~~
 20 **STEP ONE IC 6-1.1-19-1.5(b) STEP FOUR** or any other law;
 21 minus
 22 (I) for each township in the county, the lesser of:
 23 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
 24 **STEP THREE** or IC 6-1.1-18.5-19(b) **STEP THREE**,
 25 whichever is applicable, plus the part, if any, of the
 26 township's ad valorem property tax levy for calendar year
 27 1989 that represents increases in that levy that resulted from
 28 an appeal described in IC 6-1.1-18.5-13(5) filed after
 29 December 31, 1982; or
 30 (ii) the amount of property taxes imposed in the township for
 31 the stated assessment year under the authority of
 32 IC 36-8-13-4; minus
 33 (J) for each participating unit in a fire protection territory
 34 established under IC 36-8-19-1, the amount of property taxes
 35 levied by each participating unit under IC 36-8-19-8 and
 36 IC 36-8-19-8.5 less the maximum levy limit for each of the
 37 participating units that would have otherwise been available
 38 for fire protection services under IC 6-1.1-18.5-3 and
 39 IC 6-1.1-18.5-19 for that same year; minus
 40 ~~(K) for each county, the sum of:~~
 41 ~~(i) the amount of property taxes imposed in the county for~~
 42 ~~the repayment of loans under IC 12-19-5-6 that is included~~

C
O
P
Y

1 in the amount determined under IC 12-19-7-4(a) STEP
 2 SEVEN for property taxes payable in 1995; or for property
 3 taxes payable in each year after 1995; the amount
 4 determined under IC 12-19-7-4(b); and

5 (ii) the amount of property taxes imposed in the county
 6 attributable to appeals granted under IC 6-1.1-18.6-3 that is
 7 included in the amount determined under IC 12-19-7-4(a)
 8 STEP SEVEN for property taxes payable in 1995; or the
 9 amount determined under IC 12-19-7-4(b) for property taxes
 10 payable in each year after 1995; plus

11 (2) all taxes to be paid in the county in respect to mobile home
 12 assessments currently assessed for the year in which the taxes
 13 stated in the abstract are to be paid; plus

14 (3) the amounts, if any, of county adjusted gross income taxes that
 15 were applied by the taxing units in the county as property tax
 16 replacement credits to reduce the individual levies of the taxing
 17 units for the assessment year, as provided in IC 6-3.5-1.1; plus

18 (4) the amounts, if any, by which the maximum permissible ad
 19 valorem property tax levies of the taxing units of the county were
 20 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
 21 assessment year; plus

22 (5) the difference between:

23 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
 24 minus

25 (B) the amount the civil taxing units' levies were increased
 26 because of the reduction in the civil taxing units' base year
 27 certified shares under IC 6-1.1-18.5-3(e).

28 (h) "December settlement sheet" means the certificate of settlement
 29 filed by the county auditor with the auditor of state, as required under
 30 IC 6-1.1-27-3.

31 (i) "Tax duplicate" means the roll of property taxes which each
 32 county auditor is required to prepare on or before March 1 of each year
 33 under IC 6-1.1-22-3.

34 SECTION 5. IC 6-1.1-29-9, AS AMENDED BY P.L.36-1994,
 35 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JANUARY 1, 1999]: Sec. 9. (a) A county council may adopt an
 37 ordinance to abolish the county board of tax adjustment. This ordinance
 38 must be adopted by July 1 and may not be rescinded in the year it is
 39 adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-19,
 40 ~~IC 12-19-3, IC 12-19-7, IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5,~~
 41 IC 36-8-11, IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance
 42 is adopted, this section governs the treatment of tax rates, tax levies,



C
O
P
Y

1 and budgets that would otherwise be reviewed by a county board of tax
2 adjustment under IC 6-1.1-17.

3 (b) The time requirements set forth in IC 6-1.1-17 govern all filings
4 and notices.

5 (c) A tax rate, tax levy, or budget that otherwise would be reviewed
6 by the county board of tax adjustment is considered and must be treated
7 for all purposes as if the county board of tax adjustment approved the
8 tax rate, tax levy, or budget. This includes the notice of tax rates that is
9 required under IC 6-1.1-17-12.

10 SECTION 6. IC 6-3.5-6-18.5, AS AMENDED BY P.L.98-1995,
11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JANUARY 1, 1999]: Sec. 18.5. (a) This section applies to a county
13 containing a consolidated city.

14 (b) Notwithstanding section 18(e) of this chapter, the distributive
15 shares that each civil taxing unit in a county containing a consolidated
16 city is entitled to receive during a month equals the following:

17 (1) For the calendar year beginning January 1, 1995, calculate the
18 total amount of revenues that are to be distributed as distributive
19 shares during that month multiplied by the following factor:

20	Center Township	.0251
21	Decatur Township	.00217
22	Franklin Township	.0023
23	Lawrence Township	.01177
24	Perry Township	.01130
25	Pike Township	.01865
26	Warren Township	.01359
27	Washington Township	.01346
28	Wayne Township	.01307
29	Lawrence-City	.00858
30	Beech Grove	.00845
31	Southport	.00025
32	Speedway	.00722
33	Indianapolis/Marion County	.86409

34 (2) Notwithstanding subdivision (1), for the calendar year
35 beginning January 1, 1995, the distributive shares for each civil
36 taxing unit in a county containing a consolidated city shall be not
37 less than the following:

38	Center Township	\$1,898,145
39	Decatur Township	\$ 164,103
40	Franklin Township	\$ 173,934
41	Lawrence Township	\$ 890,086
42	Perry Township	\$ 854,544



C
O
P
Y

1	Pike Township	\$1,410,375
2	Warren Township	\$1,027,721
3	Washington Township	\$1,017,890
4	Wayne Township	\$ 988,397
5	Lawrence-City	\$ 648,848
6	Beech Grove	\$ 639,017
7	Southport	\$ 18,906
8	Speedway	\$ 546,000
9	(3) For each year after 1995, calculate the total amount of	
10	revenues that are to be distributed as distributive shares during	
11	that month as follows:	
12	STEP ONE: Determine the total amount of revenues that	
13	were distributed as distributive shares during that month in	
14	calendar year 1995.	
15	STEP TWO: Determine the total amount of revenue that the	
16	department has certified as distributive shares for that	
17	month under section 17 of this chapter for the calendar year.	
18	STEP THREE: Subtract the STEP ONE result from the	
19	STEP TWO result.	
20	STEP FOUR: If the STEP THREE result is less than or	
21	equal to zero (0), multiply the STEP TWO result by the	
22	ratio established under subdivision (1).	
23	STEP FIVE: Determine the ratio of:	
24	(A) the maximum permissible property tax levy under	
25	IC 6-1.1-18.5 and IC 6-1.1-18.6 for each civil taxing	
26	unit for the calendar year in which the month falls;	
27	divided by	
28	(B) the sum of the maximum permissible property tax	
29	levies under IC 6-1.1-18.5 and IC 6-1.1-18.6 for all	
30	civil taxing units of the county during the calendar year	
31	in which the month falls.	
32	STEP SIX: If the STEP THREE result is greater than zero	
33	(0), the STEP ONE amount shall be distributed by	
34	multiplying the STEP ONE amount by the ratio established	
35	under subdivision (1).	
36	STEP SEVEN: For each taxing unit determine the STEP	
37	FIVE ratio multiplied by the STEP TWO amount.	
38	STEP EIGHT: For each civil taxing unit determine the	
39	difference between the STEP SEVEN amount minus the	
40	product of the STEP ONE amount multiplied by the ratio	
41	established under subdivision (1). The STEP THREE	
42	excess shall be distributed as provided in STEP NINE only	

C
O
P
Y

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for the qualifying civil taxing unit during the calendar year in which the month falls; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for all qualifying civil taxing units of the county during the calendar year in which the month falls.

SECTION 7. IC 12-7-2-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 45. "County office" refers to a county office of family and children **within the division of family and children.**

SECTION 8. IC 12-7-2-91, AS AMENDED BY P.L.91-1996, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 91. "Fund" means the following:

- (1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.
- ~~(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.~~
- ~~(3) (2) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.~~
- ~~(4) (3) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.~~
- ~~(5) (4) For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.~~
- ~~(6) (5) For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.~~
- ~~(7) For purposes of IC 12-19-3, the meaning set forth in IC 12-19-3-1.~~
- ~~(8) For purposes of IC 12-19-4, the meaning set forth in IC 12-19-4-1.~~
- ~~(9) For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.~~
- ~~(10) (6) For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.~~
- ~~(11) For purposes of IC 12-24-6, the meaning set forth in~~

C
O
P
Y



1 ~~IC 12-24-6-1.~~
 2 ~~(12)~~ (7) For purposes of IC 12-24-14, the meaning set forth in
 3 IC 12-24-14-1.
 4 ~~(13)~~ (8) For purposes of IC 12-30-7, the meaning set forth in
 5 IC 12-30-7-3.

6 SECTION 9. IC 12-7-2-95 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 95. (a)
 8 "Grant-in-aid", for purposes of the statutes listed in subsection (b),
 9 means any money paid by the federal government to the state ~~or any~~
 10 **money paid by the state to a county** for the purpose of defraying any of
 11 the expenses, claims, allowances, assistance, or obligations authorized
 12 by this title.

- 13 (b) This section applies to the following statutes:
- 14 (1) IC 12-13.
 - 15 (2) IC 12-14.
 - 16 (3) IC 12-15.
 - 17 (4) IC 12-17-1.
 - 18 (5) IC 12-17-2.
 - 19 (6) IC 12-17-3.
 - 20 (7) IC 12-17-9.
 - 21 (8) IC 12-17-10.
 - 22 (9) IC 12-17-11.
 - 23 ~~(10) IC 12-19.~~

24 SECTION 10. IC 12-7-2-136 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 136. "Patient"
 26 means the following:

- 27 (1) For purposes of IC 12-24-1-4, an individual who is admitted
 28 to a state institution for observation, diagnosis, or treatment.
- 29 (2) For purposes of IC 12-24-7, the meaning set forth in
 30 IC 12-24-7-1.
- 31 (3) For purposes of ~~IC 12-24-6~~, IC 12-24-13, IC 12-24-14 and
 32 IC 12-24-15, a mentally ill individual, an individual who appears
 33 to be mentally ill, or a mentally retarded individual who is:
 - 34 (A) in or under the supervision and control of a state
 35 institution; or
 - 36 (B) because of mental illness, under the supervision and
 37 control of a circuit, superior, or juvenile court.
- 38 (4) For purposes of IC 12-24-17, the meaning set forth in
 39 IC 12-24-17-2.
- 40 (5) For purposes of IC 12-27, an individual receiving mental
 41 health services or developmental training. The term includes a
 42 client of a service provider.

C
o
p
y



1 SECTION 11. IC 12-7-2-169 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 169. (a)
 3 "Responsible party", for purposes of ~~IC 12-24-6~~, IC 12-24-13,
 4 IC 12-24-14, and IC 12-24-15 means any of the following:

- 5 (1) The patient.
- 6 (2) The parents of the patient if the patient is not more than
 7 eighteen (18) years of age.
- 8 (3) The spouse of the patient.
- 9 (4) The estate of the patient.
- 10 (5) A legal guardian of the patient in the guardian's
 11 representative capacity.
- 12 (6) A trustee of the patient if the trust authorizes payment for the
 13 care, treatment, maintenance, or support of the patient.

14 (b) The term does not include the children of the patient.

15 SECTION 12. IC 12-7-2-188 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 188.
 17 "Superintendent" has the following meaning:

- 18 (1) For purposes of IC 12-24, the term refers to the
 19 administrative head of a state institution appointed under
 20 IC 12-24-2-2.
- 21 (2) For purposes of ~~IC 12-24-6~~, IC 12-24-15 and IC 12-24-17,
 22 the term includes:
 23 (A) an employee; or
 24 (B) an individual who holds a license to practice medicine
 25 under IC 25-22.5;
 26 designated as a deputy or an agent of the individual described in
 27 subdivision (1).
- 28 (3) For purposes of IC 12-26, the term means the chief
 29 administrative officer of a facility and includes the chief
 30 administrative officer's designee.

31 SECTION 13. IC 12-7-2-200 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 200. (a)
 33 "Warrant", for purposes of the statutes listed in subsection (b), means
 34 an instrument that is:

- 35 (1) the equivalent of a money payment; and
- 36 (2) immediately convertible into cash by the payee for the full
 37 face amount of the instrument.
- 38 (b) This section applies to the following statutes:
 39 (1) IC 12-10-6.
 40 (2) IC 12-13.
 41 (3) IC 12-14.
 42 (4) IC 12-15.



C
O
P
Y

- 1 (5) IC 12-17-1.
- 2 (6) IC 12-17-9.
- 3 (7) IC 12-17-10.
- 4 (8) IC 12-17-11.
- 5 ~~(9) IC 12-19.~~

6 SECTION 14. IC 12-13-5-1, AS AMENDED BY P.L.1-1997,
 7 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JANUARY 1, 1999]: Sec. 1. The division shall administer or supervise
 9 the public welfare activities of the state. The division has the following
 10 powers and duties:

- 11 (1) The administration of old age assistance, aid to dependent
 12 children, and assistance to the needy blind and persons with
 13 disabilities, excluding assistance to children with special health
 14 care needs.
- 15 (2) The administration of the following:
 - 16 (A) Any public child welfare service.
 - 17 (B) The licensing and inspection under IC 12-17.2 and
 18 IC 12-17.4.
 - 19 (C) The care of dependent and neglected children in foster
 20 family homes or institutions, especially children placed for
 21 adoption or those born out of wedlock.
 - 22 (D) The interstate placement of children.
- 23 (3) The provision of services to county governments, including
 24 the following:
 - 25 ~~(A) Organizing and supervising county offices for the~~
 26 ~~effective administration of public welfare functions.~~
 - 27 ~~(B) Compiling statistics and necessary information~~
 28 ~~concerning public welfare problems throughout Indiana.~~
 - 29 ~~(C) researching and encouraging research into crime,~~
 30 ~~delinquency, physical and mental disability, and the cause~~
 31 ~~of dependency.~~
- 32 (4) Prescribing the form of, printing, and supplying to the county
 33 departments blanks for applications, reports, affidavits, and other
 34 forms the division considers necessary and advisable.
- 35 (5) Cooperating with the federal Social Security Administration
 36 and with any other agency of the federal government in any
 37 reasonable manner necessary and in conformity with IC 12-13
 38 through IC 12-19 to qualify for federal aid for assistance to
 39 persons who are entitled to assistance under the federal Social
 40 Security Act. The responsibilities include the following:
 - 41 (A) Making reports in the form and containing the
 42 information that the federal Social Security Administration

C
O
P
Y



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

Board or any other agency of the federal government requires.

(B) Complying with the requirements that a board or agency finds necessary to assure the correctness and verification of reports.

(6) Appointing from eligible lists established by the state personnel board employees of the division necessary to effectively carry out IC 12-13 through IC 12-19. The division may not appoint a person who is not a citizen of the United States and who has not been a resident of Indiana for at least one (1) year immediately preceding the person's appointment unless a qualified person cannot be found in Indiana for a position as a result of holding an open competitive examination.

(7) Assisting the office of Medicaid policy and planning in fixing fees to be paid to ophthalmologists and optometrists for the examination of applicants for and recipients of assistance as needy blind persons.

(8) When requested, assisting other departments, agencies, divisions, and institutions of the state and federal government in performing services consistent with this article.

(9) Acting as the agent of the federal government for the following:

(A) In welfare matters of mutual concern under IC 12-13 through IC 12-19.

(B) In the administration of federal money granted to Indiana in aiding welfare functions of the state government.

(10) Administering additional public welfare functions vested in the division by law and providing for the progressive codification of the laws the division is required to administer.

~~(11) Transferring to each county that is required to submit a schedule under IC 12-19-1-9(d) an amount equal to the scheduled amount of the county's lease and rental obligations as provided in IC 12-19-1-9.~~

~~(12)~~ (11) Supervising day care centers and child placing agencies.

~~(13)~~ (12) Supervising the licensing and inspection of all public child caring agencies.

~~(14)~~ (13) Supervising the care of delinquent children and children in need of services.

~~(15)~~ (14) Assisting juvenile courts as required by IC 31-30 through IC 31-40.

~~(16)~~ (15) Supervising the care of dependent children and

C
O
P
Y



1 children placed for adoption.

2 ~~(17)~~ **(16)** Compiling information and statistics concerning the
3 ethnicity and gender of a program or service recipient.

4 **(17) Operating each county office as an administrative unit**
5 **within the division.**

6 SECTION 15. IC 12-13-5-3, AS AMENDED BY P.L.108-1996,
7 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JANUARY 1, 1999]: Sec. 3. The division may ~~do the following~~:

9 ~~(1)~~ adopt rules under IC 4-22-2 and take action that is necessary
10 or desirable to carry out IC 12-13 through IC 12-19 and that is
11 not inconsistent with IC 12-13 through IC 12-19. Each county
12 director shall keep copies of the rules on file available for
13 inspection by any person interested.

14 ~~(2) Under a division rule, designate county offices to serve as~~
15 ~~agents of the division in the performance of all public welfare~~
16 ~~activities in the county.~~

17 SECTION 16. IC 12-13-5-5, AS AMENDED BY P.L.36-1994,
18 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JANUARY 1, 1999]: Sec. 5. (a) Each county auditor shall keep records
20 and make reports relating to the ~~county welfare fund; the family and~~
21 ~~children's fund; and other~~ financial transactions as required under
22 IC 12-13 through IC 12-19 and as required by the division.

23 (b) All records provided for in IC 12-13 through IC 12-19 shall be
24 kept, prepared, and submitted in the form required by the division and
25 the state board of accounts.

26 SECTION 17. IC 12-13-7-8 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 8. (a) The
28 treasurer of state may receive money:

29 (1) received from a source other than the federal Social Security
30 Act;

31 ~~(2) not received from taxes levied in the county;~~ and

32 ~~(3)~~ **(2)** that under IC 12-13 through IC 12-19 the division and
33 county offices are authorized to collect, receive, and administer.

34 (b) The treasurer of state may pay the money received under
35 subsection (a) into the proper fund or the proper account of the state
36 general fund, provide for the proper custody of the money, and make
37 disbursements upon the order of the division and upon warrant of the
38 auditor of state.

39 SECTION 18. IC 12-13-7-17, AS AMENDED BY P.L.12-1996,
40 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JANUARY 1, 1999]: Sec. 17. The part of the care and maintenance of
42 the inmates of the Plainfield Juvenile Correctional Facility and the



C
O
P
Y

1 Indianapolis Juvenile Correctional Facility that under law is to be
 2 charged back to the counties shall be paid from the county general
 3 fund. ~~and not the county welfare fund or the county family and~~
 4 ~~children's fund, unless otherwise provided by law.~~

5 SECTION 19. IC 12-13-9-2 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 2. The division
 7 shall ~~administer the state medical assistance to wards fund and shall~~
 8 ~~use money in the fund to~~ defray the expenses and obligations incurred
 9 by the division for medical assistance to wards and associated
 10 administrative costs.

11 SECTION 20. IC 12-14-1-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 2. An application
 13 for a dependent child under this article must be made to the county
 14 office ~~of in~~ the county where the dependent child resides.

15 SECTION 21. IC 12-14-2-5.4, AS ADDED BY P.L.46-1995,
 16 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JANUARY 1, 1999]: Sec. 5.4. (a) Subject to IC 12-8-1-12 and except
 18 as provided in subsection (d), the AFDC grant for a person who:

19 (1) is eligible to receive assistance under section 5 of this
 20 chapter; and

21 (2) becomes employed (including a person who is in a program
 22 established under IC 12-8-11);

23 as calculated under subsection (b), must be diverted to subsidize child
 24 care costs.

25 (b) At:

26 (1) the time of entry into employment; and

27 (2) every subsequent change of status that affects the person's
 28 AFDC eligibility and assistance levels;

29 the person's AFDC grant minus earnings and other countable income
 30 must be calculated to determine the amount of the grant to be diverted
 31 to subsidize child care costs.

32 (c) A person's AFDC grant must be diverted as described in
 33 subsection (a) until:

34 (1) the person is no longer eligible for AFDC under section 5.1
 35 of this chapter; or

36 (2) the person's monthly family income is equal to or exceeds
 37 one hundred percent (100%) of the monthly federal income
 38 poverty level;

39 whichever occurs first.

40 (d) A person:

41 (1) who becomes employed (including a person who is in a
 42 program established under IC 12-8-11); and

C
O
P
Y



1 (2) whose net income is equal to or more than the amount of
 2 need recognized under section 5 of this chapter;
 3 has the option to receive either guaranteed child care or a cash payment
 4 equal to the amount of the AFDC grant for which the person qualifies
 5 immediately before the person becomes employed.

6 (e) The option under subsection (d) is available until:

7 (1) the person is no longer eligible for AFDC under section 5.1
 8 of this chapter; or

9 (2) the person's monthly family income is equal to or exceeds
 10 one hundred percent (100%) of the monthly federal income
 11 poverty level;

12 whichever occurs first.

13 ~~(f) An AFDC grant diverted under this section must be from the~~
 14 ~~same sources and in the same proportion as provided in IC 12-19-6.~~

15 ~~(g) (f)~~ The division may adopt rules under IC 4-22-2 to implement
 16 this section.

17 SECTION 22. IC 12-14-2-12 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 12. The county
 19 office shall notify the applicant ~~and the division~~ of the county office's
 20 decision concerning assistance in writing.

21 SECTION 23. IC 12-14-2-14 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 14. ~~Except in~~
 23 ~~counties that are automated under IC 12-14-9.5,~~ Assistance shall be
 24 paid monthly to the recipient upon warrant of the county auditor from
 25 the county welfare fund upon a verified schedule of the recipients and
 26 the amount payable to each recipient prepared and verified by the
 27 county director, in accordance with the awards made by the county
 28 office. ~~A schedule shall be filed in the form required by the division. by~~
 29 ~~the division.~~

30 SECTION 24. IC 12-14-3-2 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 2. The county
 32 office shall prepare ~~four (4)~~ **three (3)** copies of the certificate.

33 SECTION 25. IC 12-14-3-4 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 4. The copies of
 35 the certificate shall be distributed as follows:

36 (1) One (1) copy retained by and filed in the office of the county
 37 office.

38 (2) One (1) copy filed with the **central office of the division.**

39 ~~(3) One (1) copy filed in the office of the county auditor.~~

40 ~~(4) (3)~~ One (1) copy given to the recipient.

41 SECTION 26. IC 12-14-4-2 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 2. If a move



C
O
P
Y

1 occurs, the county office **in the county** from which the recipient moves
2 shall:

- 3 (1) give written notice; and
4 (2) immediately transfer all of the records relating to the
5 recipient;

6 to the county office ~~of in~~ **in** the county to which the recipient has moved
7 or been taken.

8 SECTION 27. IC 12-14-4-3 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 3. The county
10 office ~~of in~~ **in** the county to which a child has moved or been taken is
11 responsible for determining the eligibility and the payment of
12 assistance to the recipient.

13 SECTION 28. IC 12-14-9-1 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 1. ~~Except in~~
15 ~~counties that are automated under IC 12-14-9.5;~~ a county office shall
16 ~~monthly present claims for state reimbursement under IC 12-14-1~~
17 ~~through IC 12-14-9 to the division at the time and in the manner the~~
18 ~~division requires.~~ **AFDC shall be paid monthly to the recipient by**
19 **warrant of the auditor of state from the state general fund after**
20 **receipt of a schedule of the recipients, the amount payable to each**
21 **recipient, and the purposes for the payment. The schedule must be**
22 **prepared and verified by the director of the division or the**
23 **director's designee according to the awards made by the division.**
24 **All schedules must be filed in the form prescribed by the auditor of**
25 **state. Payment shall be made from the aid to dependent children**
26 **account of the state general fund.**

27 SECTION 29. IC 12-14-13-5 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 5. The copies of
29 the certificate shall be distributed as follows:

- 30 (1) One (1) copy retained by and filed in the **central office of**
31 **the division.**
32 (2) One (1) copy filed with the ~~state~~ **auditor of state.**
33 (3) One (1) copy filed in the office of the county recorder.
34 (4) One (1) copy given to the recipient.

35 SECTION 30. IC 12-14-20-1 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 1. (a) The
37 division may accept voluntary contributions from a person desiring to
38 contribute to the support of a parent or other person who receives
39 public assistance.

40 (b) The division shall deposit contributions made under this
41 section in the state ~~welfare~~ **general fund or a trust fund, as**
42 **appropriate.**



C
O
P
Y

1 SECTION 31. IC 12-14-22-7 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 7. (a) A schedule
 3 of payments made to or for the benefit of each recipient under this
 4 article shall be filed by the ~~county office~~ **division** each month with the
 5 ~~county auditor and the~~ prosecuting attorney.

6 (b) The schedule shall be kept open to the public at all times for
 7 inspection, study, and securing data. The schedule must contain the
 8 names and addresses, in alphabetical order, of all recipients of benefits.

9 SECTION 32. IC 12-15-4-1 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 1. An application
 11 or a request for Medicaid for an individual must be:

12 (1) made to the county office ~~of~~ **in** the county in which the
 13 applicant resides; and

14 (2) in the manner required by the office.

15 SECTION 33. IC 12-15-15-8, AS AMENDED BY P.L.156-1995,
 16 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JANUARY 1, 1999]: Sec. 8. (a) A per diem rate shall be added to each
 18 hospital's base inpatient payment rate. The rate shall be computed for
 19 each individual hospital ~~using the following formula:~~

20 ~~STEP ONE: Determine by determining~~ the quotient of:

21 ~~(A)~~ (1) the total hospital care for the indigent program payments
 22 for fiscal year 1992; divided by

23 ~~(B)~~ (2) the total Indiana Medicaid patient days for the same
 24 period.

25 (b) The total amount to be paid to hospitals during each fiscal year
 26 under subsection (a) is thirty-five million dollars (\$35,000,000).

27 (c) The rate described in subsection (a) shall be updated annually
 28 on July 1 by a ratio, the numerator of which is the total ~~tax levy~~
 29 **amount appropriated from state tax revenues** for the hospital care
 30 for the indigent program for the most recent fiscal year and the
 31 denominator of which is the total ~~tax levy~~ **amount appropriated from**
 32 **state tax revenues** for the hospital care for the indigent program for
 33 the year preceding the most recent fiscal year.

34 (d) If a hospital entitled to payment under this section is not
 35 accepting patients for inpatient and outpatient services at the time
 36 payment is made, the payment due to the hospital shall be paid
 37 proportionately to all other hospitals, if any, within the same city limits.
 38 If no other hospitals are located within the same city limits, the
 39 payment shall be paid proportionately to all other hospitals located in
 40 the same county.

41 SECTION 34. IC 12-16-4-1 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 1. To receive



C
O
P
Y

1 payment from the division for the costs incurred in providing care to an
 2 indigent person, a hospital must file an application with the county
 3 office ~~of~~ in the county in which the hospital is located.

4 SECTION 35. IC 12-16-7-3 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 3. A payment
 6 made to a hospital under the hospital care for the indigent program
 7 must be on a warrant drawn on the state ~~hospital care for the indigent~~
 8 ~~fund established by IC 12-16-14.~~ **general fund.**

9 SECTION 36. IC 12-16-7-4 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 4. (a) Each year
 11 the division shall pay two-thirds (2/3) of each claim upon submission
 12 and approval of the claim.

13 (b) If the amount of money in the state hospital care for the
 14 indigent fund in a year is insufficient to pay two-thirds (2/3) of each
 15 approved claim for patients admitted in that year, the state's ~~and a~~
 16 ~~county's~~ liability to providers under the hospital care for the indigent
 17 program for claims approved for patients admitted in that year is
 18 limited to the sum of the following:

19 ~~(1) The amount transferred to the state hospital care for the~~
 20 ~~indigent fund from county hospital care for the indigent funds in~~
 21 ~~that year under IC 12-16-14.~~

22 ~~(2) (1) Any contribution to the fund in that year.~~

23 ~~(3) (2) Any amount that was appropriated to the state hospital~~
 24 ~~care for the indigent fund program for that year by the general~~
 25 ~~assembly.~~

26 ~~(4) Any amount that was carried over to the state hospital care~~
 27 ~~for the indigent fund from a preceding year.~~

28 ~~(c) This section does not obligate the general assembly to~~
 29 ~~appropriate money to the state hospital care for the indigent fund.~~

30 SECTION 37. IC 12-16-7-2 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 2. ~~(a)~~ Except as
 32 provided in section 5 of this chapter, claims for payment shall be
 33 segregated by year using the patient's admission date.

34 ~~(b) Each year the division shall pay claims as provided in section~~
 35 ~~4 of this chapter, without regard to the county of admission or that~~
 36 ~~county's transfer to the state fund.~~

37 SECTION 38. IC 12-16-7-5 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 5. Before the end
 39 of each state fiscal year, the division shall, to the extent there is money
 40 ~~in~~ **appropriated to** the state hospital care for the indigent ~~fund,~~
 41 **program,** pay each provider under the hospital care for the indigent
 42 program a pro rata part of the one-third (1/3) balance on each approved



C
O
P
Y

1 claim for patients admitted during the preceding year.

2 SECTION 39. IC 12-17-1-7 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 7. An application
4 for assistance for a destitute child under this chapter must be made to
5 the county office ~~of~~ **in** the county in which the destitute child resides.
6 The application must be in writing. The division shall prescribe the
7 manner and the form upon which the application must be made.

8 SECTION 40. IC 12-17-1-10 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 10. (a) Upon the
10 completion of an investigation under section 9 of this chapter, the
11 county office shall do the following:

12 (1) Determine whether the child is eligible for assistance under
13 this chapter and the division's rules.

14 (2) Determine the amount of the assistance and the date on
15 which the assistance is to begin.

16 (3) Make an award, including any subsequent modification of
17 the award, with which the county office shall comply until the
18 award or modified award is vacated.

19 (4) Notify the applicant and the division of the county office's
20 decision in writing.

21 (b) The county office shall provide assistance to the recipient at
22 least monthly upon warrant of the ~~county~~ **of state** auditor **of state**. The
23 assistance must be

24 ~~(1) made from the county welfare fund; and~~

25 ~~(2) based upon a verified schedule of the recipients.~~

26 (c) The director of the county office shall prepare and verify the
27 amount payable to the recipient, in relation to the awards made by the
28 county office. The division shall prescribe the form upon which the
29 schedule under subsection ~~(b)(2)~~ **(b)** must be filed.

30 SECTION 41. IC 12-17-1-12 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 12. (a) If
32 assistance is granted to a destitute child under this chapter, facts
33 supporting the award of assistance, as prescribed by the division, must
34 be entered on a certificate.

35 (b) The division shall prescribe the form for the certificate under
36 subsection (a). The certificate must bear the impress of the division's
37 seal.

38 (c) The county office shall prepare ~~four (4)~~ **three (3)** copies of the
39 certificate under subsection (a). The county office shall distribute
40 copies of the certificate as follows:

41 (1) One (1) copy must be retained by the office of the county
42 office.

C
O
P
Y



- 1 (2) One (1) copy must be filed with and retained by the **central**
 2 **office of the** division.
 3 ~~(3) One (1) copy must be filed with and retained by the office of~~
 4 ~~the county auditor.~~
 5 ~~(4) (3) One (1) copy must be given to the recipient.~~
 6 SECTION 42. IC 12-17-3-2, AS AMENDED BY P.L.36-1994,
 7 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JANUARY 1, 1999]: Sec. 2. (a) ~~This section does not apply to a county~~
 9 ~~department's:~~
 10 (1) ~~administrative expenses; or~~
 11 (2) ~~expenses regarding facilities, supplies, and equipment.~~
 12 (b) Necessary expenses incurred in the administration of the child
 13 welfare services under section 1 of this chapter shall be paid out of the
 14 ~~county welfare fund; or the county family and children's state general~~
 15 ~~fund. (whichever is appropriate):~~
 16 SECTION 43. IC 12-17.4-3-3.5, AS AMENDED BY P.L.1-1997,
 17 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JANUARY 1, 1999]: Sec. 3.5. (a) A county may establish a child
 19 caring institution. The child caring institution may be operated by:
 20 (1) the county; or
 21 (2) a public or private agency under contract with the county;
 22 and must be operated under the rules adopted by the director of the
 23 division under IC 12-17.4.
 24 (b) This section does not affect the following:
 25 (1) IC 31-31-1-1, ~~or IC 31-40~~, requiring the county fiscal body
 26 to appropriate sufficient money to pay for services ordered by the
 27 juvenile court.
 28 (2) IC 31-31-8, authorizing the juvenile court to establish
 29 detention and shelter care facilities.
 30 (3) IC 12-13-5 and IC 12-19-1, requiring the division and the
 31 county departments to provide care and treatment for delinquent
 32 children and children in need of services.
 33 SECTION 44. IC 12-19-1-1 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 1. A county office
 35 of family and children is established in each county **as an office within**
 36 **the division of family and children.**
 37 SECTION 45. IC 12-19-1-9 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 9. (a) The
 39 division shall provide the necessary facilities to house the county
 40 office.
 41 (b) The division shall pay for the costs of the facilities, supplies,
 42 and equipment needed by each county office. ~~including the transfer to~~

C
O
P
Y

1 the county that is required by IC 12-13-5.
2 (c) Each county is responsible for the payment of the county's
3 lease and rental obligations for office space used by the county office
4 if:

5 (1) the county entered into the lease or rental agreement before
6 January 1, 1987; and

7 (2) the lease or rental agreement requires the county to pay for
8 office space that will be used by the county office.

9 (d) Each county that has a rental or lease obligation described in
10 subsection (c) shall provide to the division a lease or rental payment
11 schedule showing the date and amount of each payment.

12 SECTION 46. IC 12-19-1-10, AS AMENDED BY P.L.74-1994,
13 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JANUARY 1, 1999]: Sec. 10. (a) **Subject to the rules adopted by the**
15 **director of The division a county office** shall administer the following
16 **through a county office:**

17 (1) Assistance to dependent children in the homes of the
18 dependent children.

19 (2) Assistance and services to elderly persons.

20 (3) Assistance to persons with disabilities.

21 (4) Care and treatment of the following persons:

22 (A) Children in need of services.

23 (B) Dependent children.

24 (C) Children with disabilities.

25 (5) Licensing of foster family homes for the placement of
26 children in need of services.

27 (6) Supervision of the care and treatment of children in need of
28 services in foster family homes.

29 (7) Licensing of foster family homes for the placement of
30 delinquent children.

31 (8) Supervision of the care and treatment of delinquent children
32 in foster family homes.

33 (9) Provision of family preservation services.

34 (10) Any other welfare activities that are delegated to the county
35 office by the division under this chapter, including services
36 concerning assistance to the blind.

37 **(b) The division shall pay the expenses and obligations**
38 **incurred after December 31, 1998, to carry out responsibilities of**
39 **the county office.**

40 SECTION 47. IC 12-19-1-13 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 13. (a) A county
42 office **or the division** may sue and be sued under the name of "The

C
O
P
Y



1 County Office of Family and Children of _____ County".

2 (b) The county office has all other rights and powers and shall
3 perform all other duties necessary to administer this chapter.

4 (c) A suit brought against **the division that involves** a county
5 office may be filed in the following:

6 (1) The circuit court with jurisdiction in the county.

7 (2) A superior court or any other court of the county.

8 (d) A notice or summons in a suit brought against the **division**
9 **that involves** a county office must be served on the county director **or**
10 **the director of the division of family and children.** It is not required
11 to name the individual employees of the county office as either plaintiff
12 or defendant.

13 SECTION 48. IC 12-19-1-14 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 14. (a) A county
15 office may charge the following adoption fees:

16 (1) An adoption placement fee that may not exceed the actual
17 costs incurred by the county office for medical expenses of
18 children and mothers.

19 (2) A fee that does not exceed the time and travel costs incurred
20 by the county office for home study and investigation concerning
21 a contemplated adoption.

22 (b) Fees charged under this section shall be deposited in a separate
23 account in the ~~county~~ **state** welfare trust clearance fund established
24 under section 16 of this chapter. Money deposited under this subsection
25 ~~shall be expended by~~ **is annually appropriated to** the ~~county office~~
26 **division** for the following purposes: ~~without further appropriation:~~

27 (1) The care of children whose adoption is contemplated.

28 (2) The improvement of adoption services provided by the
29 county departments.

30 (c) The director of the division may adopt rules governing the
31 expenditure of money under this section.

32 (d) The division may provide written authorization allowing a
33 county office to reduce or waive charges authorized under this section
34 in hardship cases or for other good cause after investigation. The
35 division may adopt forms on which the written authorization is
36 provided.

37 SECTION 49. IC 12-19-1-16 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 16. (a) ~~This~~
39 ~~section does not apply to money received to reimburse the county~~
40 ~~welfare fund for expenditures made from the appropriations of the~~
41 ~~county office.~~ **The state welfare trust clearance fund is established.**
42 **The fund shall be administered by the division. Money in the fund**



C
O
P
Y

1 **at the end of a state fiscal year does not revert to the state general**
 2 **fund.**

3 (b) ~~A county office~~ **The division** may receive and administer
 4 money available to or for the benefit of a person receiving payments or
 5 services from ~~the a county office~~. The following applies to all money
 6 received under this section:

7 (1) The money shall be kept in a special fund known as the
 8 ~~county state~~ **welfare trust clearance fund** and may not be
 9 commingled with any other fund or with money received from
 10 taxation.

11 (2) The money may be expended by the ~~county office~~ **division**
 12 in any manner consistent with the following:

13 (A) The purpose of the ~~county state~~ **welfare trust clearance**
 14 **fund** or with the intention of the donor of the money.

15 (B) Indiana law.

16 (C) **The policies of the division.**

17 SECTION 50. IC 12-19-1-18 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 18. (a) After
 19 petition to and with the approval of the judge of the circuit court, ~~a~~
 20 ~~county office~~ **the division** may take the actions described in subsection
 21 (b) if:

22 (1) an applicant for public assistance is physically or mentally
 23 incapable of completing an application for assistance; or

24 (2) a recipient of public assistance:

25 (A) is incapable of managing the recipient's affairs; or

26 (B) refuses to:

27 (i) take care of the recipient's money properly; or

28 (ii) comply with the director of the division's rules and
 29 policies.

30 (b) If the conditions of subsection (a) are satisfied, the ~~county~~
 31 ~~office~~ **division** may designate a responsible person to do the following:

32 (1) Act for the applicant or recipient.

33 (2) Receive on behalf of the recipient the assistance the recipient
 34 is eligible to receive under any of the following:

35 (A) This chapter.

36 (B) IC 12-10-6.

37 (C) IC 12-14-1 through IC 12-14-9.

38 (D) IC 12-14-13 through IC 12-14-19.

39 (E) IC 12-15.

40 (F) IC 12-17-1 through IC 12-17-3.

41 (G) IC 16-35-2.

42 (c) A fee for services provided under this section may be paid to

C
O
P
Y



1 the responsible person in an amount not to exceed ten dollars (\$10)
2 each month. The fee may be allowed:

- 3 (1) in the monthly assistance award; or
4 (2) by vendor payment if the fee would cause the amount of
5 assistance to be increased beyond the maximum amount
6 permitted by statute.

7 SECTION 51. IC 12-19-1-21 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 1999]: **Sec. 21. (a) As used in this
10 chapter, "child services" means child welfare services specifically
11 provided for children who are:**

- 12 (1) **adjudicated to be:**
13 (A) **children in need of services; or**
14 (B) **delinquent children; or**
15 (2) **recipients of or are eligible for:**
16 (A) **informal adjustments;**
17 (B) **service referral agreements; and**
18 (C) **adoption assistance;**

19 **including the costs of using an institution or facility for providing**
20 **educational services as described in either IC 20-8.1-3-36 (if**
21 **applicable) or IC 20-8.1-6.1-8 (if applicable), all services required**
22 **to be paid by the division under IC 31-40-1-2, and all costs**
23 **required to be paid by the division under IC 20-8.1-6.1-7.**

24 (b) **The division shall pay the expenses and obligations**
25 **incurred after December 31, 1998, to deliver child services.**

26 SECTION 52. IC 12-19-1-22 IS ADDED TO THE INDIANA
27 CODE AS A NEW SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JANUARY 1, 1999]: **Sec. 22. (a) This section applies**
29 **notwithstanding the repeal of IC 12-19-3 through IC 12-19-7**
30 **(effective January 1, 1999).**

31 (b) **All bonds issued under IC 12-1-11 (before its repeal) or this**
32 **article before January 1, 1999, or under subsection (c):**

- 33 (1) **are direct general obligations of the county issuing the**
34 **bonds; and**
35 (2) **are payable out of unlimited ad valorem taxes that shall**
36 **be levied and collected on all the taxable property within the**
37 **county.**

38 (c) **If the county welfare fund established under IC 12-19-3**
39 **(repealed January 1, 1999) or family and children's fund**
40 **established under IC 12-19-7 (repealed January 1, 1999) is**
41 **exhausted before the close of December 31, 1998, the county may**
42 **obtain loans and issue bonds under IC 12-19-3 or IC 12-19-7, as**



C
O
P
Y

1 appropriate, to provide money for the fund as if IC 12-19-3 and
2 IC 12-19-7 had not been repealed.

3 (d) Each official and body responsible for the levying of taxes
4 for the county must ensure that sufficient levies are made to meet
5 the principal and interest on the bonds at the time fixed for the
6 payment of the principal and interest, without regard to any other
7 statute. If an official or a body fails or refuses to make or allow a
8 sufficient levy required by this section, the bonds and the interest
9 on the bonds shall be payable out of the general fund of the county
10 without appropriation.

11 SECTION 53. IC 16-33-3-10 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 10. Whenever the
13 circuit court having jurisdiction finds, upon application by the county
14 office of family and children, that the parent or guardian of a client
15 placed in the center is unable to meet the costs that the parent or
16 guardian is required to pay for the services of the center, the court shall
17 order payment of the costs ~~from the county general fund~~ by the
18 **division of family and children.**

19 SECTION 54. IC 16-33-4-17, AS AMENDED BY P.L.142-1995,
20 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JANUARY 1, 1999]: Sec. 17. (a) Each child, the estate of the child, the
22 parent or parents of the child, or the guardian of the child, individually
23 or collectively, are liable for the payment of the costs of maintenance
24 of the child of up to one hundred percent (100%) of the per capita cost,
25 except as otherwise provided. The cost shall be computed annually by
26 dividing the total annual cost of operation for the fiscal year, exclusive
27 of the cost of education programs, construction, and equipment, by the
28 total child days each year. The maintenance cost shall be referred to as
29 maintenance charges. The charge may not be levied against any of the
30 following:

31 (1) The division of family and children or ~~the county office of~~
32 ~~family and children to be derived from~~ county tax sources.

33 (2) A child orphaned by reason of the death of the natural
34 parents.

35 (b) The billing and collection of the maintenance charges as
36 provided for in subsection (a) shall be made by the superintendent of
37 the home based on the per capita cost for the preceding fiscal year. All
38 money collected shall be deposited in a fund to be known as the
39 Indiana soldiers' and sailors' children's home maintenance fund. The
40 fund shall be used by the state health commissioner for the:

41 (1) preventative maintenance; and

42 (2) repair and rehabilitation;



C
O
P
Y

1 of buildings of the home that are used for housing, food service, or
2 education of the children of the home.

3 (c) The superintendent of the home may, with the approval of the
4 state health commissioner, agree to accept payment at a lesser rate than
5 that prescribed in subsection (a). The superintendent of the home shall,
6 in determining whether or not to accept the lesser amount, take into
7 consideration the amount of money that is necessary to maintain or
8 support any member of the family of the child. All agreements to
9 accept a lesser amount are subject to cancellation or modification at
10 any time by the superintendent of the home with the approval of the
11 state health commissioner.

12 (d) A person who has been issued a statement of amounts due as
13 maintenance charges may petition the superintendent of the home for
14 a release from or modification of the statement and the superintendent
15 shall provide for hearings to be held on the petition. The superintendent
16 of the home may, with the approval of the state health commissioner
17 and after the hearing, cancel or modify the former statement and at any
18 time for due cause may increase the amounts due for maintenance
19 charges to an amount not to exceed the maximum cost as determined
20 under subsection (a).

21 (e) The superintendent of the home may arrange for the
22 establishment of a graduation or discharge trust account for a child by
23 arranging to accept a lesser rate of maintenance charge. The trust fund
24 must be of sufficient size to provide for immediate expenses upon
25 graduation or discharge.

26 (f) The superintendent may make agreements with
27 instrumentalities of the federal government for application of any
28 monetary awards to be applied toward the maintenance charges in a
29 manner that provides a sufficient amount of the periodic award to be
30 deposited in the child's trust account to meet the immediate personal
31 needs of the child and to provide a suitable graduation or discharge
32 allowance. The amount applied toward the settlement of maintenance
33 charges may not exceed the amount specified in subsection (a).

34 (g) The superintendent of the home may do the following:

35 (1) Investigate, either with the superintendent's own staff or on
36 a contractual or other basis, the financial condition of each
37 person liable under this chapter.

38 (2) Make determinations of the ability of:

39 (A) the estate of the child;

40 (B) the legal guardian of the child; or

41 (C) each of the responsible parents of the child;

42 to pay maintenance charges.

C
O
P
Y



- 1 (3) Set a standard as a basis of judgment of ability to pay that
 2 shall be recomputed periodically to do the following:
 3 (A) Reflect changes in the cost of living and other pertinent
 4 factors.
 5 (B) Provide for unusual and exceptional circumstances in
 6 the application of the standard.
 7 (4) Issue to any person liable under this chapter statements of
 8 amounts due as maintenance charges, requiring the person to pay
 9 monthly, quarterly, or otherwise as may be arranged, an amount
 10 not exceeding the maximum cost as determined under this
 11 chapter.

12 SECTION 55. IC 16-33-4-17.5, AS ADDED BY P.L.55-1997,
 13 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 1999]: Sec. 17.5. (a) In the case of a child who is:

- 15 (1) admitted to the home from another county; and
 16 (2) adjudicated to be a delinquent child or child in need of
 17 services by the juvenile court in the county where the home is
 18 located;

19 the juvenile court may order the county office of family and children
 20 ~~of in~~ the child's county of residence before the child's admission to the
 21 home to reimburse the cost of services ordered by the juvenile court,
 22 including related transportation costs, and any cost incurred by the
 23 county to transport or detain the child before the order is issued.

24 ~~(b) A county office of family and children ordered to reimburse~~
 25 ~~costs under this section shall pay the amount ordered from the county~~
 26 ~~family and children's fund:~~

- 27 ~~(c)~~ (b) The county office of family and children may require the
 28 parent or guardian of the child, other than a parent, guardian, or
 29 custodian associated with the home, to reimburse the county **office of**
 30 family and ~~children's fund~~ **children** for an amount paid under this
 31 section.

- 32 ~~(d)~~ (c) A child who is admitted to the home does not become a
 33 resident of the county where the home is located.

- 34 ~~(e)~~ (d) When an unemancipated child is released from the home,
 35 the county office of family and children ~~for in~~ the child's county of
 36 residence before entering the home is responsible for transporting the
 37 child to the parent or guardian of the child. If a parent or guardian does
 38 not exist for an unemancipated child released from the home, the
 39 county office of family and children ~~of in~~ the child's county of
 40 residence before entering the home shall obtain custody of the child.

41 SECTION 56. IC 20-8.1-3-36, AS AMENDED BY P.L.36-1994,
 42 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



C
O
P
Y

1 JANUARY 1, 1999]: Sec. 36. (a) It is unlawful for a person operating
 2 or responsible for an educational, correctional, charitable, or
 3 benevolent institution or training school to fail to ensure that a child
 4 under his authority attends school as required under this chapter. Each
 5 day of violation of this section constitutes a separate offense.

6 (b) If a child is placed in an institution or facility under a court
 7 order, the institution or facility shall charge the ~~county office of the~~
 8 ~~county of the student's legal settlement under IC 12-19-7~~ **division of**
 9 **family and children** for the use of the space within the institution or
 10 facility (commonly called capital costs) that is used to provide
 11 educational services to the child based upon a prorated per student cost.

12 SECTION 57. IC 20-8.1-6.1-7, AS AMENDED BY P.L.119-1996,
 13 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 1999]: Sec. 7. (a) If a student is transferred under section
 15 2 of this chapter from a school corporation in Indiana to a public school
 16 corporation in another state, the transferor corporation shall pay the
 17 transferee corporation the full tuition fee charged by the transferee
 18 corporation. However, the amount of the full tuition fee must not
 19 exceed the amount charged by the transferor corporation for the same
 20 class of school, or if the school has no such classification, the amount
 21 must not exceed the amount charged by the geographically nearest
 22 school corporation in Indiana which has such classification.

23 (b) If a child is:

- 24 (1) placed by a court order in an out-of-state institution or other
 25 facility; and
 26 (2) provided all educational programs and services by a public
 27 school corporation in the state where the child is placed, whether
 28 at the facility, the public school, or another location;

29 the ~~county office~~ **division** of family and children ~~for the county placing~~
 30 ~~the child~~ shall pay ~~from the county family and children's fund~~ to the
 31 public school corporation in which the child is enrolled the amount of
 32 transfer tuition specified in subsection (c).

33 (c) The transfer tuition for which a ~~county office~~ **the division of**
 34 **family and children** is obligated under subsection (b) is equal to the
 35 following:

- 36 (1) The amount under a written agreement among the ~~county~~
 37 ~~office;~~ **division of family and children**, the institution or other
 38 facility, and the governing body of the public school corporation
 39 in the other state that specifies the amount and method of
 40 computing transfer tuition.
 41 (2) The full tuition fee charged by the transferee corporation, if
 42 subdivision (1) does not apply. However, the amount of the full

C
O
P
Y



1 tuition fee must not exceed the amount charged by the transferor
 2 corporation for the same class of school, or if the school has no
 3 such classification, the amount must not exceed the amount
 4 charged by the geographically nearest school corporation in
 5 Indiana which has such classification.

- 6 (d) If a child is:
 7 (1) placed by a court order in an out-of-state institution or other
 8 facility; and
 9 (2) provided:
 10 (A) onsite educational programs and services either through
 11 the facility's employees or by contract with another person
 12 or organization that is not a public school corporation; or
 13 (B) educational programs and services by a nonpublic
 14 school;

15 the county office **division** of family and children for the county placing
 16 the child shall pay from the county family and children's fund in an
 17 amount and in the manner specified in a written agreement between the
 18 county office **division** and the institution or other facility.

19 (e) ~~An agreement described in subsection (c) or (d) is subject to~~
 20 ~~the approval of the director of the division of family and children.~~
 21 ~~However, For purposes of IC 4-13-2, the an agreement described in~~
 22 ~~subsection (c) or (d) shall not be treated as a contract.~~

23 SECTION 58. IC 20-8.1-6.1-8, AS AMENDED BY
 24 P.L.260-1997(ss), SECTION 58, IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 8. (a) As used in
 26 this section, the following terms have the following meanings:

- 27 (1) "Class of school" refers to a classification of each school or
 28 program in the transferee corporation by the grades or special
 29 programs taught at the school. Generally, these classifications
 30 are denominated as kindergarten, elementary school, middle
 31 school or junior high school, high school, and special schools or
 32 classes, such as schools or classes for special education,
 33 vocational training, or career education.
 34 (2) "ADM" means the following:
 35 (A) For purposes of allocating to a transfer student state
 36 distributions under IC 21-1-30 (primetime), "ADM" as
 37 computed under IC 21-1-30-2.
 38 (B) For all other purposes, "ADM" as set forth in
 39 IC 21-3-1.6-1.1.
 40 (3) "Pupil enrollment" means the following:
 41 (A) The total number of students in kindergarten through
 42 grade 12 who are enrolled in a transferee school corporation



C
O
P
Y

1 on a date determined by the Indiana state board of
2 education.

3 (B) The total number of students enrolled in a class of
4 school in a transferee school corporation on a date
5 determined by the Indiana state board of education.

6 However, a kindergarten student shall be counted under clauses
7 (A) and (B) as one-half (1/2) a student.

8 (4) "Special equipment" means equipment that during a school
9 year:

10 (A) is used only when a child with disabilities is attending
11 school;

12 (B) is not used to transport a child to or from a place where
13 the child is attending school;

14 (C) is necessary for the education of each child with
15 disabilities that uses the equipment, as determined under the
16 individualized instruction program for the child; and

17 (D) is not used for or by any child who is not a child with
18 disabilities.

19 The Indiana state board of education may select a different date for
20 counts under subdivision (3). However, the same date shall be used for
21 all school corporations making a count for the same class of school.

22 (b) Each transferee corporation is entitled to receive for each
23 school year on account of each transferred student, except a student
24 transferred under section 3 of this chapter, transfer tuition from the
25 transferor corporation or the state as provided in this chapter. Transfer
26 tuition equals the amount determined under STEP THREE of the
27 following formula:

28 STEP ONE: Allocate to each transfer student the capital
29 expenditures for any special equipment used by the transfer
30 student and a proportionate share of the operating costs incurred
31 by the transferee school for the class of school where the transfer
32 student is enrolled.

33 STEP TWO: If the transferee school included the transfer
34 student in the transferee school's ADM for a school year, allocate
35 to the transfer student a proportionate share of the following
36 general fund revenues of the transferee school for, except as
37 provided in clause (C), the calendar year in which the school
38 year ends:

39 (A) The following state distributions that are computed in
40 any part using ADM or other pupil count in which the
41 student is included:

42 (i) Primetime grant under IC 21-1-30.

C
O
P
Y



- 1 (ii) Tuition support for basic programs and at-risk
2 weights under IC 21-3-1.7-8 (before January 1, 1996)
3 and only for basic programs (after December 31,
4 1995).
- 5 (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
6 (iv) At-risk grant under IC 21-3-1.7-9.7.
7 (v) Academic honors diploma award under
8 IC 21-3-1.7-9.8.
9 (vi) Vocational education grant under IC 21-3-1.8-3.
10 (vii) Special education grant under IC 21-3-1.8
11 (repealed January 1, 1996) or IC 21-3-10.
12 (viii) The portion of the ADA flat grant that is
13 available for the payment of general operating
14 expenses under IC 21-3-4.5-2(b)(1).
- 15 (B) For school years beginning after June 30, 1997,
16 property tax levies.
17 (C) For school years beginning after June 30, 1997, excise
18 tax revenue (as defined in IC 21-3-1.7-2) received for
19 deposit in the calendar year in which the school year begins.
20 (D) For school years beginning after June 30, 1997,
21 allocations to the transferee school under IC 6-3.5.
- 22 **STEP THREE: Determine the greater of:**
- 23 (A) zero (0); or
24 (B) the result of subtracting the STEP TWO amount from
25 the STEP ONE amount.
- 26 If a child is placed in an institution or facility in Indiana under a court
27 order, the institution or facility shall charge the ~~county office of the~~
28 ~~county of the student's legal settlement under IC 12-19-7~~ **division of**
29 **family and children** for the use of the space within the institution or
30 facility (commonly called capital costs) that is used to provide
31 educational services to the child based upon a prorated per student cost.
- 32 (c) Operating costs shall be determined for each class of school
33 where a transfer student is enrolled. The operating cost for each class
34 of school is based on the total expenditures of the transferee
35 corporation for the class of school from its general fund expenditures
36 as specified in the classified budget forms prescribed by the state board
37 of accounts. This calculation excludes:
- 38 (1) capital outlay;
39 (2) debt service;
40 (3) costs of transportation;
41 (4) salaries of board members;
42 (5) contracted service for legal expenses; and



C
O
P
Y

- 1 (6) any expenditure which is made out of the general fund from
 2 extracurricular account receipts;
 3 for the school year.
- 4 (d) The capital cost of special equipment for a school year is equal
 5 to:
 6 (1) the cost of the special equipment; divided by
 7 (2) the product of:
 8 (A) the useful life of the special equipment, as determined
 9 under the rules adopted by the Indiana state board of
 10 education; multiplied by
 11 (B) the number of students using the special equipment
 12 during at least part of the school year.
- 13 (e) When an item of expense or cost described in subsection (c)
 14 cannot be allocated to a class of school, it shall be prorated to all
 15 classes of schools on the basis of the pupil enrollment of each class in
 16 the transferee corporation compared to the total pupil enrollment in the
 17 school corporation.
- 18 (f) Operating costs shall be allocated to a transfer student for each
 19 school year by dividing:
 20 (1) the transferee school corporation's operating costs for the
 21 class of school in which the transfer student is enrolled; by
 22 (2) the pupil enrollment of the class of school in which the
 23 transfer student is enrolled.
- 24 When a transferred student is enrolled in a transferee corporation for
 25 less than the full school year of pupil attendance, the transfer tuition
 26 shall be calculated by the portion of the school year for which the
 27 transferred student is enrolled. A school year of pupil attendance
 28 consists of the number of days school is in session for pupil attendance.
 29 A student, regardless of the student's attendance, is enrolled in a
 30 transferee school unless the student is no longer entitled to be
 31 transferred because of a change of residence, the student has been
 32 excluded or expelled from school for the balance of the school year or
 33 for an indefinite period, or the student has been confirmed to have
 34 withdrawn from school. The transferor and the transferee corporation
 35 may enter into written agreements concerning the amount of transfer
 36 tuition due in any school year. Where an agreement cannot be reached,
 37 the amount shall be determined by the Indiana state board of education,
 38 and costs may be established, when in dispute, by the state board of
 39 accounts.
- 40 (g) A transferee school shall allocate revenues described in
 41 subsection (b) STEP TWO to a transfer student by dividing:
 42 (1) the total amount of revenues received; by

C
O
P
Y

1 (2) the ADM of the transferee school for the school year that
 2 ends in the calendar year in which the revenues are received.
 3 However, for state distributions under IC 21-1-30, IC 21-3-10, or any
 4 other statute that computes the amount of a state distribution using less
 5 than the total ADM of the transferee school, the transferee school shall
 6 allocate the revenues to the transfer student by dividing the revenues
 7 that the transferee school is eligible to receive in a calendar year by the
 8 pupil count used to compute the state distribution.

9 (h) In lieu of the payments provided in subsection (b), the
 10 transferor corporation or state owing transfer tuition may enter into a
 11 long term contract with the transferee corporation governing the
 12 transfer of students. This contract is for a maximum period of five (5)
 13 years with an option to renew, and may specify a maximum number of
 14 pupils to be transferred and fix a method for determining the amount
 15 of transfer tuition and the time of payment, which may be different
 16 from that provided in section 9 of this chapter.

17 (i) If the school corporation can meet the requirements of
 18 IC 21-1-30-5, it may negotiate transfer tuition agreements with a
 19 neighboring school corporation that can accommodate additional
 20 students. Agreements under this section may be for one (1) year or
 21 longer and may fix a method for determining the amount of transfer
 22 tuition or time of payment that is different from the method, amount,
 23 or time of payment that is provided in this section or section 9 of this
 24 chapter. A school corporation may not transfer a student under this
 25 section without the prior approval of the child's parent or guardian.

26 (j) If a school corporation experiences a net financial impact with
 27 regard to transfer tuition that is negative for a particular school year as
 28 described in IC 6-1.1-19-5.1, the school corporation may appeal for an
 29 excessive levy as provided under IC 6-1.1-19-5.1.

30 SECTION 59. IC 20-8.1-6.1-12, AS AMENDED BY
 31 P.L.119-1996, SECTION 13, IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 12. (a) Annually
 33 before the date specified in the rules adopted by the Indiana state board
 34 of education, each school corporation shall report the information
 35 specified in subsection (b) for each student:

- 36 (1) for whom tuition support is paid by another school
 37 corporation;
 38 (2) for whom tuition support is paid by the state; and
 39 (3) who is enrolled in the school corporation but has the
 40 equivalent of a legal settlement in another state or country;
 41 to the county office (as defined in IC 12-7-2-45) for the county in
 42 which the principal office of the school corporation is located and to

C
O
P
Y



- 1 the department of education.
- 2 (b) Each school corporation shall provide the following
3 information for each school year beginning with the school year
4 beginning July 1, 1994, for each category of student described in
5 subsection (a):
- 6 (1) The amount of tuition support and other support received for
7 the students described in subsection (a).
 - 8 (2) The operating expenses, as determined under section 8 of this
9 chapter, incurred for the students described in subsection (a).
 - 10 (3) Special equipment expenditures that are directly related to
11 educating students described in subsection (a).
 - 12 (4) The number of transfer students described in subsection (a).
 - 13 (5) Any other information required under the rules adopted by
14 the Indiana state board of education after consultation with the
15 office of the secretary of family and social services.
- 16 (c) The information required under this section shall be reported
17 in the format and on the forms specified by the Indiana state board of
18 education.
- 19 (d) Not later than November 30 of each year beginning after
20 December 31, 1994, the department of education shall compile the
21 information required from school corporations under this section and
22 submit the compiled information in the form specified by the office of
23 the secretary of family and social services to the office of the secretary
24 of family and social services.
- 25 (e) Not later than November 30 of each year beginning after
26 December 31, 1994, each county office shall submit the following
27 information to the office of the secretary of family and social services
28 for each child who is described in ~~IC 12-19-7-1(1)~~ **IC 12-19-1-21(a)(1)**
29 and is placed in another state or is a student in a school outside the
30 school corporation where the child has legal settlement:
- 31 (1) The name of the child.
 - 32 (2) The name of the school corporation where the child has legal
33 settlement.
 - 34 (3) The last known address of the custodial parent or guardian of
35 the child.
 - 36 (4) Any other information required by the office of the secretary
37 of family and social services.
- 38 (f) Not later than December 31 of each year beginning after
39 December 31, 1994, the office of the secretary of family and social
40 services shall submit a report to the members of the budget committee
41 and the executive director of the legislative services agency that
42 compiles and analyzes the information required from school

C
O
P
Y

1 corporations under this section. The report shall identify the types of
 2 state and local funding changes that are needed to provide adequate
 3 state and local money to educate transfer students.

4 SECTION 60. IC 20-12-31-5 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 5. The
 6 management of the hospital shall keep an accurate account of the cost
 7 of the treatment, and a properly certified statement must be rendered
 8 quarterly to the auditor of the state, who shall issue a warrant on the
 9 treasurer of state for the amount thereof, to be paid out of any funds in
 10 the state general fund not otherwise appropriated, payable to the
 11 treasurer of the board of trustees of Indiana University. ~~The treasurer
 12 of state shall then reimburse the general fund for the amount so paid
 13 out, by collecting from the proper county a like amount or amounts in
 14 the next succeeding semiannual settlement with such counties; and the
 15 amount or amounts so collected shall be a charge against the county
 16 welfare fund of the county from which the same was so collected.~~ All
 17 funds so paid to said treasurer of the board of trustees of Indiana
 18 University shall constitute a fund to be used for the maintenance of said
 19 hospital, as such board may direct.

20 SECTION 61. IC 31-19-26-1, AS ADDED BY P.L.1-1997,
 21 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JANUARY 1, 1999]: Sec. 1. (a) When a petition for adoption is filed
 23 seeking a subsidy and the payment of a subsidy is ordered by the court,
 24 the order must contain the following information:

- 25 (1) Whether a subsidy will be paid under section 2 or 3 of this
 26 chapter, or both.
- 27 (2) The amount of each subsidy to be paid.
- 28 (3) If a subsidy will be paid under section 3 of this chapter, the
 29 condition or cause covered by the subsidy.
- 30 (4) Any condition for the continued payment of a subsidy other
 31 than a requirement set forth in this chapter.

32 (b) ~~The county office of family and children of the county~~
 33 ~~responsible for foster care of an adoptive child~~ **division of family and**
 34 **children** may be ordered to pay either or both of the subsidies under
 35 this chapter to the adoptive parents or designated payees to the extent
 36 that money is available.

37 SECTION 62. IC 31-34-24-8, AS ADDED BY P.L.55-1997,
 38 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JANUARY 1, 1999]: Sec. 8. In preparing the plan, the team shall
 40 review and consider existing publicly and privately funded programs
 41 that are available or that could be made available in the county to
 42 provide supportive services to or for the benefit of children described



C
O
P
Y

1 in section 3 of this chapter without removing the child from the family
2 home, including programs funded through the following:

- 3 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
- 4 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
- 5 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
- 6 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.
7 5106 et seq.).
- 8 (5) Community corrections programs under IC 11-12.
- 9 (6) Special education programs under IC 20-1-6-19.
- 10 (7) All programs designed to prevent child abuse, neglect, or
11 delinquency, or to enhance child welfare and family preservation
12 administered by, or through funding provided by, the division of
13 family and children, county offices, prosecutors, or juvenile
14 courts, including programs funded under ~~IC 12-19-5, IC 12-19-7,~~
15 ~~and~~ IC 31-40.

16 SECTION 63. IC 31-37-24-8, AS ADDED BY P.L.55-1997,
17 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JANUARY 1, 1999]: Sec. 8. In preparing the plan, the team shall
19 review and consider existing publicly and privately funded programs
20 that are available or that could be made available in the county to
21 provide supportive services to or for the benefit of children described
22 in section 3 of this chapter without removing the child from the family
23 home, including programs funded through the following:

- 24 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
- 25 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
- 26 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
- 27 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.
28 5106 et seq.).
- 29 (5) Community corrections programs under IC 11-12.
- 30 (6) Special education programs under IC 20-1-6-19.
- 31 (7) All programs designed to prevent child abuse, neglect, or
32 delinquency, or to enhance child welfare and family preservation
33 administered by, or through funding provided by, the division of
34 family and children, county offices, prosecutors, or juvenile
35 courts, including programs funded under ~~IC 12-19-5, IC 12-19-7,~~
36 ~~and~~ IC 31-40.

37 SECTION 64. IC 31-40-1-1, AS ADDED BY P.L.1-1997,
38 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 1999]: Sec. 1. **The costs to which** this article applies ~~to~~
40 ~~a financial burden sustained by a county as the result of costs paid by~~
41 ~~the county under section 2 of this chapter, including~~ **include the** costs
42 resulting from the institutional placement of a child adjudicated a

C
O
P
Y



1 delinquent child or a child in need of services.

2 SECTION 65. IC 31-40-1-2, AS ADDED BY P.L.1-1997,
3 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JANUARY 1, 1999]: Sec. 2. (a) The ~~county~~ **state** shall pay the cost of:

5 (1) any services ordered by the juvenile court for any child or the
6 child's parent, guardian, or custodian, **except for probation,**
7 **guardian ad litem, and court appointed special advocate**
8 **services;** and

9 (2) returning a child under IC 31-37-23.

10 (b) The ~~county~~ **state** fiscal body shall provide sufficient money to
11 meet the court's requirements, **except for probation, guardian ad**
12 **litem, and court appointed special advocate services.**

13 (c) The child's parent or the guardian of the estate of a child shall
14 reimburse the ~~county~~ **state** for the costs paid under subsection (a) (or
15 IC 31-6-4-18(b) before its repeal) as provided under this article.

16 (d) After receiving a petition for reimbursement from a ~~county that~~
17 ~~has paid for services under subsection (a) (or IC 31-6-4-18(b) before~~
18 ~~its repeal);~~ **the state,** the court shall hold a hearing to determine
19 whether to order reimbursement by the child's parents or the guardian
20 of the child's estate to the ~~county~~ **state** as described under this article.

21 SECTION 66. IC 31-40-1-3, AS ADDED BY P.L.1-1997,
22 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JANUARY 1, 1999]: Sec. 3. (a) A parent or guardian of the estate of
24 a child adjudicated a delinquent child or a child in need of services is
25 financially responsible for any services ordered by the court under this
26 section (or IC 31-6-4-18(e) before its repeal).

27 (b) Each parent of a child alleged to be a child in need of services
28 or alleged to be a delinquent child shall, before a dispositional hearing,
29 furnish the court with an accurately completed and current child
30 support obligation worksheet on the same form that is prescribed by the
31 Indiana supreme court for child support orders.

32 (c) At:

33 (1) a detention hearing;

34 (2) a hearing that is held after the payment of costs by a ~~county~~
35 **the state** under section 2 of this chapter (or IC 31-6-4-18(b)
36 before its repeal);

37 (3) the dispositional hearing; or

38 (4) any other hearing to consider modification of a dispositional
39 decree;

40 the juvenile court shall order the child's parents or the guardian of the
41 child's estate to pay for services provided to the child or the parent or
42 guardian unless the court finds that the parent or guardian is unable to

C
O
P
Y



1 pay or that justice would not be served by ordering payment from the
2 parent or guardian.

3 SECTION 67. IC 31-40-1-4, AS ADDED BY P.L.1-1997,
4 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 1999]: Sec. 4. The parent or guardian of the estate of any
6 child returned to Indiana under the interstate compact on juveniles
7 under IC 31-37-23 shall reimburse the ~~county~~ **state** for all costs
8 involved in returning the child that the court orders the parent or
9 guardian to pay under section 3 of this chapter (or IC 31-6-4-18(e)
10 before its repeal) whether or not the child has been adjudicated a
11 delinquent child or a child in need of services.

12 SECTION 68. IC 31-40-1-5, AS ADDED BY P.L.1-1997,
13 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JANUARY 1, 1999]: Sec. 5. (a) Whenever the court orders institutional
15 placement of a child:

16 (1) the court shall refer to the child support guidelines adopted
17 by the Indiana supreme court to determine the financial
18 contribution required from each parent of the child or the
19 guardian of the child's estate;

20 (2) the court shall order support paid by each of the child's
21 parents or the guardian of the child's estate, except as provided
22 under section 3 of this chapter; and

23 (3) if an existing support order is in effect, the court shall order
24 support payments to be assigned to the county office of family
25 and children for the duration of the institutional placement.

26 (b) When implementing this section, the county office of family
27 and children shall:

28 (1) comply with 45 CFR 302.52 and 45 CFR 303.2; and

29 (2) remit all other support payments to the ~~county~~ **state** general
30 fund.

31 (c) A support order entered under subsection (a) (or
32 IC 31-6-4-18(f) before its repeal) shall be paid through the clerk of the
33 circuit court as trustee for remittance to the county **office of family and**
34 **children.**

35 (d) The county office of family and children shall monitor the
36 enforcement of support orders under subsection (a).

37 (e) The county attorney for the office of family and children shall
38 seek enforcement of the support orders.

39 SECTION 69. IC 33-13-14-6, AS AMENDED BY P.L.1-1997,
40 SECTION 128, IS AMENDED TO READ AS FOLLOWS
41 [EFFECTIVE JANUARY 1, 1999]: Sec. 6. (a) The Indiana judicial
42 center shall maintain a roster of in-state facilities that have the



C
O
P
Y

1 expertise to provide child services (as defined in ~~IC 12-19-7-1~~)
 2 **IC 12-19-1-21**) in a residential setting to:

- 3 (1) children in need of services (as described in IC 31-34-1); or
 4 (2) delinquent children (as described in IC 31-37-1 and
 5 IC 31-37-2).

6 (b) The roster under subsection (a) must include the information
 7 that a court having juvenile jurisdiction needs to select an in-state
 8 placement of a child instead of placing the child in an out-of-state
 9 facility under IC 31-34 or IC 31-37. The roster must include at least the
 10 following information:

- 11 (1) Name, address, and telephone number of each facility.
 12 (2) Owner and contact person for each facility.
 13 (3) Description of the child services that each facility provides
 14 and any limitations that the facility imposes on acceptance of a
 15 child placed by a juvenile court.
 16 (4) Number of children that each facility can serve on a
 17 residential basis.
 18 (5) Number of residential openings at each facility.

19 (c) The Indiana judicial center shall revise the information in the
 20 roster at least monthly.

21 (d) The Indiana judicial center shall make the information in the
 22 roster readily available to courts with juvenile jurisdiction.

23 SECTION 70. THE FOLLOWING ARE REPEALED
 24 [EFFECTIVE JANUARY 1, 1999]: IC 6-1.1-17-18; IC 6-1.1-18.6;
 25 IC 12-7-2-117; IC 12-13-7-10; IC 12-13-7-11; IC 12-13-7-14;
 26 IC 12-13-7-15; IC 12-13-7-16; IC 12-13-7-20; IC 12-13-8;
 27 IC 12-13-9-1; IC 12-13-9-3; IC 12-13-9-4; IC 12-14-2-13;
 28 IC 12-14-9-2; IC 12-14-9-3; IC 12-14-9.5; IC 12-15-1-2; IC 12-15-1-3;
 29 IC 12-16-14; IC 12-16-15; IC 12-17-1-15; IC 12-17-3-3;
 30 IC 12-19-1-15; IC 12-19-1-17; IC 12-19-3; IC 12-19-4; IC 12-19-5;
 31 IC 12-19-6; IC 12-19-7; IC 12-24-6; IC 12-24-9-2; IC 12-24-9-3;
 32 IC 12-24-9-4; IC 12-24-13-6; IC 16-35-3; IC 16-35-4.

33 SECTION 71. [EFFECTIVE UPON PASSAGE] (a) **As used in**
 34 **this SECTION, "county office property tax levies" means the**
 35 **property tax levies under or for any of the following:**

- 36 (1) **IC 12-13-8 (county medical assistance to wards fund).**
 37 (2) **IC 12-16-14 (county hospital care for the indigent fund).**
 38 (3) **IC 12-19-3 (county welfare fund and tax levy).**
 39 (4) **IC 12-19-4 (county welfare administration fund and tax**
 40 **levy).**
 41 (5) **IC 12-19-7 (county family and children's fund).**
 42 (6) **IC 16-35-3 (children with special health care needs**



C
O
P
Y

- 1 county fund and tax levy).
- 2 (b) As used in this SECTION, "miscellaneous revenue" means
- 3 tax revenue that is distributed under:
- 4 (1) the bank tax (IC 6-5-10);
- 5 (2) the savings and loan association tax (IC 6-5-11);
- 6 (3) the production credit association tax (IC 6-5-12);
- 7 (4) the financial institutions tax (IC 6-5.5); or
- 8 (5) any other statute providing for a distribution of revenue;
- 9 to a political subdivision based in any part on the ad valorem
- 10 property tax levy imposed by the political subdivision.
- 11 (c) Notwithstanding any other law, after December 31, 1998,
- 12 the state shall fund one hundred percent (100%) of the programs,
- 13 services, and activities paid from county office property tax levies
- 14 before January 1, 1998.
- 15 (d) Notwithstanding any other law, after December 31, 1998,
- 16 a county may not impose a county office property tax levy. The
- 17 maximum permissible levy for any fund that:
- 18 (1) is not terminated after December 31, 1998; and
- 19 (2) for which a county office property tax levy was imposed
- 20 before January 1, 1999;
- 21 shall be reduced to eliminate the portion of the maximum levy
- 22 related to a county office property tax levy before January 1, 1999.
- 23 SECTION 72. [EFFECTIVE UPON PASSAGE] (a) As used in
- 24 this SECTION "county office property tax levies" means the
- 25 property tax levies under or for any of the following:
- 26 (1) IC 12-13-8 (county medical assistance to wards fund).
- 27 (2) IC 12-16-14 (county hospital care for the indigent fund).
- 28 (3) IC 12-19-3 (county welfare fund and tax levy).
- 29 (4) IC 12-19-4 (county welfare administration fund and tax
- 30 levy).
- 31 (5) IC 12-19-7 (county family and children's fund).
- 32 (6) IC 16-35-3 (children with special health care needs
- 33 county fund and tax levy).
- 34 (b) As used in this SECTION, "miscellaneous revenue" means
- 35 tax revenue that is distributed under:
- 36 (1) the bank tax (IC 6-5-10);
- 37 (2) the savings and loan association tax (IC 6-5-11);
- 38 (3) the production credit association tax (IC 6-5-12);
- 39 (4) the financial institutions tax (IC 6-5.5); or
- 40 (5) any other statute providing for a distribution of revenue;
- 41 to a political subdivision based in any part on the ad valorem
- 42 property tax levy imposed by the political subdivision.



1 (c) For calendar year 1999 and any other year that in any part
 2 conditions a distribution of miscellaneous revenue on the county
 3 property tax levies first due and payable in calendar year 1998 or
 4 a previous year, the distribution must be made based on the
 5 adjusted property tax levy determined under this SECTION.

6 (d) The state board of tax commissioners shall determine an
 7 adjusted property tax levy for each year on which a distribution
 8 described in subsection (c) is based. The adjusted property tax levy
 9 must exclude the county office property tax levies imposed in that
 10 year.

11 (e) Before July 15, 1998, the state board of tax commissioners
 12 shall certify the adjusted levy determined under subsection (d) to
 13 the auditor of state, each county auditor, and the department of
 14 state revenue.

15 (f) For purposes of property tax levies first due and payable
 16 after December 31, 1998, the state board of tax commissioners shall
 17 adjust property tax levies of a political subdivision to eliminate that
 18 portion of a property tax levy that was imposed before January 1,
 19 1999, to make a transfer described in IC 12-15-18-5.

20 (g) The unallotted balance on December 31, 1998, of any
 21 county office property tax levies in a fund other than the state
 22 general fund shall, on January 1, 1999, be transferred to the state
 23 general fund to carry out the programs for which the money was
 24 levied. The unallotted balance on December 31, 1998, of each
 25 county welfare trust clearance fund shall be transferred on
 26 January 1, 1999, to an account in the state welfare trust clearance
 27 fund. However, by agreement between a county executive and the
 28 division of family and children, a county may retain a balance of
 29 county office property tax levies after December 31, 1998, in a fund
 30 to pay obligations incurred but not allotted for payment before
 31 January 1, 1999. The amount and time that balances shall be
 32 retained shall be governed by the agreement. Money transferred
 33 to the state under this subsection shall be treated as money from
 34 state revenues.

35 (h) The state board of tax commissioners shall reduce the
 36 maximum permissible ad valorem property tax levy of a county to
 37 reflect the transfer by this act of expenditures payable from a
 38 county general fund to the state.

39 SECTION 73. [EFFECTIVE JANUARY 1, 1999] (a) After
 40 December 31, 1998, a reference in a law, rule, or other document
 41 to a county office of family and children shall be treated as a
 42 reference to:



C
O
P
Y

- 1 (1) the county office of family and children within the
2 division of family and children; or
3 (2) the division of family and children.
4 (b) The division of family and children may adopt and operate
5 under interim guidelines to implement this SECTION. Interim
6 guidelines adopted under this SECTION expire on the earlier of
7 the following:
8 (1) A replacement interim guideline is adopted under this
9 SECTION.
10 (2) A rule is adopted under IC 4-22-2 to replace the interim
11 guideline.
12 (3) January 1, 2000.
13 (c) To the extent that the personnel, agreements and other
14 obligations, and records and other property of a county office are
15 not the personnel, agreements and other obligations, and records
16 and other property of the division, after December 31, 1998, the:
17 (1) personnel;
18 (2) agreements and other obligations; and
19 (3) records and other property;
20 of a county office of family and children on December 31, 1998,
21 shall be treated as the personnel, agreements and other obligations,
22 and records and other property of the division of family and
23 children.
24 (d) After December 31, 1998, a court order issued before
25 January 1, 1999, and requiring or authorizing a county office of
26 family and children to take an action shall be treated as an order
27 requiring or authorizing the division of family and children to take
28 the action. However, this subsection does not authorize the division
29 of family and children to impose a property tax levy.
30 (e) After December 31, 1998:
31 (1) trust funds administered by; and
32 (2) wardships and guardianships granted to;
33 a county office of family and children before January 1, 1999, shall
34 be administered by the division of family and children.
35 (f) The following funds are abolished:
36 (1) State medical assistance to wards fund.
37 (2) The state welfare fund.
38 (3) Institution clothing fund established under IC 12-24-6-1
39 (repealed by this act).
40 Unallotted money in a fund described in this subsection on
41 December 31, 1998, shall on January 1, 1999, be transferred to an
42 account in the state general fund.



C
O
P
Y

1 (g) The unallotted balances on December 31, 1998, of any trust
 2 fund established under IC 12-19-1-15, as repealed by this act, shall
 3 be transferred to an appropriate trust fund under the
 4 administration of the division of family and children. The amount
 5 transferred shall be used only in a manner consistent with the
 6 intention of the donor of the property and for the following
 7 purposes:

8 (1) For the benefit of a home or an institution in which
 9 dependent or neglected children are cared for under the
 10 supervision of the county office.

11 (2) For the benefit of children who are committed to the care
 12 or supervision of the county office.

13 SECTION 74. [EFFECTIVE JULY 1, 1998] (a) As used in this
 14 SECTION, "committee" refers to the human services committee.

15 (b) The human services committee is established. The
 16 committee consists of twenty (20) members as follows:

17 (1) Four (4) members of the senate finance committee, to be
 18 appointed by the president pro tempore of the senate.

19 (2) Four (4) members of the senate finance committee, to be
 20 appointed by the minority leader of the senate.

21 (3) Six (6) members of the house ways and means committee,
 22 to be appointed by the speaker of the house of
 23 representatives.

24 (4) Six (6) members of the house ways and means committee,
 25 to be appointed by a member of the house of representatives
 26 who is the legislative leader of a major political party (as
 27 defined in IC 3-5-2-30) that is not the same party as the
 28 speaker of the house of representatives.

29 (c) A member appointed under this SECTION serves at the
 30 pleasure of the appointing authority. If a vacancy exists on the
 31 committee, the vacancy shall be filled by the person who made the
 32 original appointment.

33 (d) The chairperson of the legislative council shall name the
 34 chairperson of the committee. The chairperson of the committee
 35 serves at the pleasure of the chairperson of the legislative council.

36 (e) The committee shall meet at least eight (8) times each year.
 37 The chairperson shall call the first meeting of the committee before
 38 July 31, 1998.

39 (f) The committee shall prepare legislation for introduction in
 40 the regular session of the general assembly in years 1999 and 2000
 41 to do the following:

42 (1) Make appropriate changes to references in statutes that

C
O
P
Y



- 1 are required by this act.
- 2 **(2) Revise and consolidate the statutes relating to the**
- 3 **reorganization of county offices of family and children under**
- 4 **this act.**
- 5 **(3) Otherwise implement this act.**
- 6 **(g) The committee may study any issue related to its**
- 7 **responsibilities.**
- 8 **(h) The committee shall operate under the direction of the**
- 9 **legislative council. The legislative services agency shall staff the**
- 10 **committee. The office of the secretary of family and social services**
- 11 **shall assist the committee as directed by the chairperson of the**
- 12 **committee.**
- 13 **(i) The committee shall issue:**
- 14 **(1) an interim report before November 2, 1998, and at other**
- 15 **times as determined by the legislative council; and**
- 16 **(2) a final report before November 2, 1999.**
- 17 **Copies of each report shall be given to the governor and the**
- 18 **legislative council.**
- 19 **(j) Each member of the committee is entitled to receive the**
- 20 **same per diem, mileage, and travel allowances paid to members of**
- 21 **the general assembly serving on interim study committees**
- 22 **established by the legislative council.**
- 23 **(k) This SECTION expires December 31, 1999.**
- 24 **SECTION 75. An emergency is declared for this act.**

C
O
P
Y