



Reprinted
April 9, 1999

ENGROSSED SENATE BILL No. 24

DIGEST OF SB 24 (Updated April 8, 1999 12:03 pm - DI 73)

Citations Affected: IC 6-1.1; IC 21-2; noncode.

Synopsis: Capital improvements for schools and property tax settlements. Provides that if a county treasurer or county auditor does not distribute tax money due to a tax unit on or before the first day of the month immediately following the settlement date, the treasurer and auditor shall pay to the taxing unit interest on the taxing unit's undistributed money at a rate of 6%. (Under current law, interest must be paid under those circumstances only if the undistributed tax money was invested in an interest bearing investment.) Specifies that if a
(Continued next page)

Effective: July 1, 1999.

Server, Blade

(HOUSE SPONSORS — AVERY, BECKER, TINCHER)

January 6, 1999, read first time and referred to Committee on Finance.
March 1, 1999, reported favorably — Do Pass.
March 4, 1999, read second time, ordered engrossed.
March 5, 1999, engrossed.
March 8, 1999, read third time, passed. Yeas 49, nays 0.
HOUSE ACTION
March 10, 1999, read first time and referred to Committee on Education.
March 22, 1999, reported — Do Pass; referred to Committee on Ways and Means, pursuant to Rule 127.
April 5, 1999, amended, reported — Do Pass.
April 8, 1999, read second time, amended, ordered engrossed.

ES 24—LS 6172/DI 44+



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county treasurer fails to make a semi-annual settlement with the auditor of the county or to pay over the money due the county for any civil taxing unit or school corporation, the county auditor is liable for 110% of the taxes. Allows not more than 5% of the levy for a school capital projects fund to be used for construction, repair, replacement, remodeling, or maintenance of school sports facilities. Provides that if the treasurer of state, auditor of state, or any state agency or office refuses, neglects, or fails to distribute any money due to a taxing unit, the state shall pay to the taxing unit interest at a rate of six percent (6%) on the undistributed money.

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First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

ENGROSSED SENATE BILL No. 24

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

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

1 SECTION 1. IC 6-1.1-27-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) On or before June
3 20th and December 20th of each year, the county auditor and the
4 county treasurer shall meet in the office of the county auditor. Before
5 each semi-annual meeting, the county auditor shall complete an audit
6 of the county treasurer's monthly reports required under IC 36-2-10-16.
7 In addition, the county auditor shall prepare a certificate of settlement
8 on the form prescribed by the state board of accounts, and he shall
9 deliver the certificate of settlement to the county treasurer at least two
10 (2) days before each semi-annual meeting.

11 (b) If any county treasurer or auditor refuses, neglects, or fails to
12 distribute tax money due to a tax unit on or before the first day of the
13 month immediately following the appropriate settlement date
14 prescribed in subsection (a), the county treasurer and auditor shall pay
15 to the taxing unit from the county general fund interest **at an annual**
16 **rate of six percent (6%)** on the taxing unit's undistributed tax money

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1 if the county treasurer and auditor invest undistributed tax money in an
 2 interest bearing investment. The amount of interest to be paid equals
 3 the taxing unit's proportionate share of the actual amount of interest
 4 which is received from investments of the undistributed tax money
 5 from the second day of the month immediately following the
 6 appropriate settlement date to the date that the tax money is distributed.
 7 **If the treasurer of state, auditor of state, or any state agency or**
 8 **office refuses, neglects, or fails to distribute any money due to a**
 9 **taxing unit, the state shall pay to the taxing unit from the state**
 10 **general fund interest at an annual rate of six percent (6%) on the**
 11 **undistributed money from the second day of the month**
 12 **immediately following the date on which the money was required**
 13 **to be distributed to the taxing unit.**

14 SECTION 2. IC 6-1.1-27-4 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. If a county treasurer
 16 fails to make a semi-annual settlement with the auditor of his county or
 17 to pay over the money due the county **for any civil taxing unit or**
 18 **school corporation**, the county auditor shall notify the county
 19 prosecuting attorney who shall bring a suit upon the bond of the county
 20 treasurer. The county treasurer and his sureties are liable in an amount
 21 equal to one hundred ten percent (110%) of the taxes and other charges
 22 for which the treasurer fails to make a settlement or pay over.

23 SECTION 3. IC 21-2-15-4 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) A school
 25 corporation may establish a capital projects fund.

26 (b) With respect to any facility used or to be used by the school
 27 corporation (other than a facility used or to be used primarily for
 28 interscholastic or extracurricular activities, **except as provided in**
 29 **subsection (i)**), the fund may be used to pay for the following:

- 30 (1) Planned construction, repair, replacement, or remodeling.
- 31 (2) Site acquisition.
- 32 (3) Site development.
- 33 (4) Repair, replacement, or site acquisition that is necessitated by
 34 an emergency.

35 (c) The fund may be used to pay for the purchase, lease, repair, or
 36 maintenance of equipment to be used by the school corporation (other
 37 than vehicles to be used for any purpose and equipment to be used
 38 primarily for interscholastic or extracurricular activities, **except as**
 39 **provided in subsection (i)**).

40 (d) The fund may be used for any of the following purposes:

- 41 (1) To purchase, lease, upgrade, maintain, or repair computer
 42 hardware, computer software, or computer hardware and



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- 1 software.
- 2 (2) To pay for the services of full-time or part-time computer
3 maintenance employees.
- 4 (3) To conduct nonrecurring inservice technology training of
5 school employees.
- 6 (4) To fund the payment of advances, together with interest on the
7 advances, from the common school fund for educational
8 technology programs under IC 21-1-5.
- 9 (5) To fund the acquisition of any equipment or services
10 necessary:
- 11 (A) to implement the technology preparation curriculum under
12 IC 20-10.1-5.6;
- 13 (B) to participate in a program to provide educational
14 technologies, including computers, in the homes of students
15 (commonly referred to as "the buddy system project") under
16 IC 20-10.1-25, the 4R's technology program under
17 IC 20-10.1-25, or any other program under the educational
18 technology program described in IC 20-10.1-25; or
- 19 (C) to obtain any combination of equipment or services
20 described in clauses (A) and (B).
- 21 (e) The fund may be used to purchase:
- 22 (1) building sites;
- 23 (2) buildings in need of renovation;
- 24 (3) building materials; and
- 25 (4) equipment;
- 26 for the use of vocational building trades classes to construct new
27 buildings and to remodel existing buildings.
- 28 (f) The fund may be used for leasing or renting of existing real
29 estate, excluding payments authorized under IC 21-5-11 and
30 IC 21-5-12.
- 31 (g) The fund may be used to pay for services of the school
32 corporation employees that are bricklayers, stone masons, cement
33 masons, tile setters, glaziers, insulation workers, asbestos removers,
34 painters, paperhangers, drywall applicators and tapers, plasterers, pipe
35 fitters, roofers, structural and steel workers, metal building assemblers,
36 heating and air conditioning installers, welders, carpenters, electricians,
37 or plumbers, as these occupations are defined in the United States
38 Department of Labor, Employment and Training Administration,
39 Dictionary of Occupational Titles, Fourth Edition, Revised 1991, if:
- 40 (1) the employees perform construction of, renovation of,
41 remodeling of, repair of, or maintenance on the facilities and
42 equipment specified in subsections (b) and (c);

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- 1 (2) the school corporation's total annual salary and benefits paid
- 2 by the school corporation to employees described in this
- 3 subsection are at least six hundred thousand dollars (\$600,000);
- 4 and
- 5 (3) the payment of the employees described in this subsection is
- 6 included as part of the proposed capital projects fund plan
- 7 described in section 5(a) of this chapter.

8 However, the number of employees that are covered by this subsection
 9 is limited to the number of employee positions described in this
 10 subsection that existed on January 1, 1993. For purposes of this
 11 subsection, maintenance does not include janitorial or comparable
 12 routine services normally provided in the daily operation of the
 13 facilities or equipment.

14 (h) The fund may be used to pay for energy saving contracts entered
 15 into by a school corporation under IC 36-1-12.5.

16 (i) **Money from the fund may be used to pay for the**
 17 **construction, repair, replacement, remodeling, or maintenance of**
 18 **a school sports facility. However, a school corporation's**
 19 **expenditures in a calendar year under this subsection may not**
 20 **exceed five percent (5%) of the property tax revenues levied for the**
 21 **fund in the calendar year.**

22 SECTION 4. [EFFECTIVE JULY 1, 1999] IC 21-2-15-4, as
 23 amended by this act, applies only to budget years beginning after
 24 December 31, 1999.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Finance, to which was referred Senate Bill No. 24, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 24 as introduced.)

BORST, Chairperson

Committee Vote: Yeas 15, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 24, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

PORTER, Chair

Committee Vote: yeas 14, nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 24, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-27-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) On or before June 20th and December 20th of each year, the county auditor and the county treasurer shall meet in the office of the county auditor. Before each semi-annual meeting, the county auditor shall complete an audit of the county treasurer's monthly reports required under IC 36-2-10-16. In addition, the county auditor shall prepare a certificate of settlement on the form prescribed by the state board of accounts, and he shall deliver the certificate of settlement to the county treasurer at least two (2) days before each semi-annual meeting.

(b) If any county treasurer or auditor refuses, neglects, or fails to distribute tax money due to a tax unit on or before the first day of the month immediately following the appropriate settlement date prescribed in subsection (a), the county treasurer and auditor shall pay to the taxing unit from the county general fund interest **at an annual rate of six percent (6%)** on the taxing unit's undistributed tax money ~~if the county treasurer and auditor invest undistributed tax money in an interest bearing investment. The amount of interest to be paid equals the taxing unit's proportionate share of the actual amount of interest which is received from investments of the undistributed tax money~~ from the second day of the month immediately following the appropriate settlement date to the date that the tax money is distributed.

SECTION 2. IC 6-1.1-27-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. If a county treasurer fails to make a semi-annual settlement with the auditor of his county or to pay over the money due the county **for any civil taxing unit or school corporation**, the county auditor shall notify the county prosecuting attorney who shall bring a suit upon the bond of the county treasurer. The county treasurer and his sureties are liable in an amount equal to one hundred ten percent (110%) of the taxes and other charges for which the treasurer fails to make a settlement or pay over."

Renumber all SECTIONS consecutively.



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and when so amended that said bill do pass.

(Reference is to SB 24 as printed March 2, 1999.)

BAUER, Chair

Committee Vote: yeas 24, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 24 be amended to read as follows:

Page 2, line 6, after "distributed." insert "**If the treasurer of state, auditor of state, or any state agency or office refuses, neglects, or fails to distribute any money due to a taxing unit, the state shall pay to the taxing unit from the state general fund interest at an annual rate of six percent (6%) on the undistributed money from the second day of the month immediately following the date on which the money was required to be distributed to the taxing unit.**".

(Reference is to ESB 24 as printed April 6, 1999.)

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