

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 8093

BILL NUMBER: HB 1904

DATE PREPARED: Feb 24, 1999

BILL AMENDED: Feb 22, 1999

SUBJECT: Blind School and Deaf School Governance.

FISCAL ANALYST: David Hoppmann

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FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill would establish the Indiana School for the Blind and the Indiana School for the Deaf as separate agencies independent from the State Department of Health. It would provide for the administration of each school by a board appointed by the Governor. It would provide that each school be the purchasing agency for the school for purchases under an amount fixed by statute.

It would give the superintendent of each school and the school's board of directors certain powers relating to employees of the school. It would provide for appointment of the initial board of directors for each school, and the transition from administration by the State Department of Health to administration by the board of directors of each school.

It would require that a representative of each of the boards be a member of the State Advisory Council on the Education of Children with Disabilities, and would make conforming amendments.

Effective Date: Upon passage; July 1, 1999.

Explanation of State Expenditures: (Revised) For FY 1997-98 and FY 1998-99, respectively, \$10,101,348 and \$10,175,891, was appropriated from the State General Fund to the State Department of Health to administer the Indiana School for the Blind. For those same fiscal years, respectively, \$13,881,288 and \$14,004,110 was appropriated to administer the Indiana School for the Deaf.

This bill would not affect the day-to-day operations of the two schools, and would allow each school to receive appropriations directly. In accordance with this bill, the Indiana School for the Blind and the Indiana School for the Deaf would be allowed to establish their own policy and administrative structures, respectively.

This bill would also establish a board appointed by the Governor to govern each school, to approve and

submit to the State Budget Agency and to the Budget Committee the school's proposed biennial budget, and to appoint a superintendent. Each board would consist of seven voting members (six of whom would be eligible for lay per diem and travel reimbursement), and two non-voting members (one of whom would be eligible for legislative per diem and travel reimbursement).

Each lay member who is not a state employee is entitled to receive a per diem of \$50 and mileage of \$0.28 per mile (the per diem and mileage allowances for lay members would be paid from appropriations to each respective school), and the legislative member is entitled to receive a per diem of \$112 and mileage of \$0.28 per mile (the per diem and mileage allowances for the legislative member would be paid from appropriations made to the Legislative Council or the Legislative Services). Each boards' first meeting would take place on July 7, 1999, and the board could meet as often as necessary to ensure administration of each respective school.

This bill would require that each school be the purchasing agency for the school for purchases under \$100,000, and would require the Department of Administration and each board to develop and implement a written policy for purchases by the school with a value of more than \$100,000 no later than October 1, 1999.

This bill would require that the State Personnel Department (in collaboration with the board of each school) annually develop a list of job classifications for which the superintendent may fill position vacancies by hiring candidates based on a search for qualified candidates outside the state personnel hiring list. In addition, the Board would be required to prescribe the terms of the annual contract awarded to licensed teachers chosen for employment at each school.

Upon receipt (by the Governor and by the State Health Commissioner) of certification by each respective board stating that transition plans have been adopted, all respective appropriations will be transferred to each board, respectively.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Health (School for the Blind and School for the Deaf); State Budget Agency; Department of Administration; and State Personnel Department.

Local Agencies Affected:

Information Sources: Indiana List of Appropriations (July 1, 1997 to June 30, 1999).