

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WITHDRAWN	Noes _____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

# HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 465 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 taxation and to make an appropriation.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 6-1.1-17-3 IS AMENDED TO READ AS
- 7 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The proper
- 8 officers of a political subdivision shall formulate its estimated budget
- 9 and its proposed tax rate and tax levy on the form prescribed by the
- 10 state board of tax commissioners and approved by the state board of
- 11 accounts. The political subdivision shall give notice by publication to
- 12 taxpayers of:
- 13 (1) the estimated budget;
- 14 (2) the estimated maximum permissible levy;
- 15 (3) the current and proposed tax levies of each fund; ~~and~~
- 16 (4) the amounts of excessive levy appeals to be requested; ~~and~~
- 17 **(5) after December 31, 1999, the current and proposed**
- 18 **amount of revenue to be distributed by the state during the**
- 19 **budget year to the general fund of a school corporation.**
- 20 In the notice, the political subdivision shall also state the time and
- 21 place at which a public hearing will be held on these items. The notice
- 22 shall be published twice in accordance with IC 5-3-1 with the first
- 23 publication at least ten (10) days before the date fixed for the public
- 24 hearing.

1 (b) The trustee of each township of the county shall:

- 2 (1) estimate the amount necessary to meet the cost of poor relief  
 3 in the township for the ensuing calendar year; and  
 4 (2) publish with the township budget a tax rate sufficient to meet  
 5 the estimated cost of poor relief.

6 The taxes collected as a result of this rate shall be credited to the  
 7 county poor fund.

8 (c) The board of directors of a solid waste management district  
 9 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may  
 10 conduct the public hearing required under subsection (a):

- 11 (1) in any county of the solid waste management district; and  
 12 (2) in accordance with the annual notice of meetings published  
 13 under IC 13-21-5-2.

14 SECTION 2. IC 6-1.1-17-5.1 IS AMENDED TO READ AS  
 15 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.1. (a) As used in this  
 16 section, "school corporation" has the meaning set forth in  
 17 IC 20-10.1-1-1.

18 (b) Before February 1 of each year, the officers of a school  
 19 corporation shall meet to fix the budget for the school corporation for  
 20 the ensuing budget year, with notice given by the same officers.

21 (c) Not later than two (2) days after a school corporation fixes a  
 22 budget under subsection (b), the officers of the school corporation shall  
 23 file the budget adopted by the school corporation for the ensuing  
 24 budget year with the state board of tax commissioners.

25 (d) Each year at least two (2) days before the first meeting of the  
 26 county board of tax adjustment held under IC 6-1.1-29-4, a school  
 27 corporation shall file with the county auditor:

28 (1) a statement of the tax rate and tax levy fixed by the school  
 29 corporation for the ensuing budget year;

30 **(2) after December 31, 1999, the proposed amount of revenue  
 31 to be distributed by the state during the budget year to the  
 32 general fund of a school corporation;**

33 ~~(3)~~ (3) two (2) copies of the budget adopted by the school  
 34 corporation for the ensuing budget year; and

35 ~~(4)~~ (4) any written notification from the state board of tax  
 36 commissioners under section 16(i) of this chapter that specifies a  
 37 proposed revision, reduction, or increase in the budget adopted by  
 38 the school corporation for the ensuing budget year.

39 Each year the county auditor shall present these items to the county  
 40 board of tax adjustment at the board's first meeting.

41 (e) In a consolidated city, a county containing a consolidated city,  
 42 and a second class city, the clerk of the fiscal body shall,  
 43 notwithstanding subsection (d), file the adopted budget and tax  
 44 ordinances with the county board of tax adjustment not later than two  
 45 (2) days after the ordinances are signed by the executive or not later  
 46 than two (2) days after action is taken by the fiscal body to override a

1 veto of the ordinances, whichever is later.

2 SECTION 3. IC 6-1.1-17-10 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) When the  
4 aggregate tax rate within a political subdivision, as approved or  
5 modified by the county board of tax adjustment, exceeds the maximum  
6 aggregate tax rate prescribed in IC 1971, 6-1.1-18-3(a), the county  
7 auditor shall certify the budgets, tax rates, and tax levies of the political  
8 subdivisions whose tax rates compose the aggregate tax rate within the  
9 political subdivision, as approved or modified by the county board, to  
10 the state board of tax commissioners for final review. For purposes of  
11 this section, the maximum aggregate tax rate limit exceptions provided  
12 in IC ~~1971~~; 6-1.1-18-3(b) do not apply.

13 **(b) The county auditor shall certify the general fund budgets of**  
14 **each school corporation, as modified by the county board of tax**  
15 **adjustment, to the state board of tax commissioners for final**  
16 **review.**

17 SECTION 4. IC 6-1.1-18.5-2 IS AMENDED TO READ AS  
18 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) For  
19 purposes of determining a civil taxing unit's maximum permissible ad  
20 valorem property tax levy for an ensuing calendar year, the civil taxing  
21 unit shall use the assessed value growth quotient determined in the last  
22 STEP of the following STEPS:

23 STEP ONE: Determine the three (3) calendar years that most  
24 immediately precede the ensuing calendar year and in which a  
25 statewide general reassessment of real property does not first  
26 become effective.

27 STEP TWO: Compute separately, for each of the calendar years  
28 determined in STEP ONE, the quotient (rounded to the nearest  
29 ten-thousandth) of the civil taxing unit's total assessed value of all  
30 taxable property in the particular calendar year, divided by the  
31 civil taxing unit's total assessed value of all taxable property in the  
32 calendar year immediately preceding the particular calendar year.

33 STEP THREE: Divide the sum of the three (3) quotients  
34 computed in STEP TWO by three (3).

35 STEP FOUR: Determine the greater of the result computed in  
36 STEP THREE or one and ~~five-hundredths (1.05)~~  
37 **four-hundredths (1.04).**

38 STEP FIVE: Determine the lesser of the result computed in STEP  
39 FOUR or one and ~~one-tenth (1.1)~~; **eight-hundredths (1.08).**

40 (b) If the assessed values of taxable property used in determining a  
41 civil taxing unit's property taxes that are first due and payable in a  
42 particular calendar year are significantly increased over the assessed  
43 values used for the immediately preceding calendar year's property  
44 taxes due to the settlement of litigation concerning the general  
45 reassessment of that civil taxing unit's real property, then for purposes  
46 of determining that civil taxing unit's assessed value growth quotient

1 for an ensuing calendar year, the state board of tax commissioners shall  
 2 replace the quotient described in STEP TWO of subsection (a) for that  
 3 particular calendar year. The state board of tax commissioners shall  
 4 replace that quotient with one that as accurately as possible will reflect  
 5 the actual growth in the civil taxing unit's assessed values of real  
 6 property from the immediately preceding calendar year to that  
 7 particular calendar year.

8 SECTION 5. IC 6-1.1-19-1.9 IS ADDED TO THE INDIANA  
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 1999]: **Sec. 1.9. (a) This section applies to ad**  
 11 **valorem property taxes first due and payable after December 31,**  
 12 **1999.**

13 (b) Except as provided in:

- 14 (1) IC 20-5-15-2 (public library in connection with school);
- 15 (2) IC 20-5-16-2 (nursery schools);
- 16 (3) IC 20-5-17-2 (Children's Museum in Marion County);
- 17 (4) IC 20-5-17.5-2 (historical societies);
- 18 (5) IC 20-5-17.5-3 (art associations);
- 19 (6) IC 20-5-17.5-4 (cultural institutions); and
- 20 (7) IC 20-5-37-4 (public playgrounds);

21 a school corporation may not levy an ad valorem property tax for  
 22 the school corporation's general fund that exceeds the amount  
 23 permitted under subsection (c).

24 (c) The maximum general fund levy of a school corporation  
 25 determined under this chapter shall be reduced to be the following:

- 26 (1) For 2000, ninety-five percent (95%) of the maximum levy.
- 27 (2) For 2001, ninety percent (90%) of the maximum levy.
- 28 (3) For 2002, eighty-five percent (85%) of the maximum levy.
- 29 (4) For 2003, eighty percent (80%) of the maximum levy.
- 30 (5) For 2004, seventy-five percent (75%) of the maximum  
 31 levy.
- 32 (6) For 2005, seventy percent (70%) of the maximum levy.
- 33 (7) For 2006, sixty-five percent (65%) of the maximum levy.
- 34 (8) For 2007, sixty percent (60%) of the maximum levy.
- 35 (9) For 2008, fifty-five percent (55%) of the maximum levy.
- 36 (10) For 2009 and thereafter, fifty percent (50%) of the  
 37 maximum levy.

38 This reduction shall be made by the state board of tax  
 39 commissioners after the calculation of state tuition support.

40 (d) An additional property tax replacement credit shall be  
 41 distributed to counties to be applied to the tax liability of property  
 42 taxpayers at the same time and in the same manner as the property  
 43 tax replacement credit under IC 6-1.1-21. The amount of the credit  
 44 that each taxpayer is entitled to receive is one hundred percent  
 45 (100%) minus the percentage used under subsection (c) of the  
 46 taxpayer's liability, as defined in IC 6-1.1-21-5, for school

1 **corporation general fund property taxes. The money to make the**  
 2 **distributions is appropriated from the state general fund.**

3 SECTION 6. IC 6-1.1-19-12 IS ADDED TO THE INDIANA CODE  
 4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 5 1, 1999]: **Sec. 12. (a) As used in this section, "revenues" means**  
 6 **excise tax distributions under IC 6-6-5 and any other allocation of**  
 7 **state tax collections or distributions that by statute:**

8 **(1) are distributed to school corporations; and**

9 **(2) are based on the property tax levies imposed by the taxing**  
 10 **units in a county.**

11 **The term does not include homestead credits or property tax**  
 12 **replacement credits.**

13 **(b) A school corporation is entitled to receive for the school**  
 14 **corporation's general fund a proportion of the revenues that are**  
 15 **distributed within the county. The amount that the school**  
 16 **corporation is entitled to receive during that calendar year equals**  
 17 **the amount determined under STEP FIVE of the following**  
 18 **formula:**

19 **STEP ONE: Determine the amount of revenue that is**  
 20 **available for distribution in the county in the distribution**  
 21 **year.**

22 **STEP TWO: Determine the product of:**

23 **(A) the average annual percentage of the school general**  
 24 **fund budget, using 1997, 1998, and 1999, that was**  
 25 **comprised of property tax revenue, including any property**  
 26 **tax replacement credits or homestead credits; multiplied**  
 27 **by**

28 **(B) the school general fund budget for the distribution**  
 29 **year.**

30 **STEP THREE: Determine the sum of:**

31 **(A) the property tax levies imposed by all taxing units in**  
 32 **the county; and**

33 **(B) the amounts determined in STEP TWO for all school**  
 34 **corporations in the county in proportion to the amount of**  
 35 **taxable property located in the school corporation and the**  
 36 **county;**

37 **for that calendar year.**

38 **STEP FOUR: Determine the result of the STEP TWO amount**  
 39 **divided by the STEP THREE sum.**

40 **STEP FIVE: Multiply the STEP ONE amount by the STEP**  
 41 **FOUR result.**

42 **(c) The amount of revenues distributed to:**

43 **(1) taxing units other than a school corporation; and**

44 **(2) funds of a school corporation for which a property tax levy**  
 45 **is imposed;**

46 **shall be changed for that same year by reducing the amount of**

1 revenue distributed by the amount of revenue allocated under this  
 2 section for that same calendar year. The state board of tax  
 3 commissioners shall make any adjustments required by this section  
 4 and provide them to the appropriate county auditors.

5 (d) A school corporation shall be treated as a taxing unit for  
 6 purposes of a distribution of financial institutions tax revenues  
 7 under IC 6-5.5-8-2.

8 SECTION 7. IC 6-1.1-20.9-2 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) Except as  
 10 otherwise provided in section 5 of this chapter, an individual who on  
 11 March 1 of a particular year either owns or is buying a homestead  
 12 under a contract that provides the individual is to pay the property taxes  
 13 on the homestead is entitled each calendar year to a credit against the  
 14 property taxes which the individual pays on the individual's homestead.  
 15 However, only one (1) individual may receive a credit under this  
 16 chapter for a particular homestead in a particular year.

17 (b) The amount of the credit to which the individual is entitled  
 18 equals the product of:

- 19 (1) the percentage prescribed in subsection (d); multiplied by  
 20 (2) the amount of the individual's property tax liability, as that  
 21 term is defined in IC 6-1.1-21-5, which is attributable to the  
 22 homestead during the particular calendar year.

23 (c) For purposes of determining that part of an individual's property  
 24 tax liability that is attributable to the individual's homestead, all  
 25 deductions from assessed valuation which the individual claims under  
 26 IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's  
 27 homestead is located must be applied first against the assessed value  
 28 of the individual's homestead before those deductions are applied  
 29 against any other property.

30 (d) The percentage of the credit referred to in subsection (b)(1) is as  
 31 follows:

32 YEAR	33 PERCENTAGE OF THE CREDIT
34 1996	8%
35 1997	6%
36 1998 through 2001	10%
37 2002 and thereafter	4%

38 However, the property tax replacement fund board established under  
 39 IC 6-1.1-21-10, in its sole discretion, may increase the percentage of  
 40 the credit provided in the schedule for any year, if the board feels that  
 41 the property tax replacement fund contains enough money for the  
 42 resulting increased distribution. If the board increases the percentage  
 43 of the credit provided in the schedule for any year, the percentage of  
 44 the credit for the immediately following year is the percentage provided  
 45 in the schedule for that particular year, unless as provided in this  
 46 subsection the board in its discretion increases the percentage of the

1 credit provided in the schedule for that particular year. However, the  
 2 percentage credit allowed in a particular county for a particular year  
 3 shall be increased if on January 1 of a year an ordinance adopted by a  
 4 county income tax council was in effect in the county which increased  
 5 the homestead credit. The amount of the increase equals the amount  
 6 designated in the ordinance.

7 (e) Before October 1 of each year, the assessor shall furnish to the  
 8 county auditor the amount of the assessed valuation of each homestead  
 9 for which a homestead credit has been properly filed under this chapter.

10 (f) The county auditor shall apply the credit equally to each  
 11 installment of taxes that the individual pays for the property.

12 (g) Notwithstanding the provisions of this chapter, a taxpayer other  
 13 than an individual is entitled to the credit provided by this chapter if:

- 14 (1) an individual uses the residence as the individual's principal  
 15 place of residence;
- 16 (2) the residence is located in Indiana;
- 17 (3) the individual has a beneficial interest in the taxpayer;
- 18 (4) the taxpayer either owns the residence or is buying it under a  
 19 contract, recorded in the county recorder's office, that provides  
 20 that the individual is to pay the property taxes on the residence;  
 21 and
- 22 (5) the residence consists of a single-family dwelling and the real  
 23 estate, not exceeding one (1) acre, that immediately surrounds  
 24 that dwelling.

25 SECTION 8. IC 6-3-1-3.5 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
 27 Sec. 3.5. When used in IC 6-3, the term "adjusted gross income" shall  
 28 mean the following:

29 (a) In the case of all individuals, "adjusted gross income" (as  
 30 defined in Section 62 of the Internal Revenue Code), modified as  
 31 follows:

- 32 (1) Subtract income that is exempt from taxation under IC 6-3 by  
 33 the Constitution and statutes of the United States.
- 34 (2) Add an amount equal to **the sum of:**
  - 35 (A) Any deduction or deductions allowed or allowable  
 36 pursuant to Section 62 of the Internal Revenue Code for taxes  
 37 based on or measured by income and levied at the state level  
 38 by any state of the United States. ~~or~~
  - 39 (B) **Fifty percent (50%) of any deduction or deductions**  
 40 **allowed or allowable pursuant to Section 62 of the Internal**  
 41 **Revenue Code** for taxes on property levied by any subdivision  
 42 of any state of the United States.
- 43 (3) Subtract one thousand **five hundred** dollars ~~(\$1,000);~~  
 44 **(\$1,500)**, or in the case of a joint return filed by a husband and  
 45 wife, subtract for each spouse one thousand **five hundred** dollars  
 46 ~~(\$1,000);~~ **(\$1,500)**.

- 1           (4) Subtract one thousand **five hundred** dollars ~~(\$1,000)~~ **(\$1,500)**  
2           for:
- 3           (A) each of the exemptions provided by Section 151(c) of the  
4           Internal Revenue Code;
- 5           (B) each additional amount allowable under Section 63(f) of  
6           the Internal Revenue Code; and
- 7           (C) the spouse of the taxpayer if a separate return is made by  
8           the taxpayer, and if the spouse, for the calendar year in which  
9           the taxable year of the taxpayer begins, has no gross income  
10          and is not the dependent of another taxpayer.
- 11          ~~(5) Subtract five hundred dollars (\$500) for each of the~~  
12          ~~exemptions allowed under Section 151(c)(1)(B) of the Internal~~  
13          ~~Revenue Code, for taxable years beginning after December 31,~~  
14          ~~1996, and before January 1, 2001. This amount is in addition to~~  
15          ~~the amount subtracted under subdivision (4).~~
- 16          ~~(6)~~ **(5)** Subtract an amount equal to the lesser of:
- 17               (A) that part of the individual's adjusted gross income (as  
18               defined in Section 62 of the Internal Revenue Code) for that  
19               taxable year that is subject to a tax that is imposed by a  
20               political subdivision of another state and that is imposed on or  
21               measured by income; or
- 22               (B) two thousand dollars (\$2,000).
- 23          ~~(7)~~ **(6)** Add an amount equal to the total capital gain portion of a  
24          lump sum distribution (as defined in Section 402(e)(4)(D) of the  
25          Internal Revenue Code), if the lump sum distribution is received  
26          by the individual during the taxable year and if the capital gain  
27          portion of the distribution is taxed in the manner provided in  
28          Section 402 of the Internal Revenue Code.
- 29          ~~(8)~~ **(7)** Subtract any amounts included in federal adjusted gross  
30          income under Internal Revenue Code Section 111 as a recovery  
31          of items previously deducted as an itemized deduction from  
32          adjusted gross income.
- 33          ~~(9)~~ **(8)** Subtract any amounts included in federal adjusted gross  
34          income under the Internal Revenue Code which amounts were  
35          received by the individual as supplemental railroad retirement  
36          annuities under 45 U.S.C. 231 and which are not deductible under  
37          subdivision (1).
- 38          ~~(10)~~ **(9)** Add an amount equal to the deduction allowed under  
39          Section 221 of the Internal Revenue Code for married couples  
40          filing joint returns if the taxable year began before January 1,  
41          1987.
- 42          ~~(11)~~ **(10)** Add an amount equal to the interest excluded from  
43          federal gross income by the individual for the taxable year under  
44          Section 128 of the Internal Revenue Code, if the taxable year  
45          began before January 1, 1985.
- 46          ~~(12)~~ **(11)** Subtract an amount equal to the amount of federal

1 Social Security and Railroad Retirement benefits included in a  
2 taxpayer's federal gross income by Section 86 of the Internal  
3 Revenue Code.

4 ~~(13)~~ **(12)** In the case of a nonresident taxpayer or a resident  
5 taxpayer residing in Indiana for a period of less than the taxpayer's  
6 entire taxable year, the total amount of the deductions allowed  
7 pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to  
8 an amount which bears the same ratio to the total as the taxpayer's  
9 income taxable in Indiana bears to the taxpayer's total income.

10 ~~(14)~~ **(13)** In the case of an individual who is a recipient of  
11 assistance under IC 12-10-6-1, IC 12-10-6-2, IC 12-10-6-3,  
12 IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that  
13 portion of the individual's adjusted gross income with respect to  
14 which the individual is not allowed under federal law to retain an  
15 amount to pay state and local income taxes.

16 **(14) Subtract an amount equal to fifty percent (50%) of the**  
17 **amount of property taxes (excluding excise taxes in lieu of**  
18 **property taxes) that are paid by the individual and for which**  
19 **a deduction is not allowed or allowable pursuant to Section 62**  
20 **of the Internal Revenue Code.**

21 (b) In the case of corporations, the same as "taxable income" (as  
22 defined in Section 63 of the Internal Revenue Code) adjusted as  
23 follows:

24 (1) Subtract income that is exempt from taxation under IC 6-3 by  
25 the Constitution and statutes of the United States.

26 (2) Add an amount equal to any deduction or deductions allowed  
27 or allowable pursuant to Section 170 of the Internal Revenue  
28 Code.

29 (3) Add an amount equal to any deduction or deductions allowed  
30 or allowable pursuant to Section 63 of the Internal Revenue Code  
31 for taxes based on or measured by income and levied at the state  
32 level by any state of the United States or for taxes on property  
33 levied by any subdivision of any state of the United States.

34 (4) Subtract an amount equal to the amount included in the  
35 corporation's taxable income under Section 78 of the Internal  
36 Revenue Code.

37 (c) In the case of trusts and estates, "taxable income" (as defined for  
38 trusts and estates in Section 641(b) of the Internal Revenue Code)  
39 reduced by income that is exempt from taxation under IC 6-3 by the  
40 Constitution and statutes of the United States.

41 SECTION 9. IC 6-3.5-1.1-18 IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
43 Sec. 18. (a) Except as otherwise provided in this chapter, all provisions  
44 of the adjusted gross income tax law (IC 6-3) concerning:

45 (1) definitions;

46 (2) declarations of estimated tax;

- 1 (3) filing of returns;
- 2 (4) remittances;
- 3 (5) incorporation of the provisions of the Internal Revenue Code;
- 4 (6) penalties and interest;
- 5 (7) exclusion of military pay credits for withholding; and
- 6 (8) exemptions and deductions;

7 apply to the imposition, collection, and administration of the tax  
 8 imposed by this chapter.

9 (b) The provisions of ~~IC 6-3-1-3.5(a)(6)~~, **IC 6-3-1-3.5(a)(5)**,  
 10 IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed  
 11 by this chapter.

12 (c) Notwithstanding subsections (a) and (b), each employer shall  
 13 report to the department the amount of withholdings attributable to  
 14 each county. This report shall be submitted annually along with the  
 15 employer's annual withholding report.

16 SECTION 10. IC 6-3.1-20 IS ADDED TO THE INDIANA CODE  
 17 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 18 JANUARY 1, 1999 (RETROACTIVE)]:

19 **Chapter 20. Credit for Property Taxes Paid on Inventory**

20 **Sec. 1. As used in this chapter, "assessed value" means the**  
 21 **assessed value of inventory determined under IC 6-1.1-3.**

22 **Sec. 2. As used in this chapter, "inventory" has the meaning set**  
 23 **forth in IC 6-1.1-3-11.**

24 **Sec. 3. As used in this chapter, "pass through entity" means:**

- 25 (1) a corporation that is exempt from the adjusted gross  
 26 income tax under IC 6-3-2-2.8(2); or
- 27 (2) a partnership.

28 **Sec. 4. As used in this chapter, "state tax liability" means a**  
 29 **taxpayer's total tax liability that is incurred under:**

- 30 (1) IC 6-2.1 (gross income tax);
- 31 (2) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax);
- 32 (3) IC 6-3-8 (supplemental net income tax);
- 33 (4) IC 6-5.5 (financial institutions tax); and
- 34 (5) IC 27-1-18-2 (insurance premiums tax);

35 **as computed after the application of the credits that under**  
 36 **IC 6-3.1-1-2 are to be applied before the credit provided by this**  
 37 **chapter.**

38 **Sec. 5. As used in this chapter, "taxpayer" means an individual**  
 39 **or entity that has state tax liability.**

40 **Sec. 6. (a) A taxpayer is entitled to a credit against the**  
 41 **taxpayer's state tax liability for a taxable year for the ad valorem**  
 42 **property taxes paid by the taxpayer in the taxable year on**  
 43 **inventory.**

44 **(b) The amount of the credit is equal to the product of:**

- 45 (1) the appropriate percentage specified in subsection (c);
- 46 multiplied by

1           (2) the amount of property taxes paid on inventory by the  
2 taxpayer during the taxable year.

3           (c) The percentage described in subsection (b)(1) is determined  
4 by the calendar year in which the property taxes on inventory are  
5 paid and is set forth in the following table:

6 CALENDAR YEAR IN 7 WHICH INVENTORY 8 TAXES ARE PAID	9 PERCENTAGE OF 10 INVENTORY TAXES 11 ALLOWED AS A CREDIT
12 1999 .....	13 10%
14 2000 .....	15 20%
16 2001 .....	17 30%
18 2002 .....	19 40%
20 2003 .....	21 50%
22 2004 .....	23 60%
24 2005 .....	25 70%
26 2006 .....	27 80%
28 2007 .....	29 90%
30 2008 and thereafter .....	31 100%

32           (d) If a taxpayer pays property taxes in two (2) different  
33 calendar years during the taxpayer's same taxable year, the  
34 taxpayer shall apply the appropriate percentage specified for each  
35 calendar year to the property taxes paid in each calendar year to  
36 compute the credit for the taxable year.

37           Sec. 7. (a) If the amount determined under section 6(b) of this  
38 chapter for a taxpayer in a taxable year exceeds the taxpayer's  
39 state tax liability for that taxable year, the taxpayer may carry the  
40 excess over to the following taxable years. The amount of the credit  
41 carryover from a taxable year shall be reduced to the extent that  
42 the carryover is used by the taxpayer to obtain a credit under this  
43 chapter for any subsequent taxable year. A taxpayer is not entitled  
44 to a carryback.

45           (b) A taxpayer is not entitled to a refund of any unused credit.

46           Sec. 8. If a pass through entity does not have state income tax  
liability against which the tax credit may be applied, a shareholder  
or partner of the pass through entity is entitled to a tax credit equal  
to:

- 37           (1) the tax credit determined for the pass through entity for  
38 the taxable year; multiplied by
- 39           (2) the percentage of the pass through entity's distributive  
40 income to which the shareholder or partner is entitled.

41           Sec. 9. To receive the credit provided by this chapter, a taxpayer  
42 must claim the credit on the taxpayer's state tax return or returns  
43 in the manner prescribed by the department. The taxpayer shall  
44 submit to the department proof of payment of an ad valorem  
45 property tax and all information that the department determines  
46 is necessary for the calculation of the credit provided by this

1 **chapter.**

2 SECTION 11. IC 6-3.1-21 IS ADDED TO THE INDIANA CODE  
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
4 JANUARY 1, 1999 (RETROACTIVE)]:

5 **Chapter 21. Elementary and Secondary Education Tax Credit**  
6 **for Education Expenses**

7 **Sec. 1. As used in this chapter, "accredited nonpublic school"**  
8 **means a nonpublic school that:**

- 9 (1) voluntarily seeks; and  
10 (2) receives;

11 accreditation as authorized under IC 20-1-1-6(a)(5).

12 **Sec. 2. As used in this chapter, "eligible dependent" means a**  
13 **dependent, as defined in Section 151(c)(1)(B) of the Internal**  
14 **Revenue Code, who is enrolled in kindergarten through grade 12**  
15 **in a public school or an accredited nonpublic school.**

16 **Sec. 3. As used in this chapter, "nonpublic school" has the**  
17 **meaning set forth in IC 20-10.1-1-3.**

18 **Sec. 4. As used in this chapter, "public school" has the meaning**  
19 **set forth in IC 20-10.1-1-2.**

20 **Sec. 5. As used in this chapter, "qualified education expense"**  
21 **means any of the following expenses incurred by a taxpayer during**  
22 **the taxable year and paid to others for an eligible dependent:**

23 (1) Expense for textbooks and instructional materials. This  
24 subdivision excludes an expense for textbooks and  
25 instructional materials for the teaching of religious tenets,  
26 doctrines, or worship when the purpose of the teaching is to  
27 instill religious tenets, doctrines, or worship.

28 (2) Personal computer expense for:

29 (A) personal computer hardware, excluding single purpose  
30 processors; and

31 (B) educational software that assists an eligible dependent  
32 to improve or expand knowledge and skills in core  
33 curriculum areas, including language arts, mathematics,  
34 science, or social studies;

35 purchased for use in the eligible dependent's home and not  
36 used in trade or business.

37 **Sec. 6. As used in this chapter, "taxpayer" means an individual**  
38 **who has any adjusted gross income tax liability.**

39 **Sec. 7. A taxpayer who incurs a qualified education expense is**  
40 **entitled to a credit against the adjusted gross income tax imposed**  
41 **by IC 6-3 for the taxable year during which the taxpayer incurs the**  
42 **qualified education expense. The credit is equal to the lesser of:**

43 (1) the taxpayer's qualified education expense multiplied by  
44 fifty percent (50%); or

45 (2) fifty dollars (\$50) per eligible dependent.

46 **Sec. 8. If both spouses reside in the same household, only one (1)**

1 credit may be claimed by the spouses under this chapter for the  
2 taxable year. However, in the case of a husband and wife who incur  
3 a qualified education expense and file separate tax returns, the  
4 husband and wife may take the credit in equal shares or one (1)  
5 spouse may take the entire credit.

6 Sec. 9. If the amount of the credit provided by this chapter that  
7 a taxpayer uses during a particular taxable year exceeds the sum  
8 of the taxes imposed by IC 6-3 for the taxable year after the  
9 application of all credits that under IC 6-3.1-1-2 are to be applied  
10 before the credit provided by this chapter, the excess shall be  
11 returned to the taxpayer as a refund.

12 SECTION 12. IC 6-3.5-6-22 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
14 Sec. 22. (a) Except as otherwise provided in subsection (b) and the  
15 other provisions of this chapter, all provisions of the adjusted gross  
16 income tax law (IC 6-3) concerning:

- 17 (1) definitions;
- 18 (2) declarations of estimated tax;
- 19 (3) filing of returns;
- 20 (4) deductions or exemptions from adjusted gross income;
- 21 (5) remittances;
- 22 (6) incorporation of the provisions of the Internal Revenue Code;
- 23 (7) penalties and interest; and
- 24 (8) exclusion of military pay credits for withholding;

25 apply to the imposition, collection, and administration of the tax  
26 imposed by this chapter.

27 (b) The provisions of ~~IC 6-3-1-3.5(a)(6)~~, IC 6-3-1-3.5(a)(5),  
28 IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed  
29 by this chapter.

30 (c) Notwithstanding subsections (a) and (b), each employer shall  
31 report to the department the amount of withholdings attributable to  
32 each county. This report shall be submitted along with the employer's  
33 other withholding report.

34 SECTION 13. IC 6-3.5-7-18 IS AMENDED TO READ AS  
35 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
36 Sec. 18. (a) Except as otherwise provided in this chapter, all provisions  
37 of the adjusted gross income tax law (IC 6-3) concerning:

- 38 (1) definitions;
- 39 (2) declarations of estimated tax;
- 40 (3) filing of returns;
- 41 (4) remittances;
- 42 (5) incorporation of the provisions of the Internal Revenue Code;
- 43 (6) penalties and interest;
- 44 (7) exclusion of military pay credits for withholding; and
- 45 (8) exemptions and deductions;

46 apply to the imposition, collection, and administration of the tax

1 imposed by this chapter.

2 (b) The provisions of ~~IC 6-3-1-3.5(a)(6)~~; **IC 6-3-1-3.5(a)(5)**,  
3 IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed  
4 by this chapter.

5 (c) Notwithstanding subsections (a) and (b), each employer shall  
6 report to the department the amount of withholdings attributable to  
7 each county. This report shall be submitted annually along with the  
8 employer's annual withholding report.

9 SECTION 14. IC 6-1.1-18-3 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) Except as  
11 provided in subsection (b), the sum of all tax rates for all political  
12 subdivisions imposed on tangible property within a political  
13 subdivision may not exceed:

- 14 (1) one dollar and twenty-five cents (\$1.25) on each one hundred
- 15 dollars (\$100) of assessed valuation in territory outside the
- 16 corporate limits of a city or town; or
- 17 (2) two dollars (\$2) on each one hundred dollars (\$100) of
- 18 assessed valuation in territory inside the corporate limits of a city
- 19 or town.

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

- 26 (1) To pay the principal or interest on a funding, refunding, or
- 27 judgment funding obligation of the political subdivision.
- 28 (2) To pay the principal or interest on an outstanding obligation
- 29 issued by the political subdivision if notice of the sale of the
- 30 obligation was published before March 9, 1937.
- 31 (3) To pay the principal or interest upon:
- 32 (A) an obligation issued by the political subdivision to meet an
- 33 emergency which results from a flood, fire, pestilence, war, or
- 34 any other major disaster; or
- 35 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
- 36 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
- 37 to acquire necessary equipment or facilities for municipal or
- 38 county government.
- 39 (4) To pay the principal or interest upon an obligation issued in
- 40 the manner provided in IC 6-1.1-20-3 (before its repeal) or
- 41 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.
- 42 (5) To pay a judgment rendered against the political subdivision.
- 43 ~~(6) To meet the requirements of the county welfare fund; the~~
- 44 ~~county welfare administration fund; for public welfare services;~~
- 45 ~~or the family and children's fund for child services (as defined in~~
- 46 ~~IC 12-19-7-1).~~

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

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

9           SECTION 15. IC 6-1.1-18-3 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as  
11 provided in subsection (b), the sum of all tax rates for all political  
12 subdivisions imposed on tangible property within a political  
13 subdivision may not exceed:

14           (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each  
15 one hundred dollars (\$100) of assessed valuation in territory  
16 outside the corporate limits of a city or town; or

17           (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each  
18 one hundred dollars (\$100) of assessed valuation in territory  
19 inside the corporate limits of a city or town.

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

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

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

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

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

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

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

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

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

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

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

9           SECTION 16. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS  
10 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9.7. (a) The ad  
11 valorem property tax levy limits imposed by section 3 of this chapter  
12 do not apply to ad valorem property taxes imposed under ~~any of the~~  
13 ~~following:~~

- 14           ~~(1) IC 12-16, except IC 12-16-1.~~  
15           ~~(2) IC 12-19-3-3 through IC 12-19-3-7.~~  
16           ~~(3) IC 12-19-4.~~  
17           ~~(4) IC 12-19-5.~~  
18           ~~(5) IC 12-19-7.~~  
19           ~~(6) IC 12-20-24.~~

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

25           (c) Section 8(b) of this chapter does not apply to bonded  
26 indebtedness that **was issued to cover obligations incurred before**  
27 **January 1, 2000, and that** will be repaid through property taxes  
28 imposed under IC 12-19.

29           SECTION 17. IC 6-1.1-21-2 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. As used in this  
31 chapter:

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

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

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

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

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

45           (f) "Postabstract adjustments" means adjustments in taxes made  
46 subsequent to the filing of an auditor's abstract which change

1 assessments therein or add assessments of omitted property affecting  
2 taxes for such assessment year.

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

4 (1) the remainder of:

5 (A) the aggregate levy of all taxes for all taxing units in a  
6 county which are to be paid in the county for a stated  
7 assessment year as reflected by the auditor's abstract for the  
8 assessment year, adjusted, however, for any postabstract  
9 adjustments which change the amount of the aggregate levy;  
10 minus

11 (B) the sum of any increases in property tax levies of taxing  
12 units of the county that result from appeals described in:

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

15 (ii) the sum of any increases in property tax levies of taxing  
16 units of the county that result from any other appeals  
17 described in IC 6-1.1-18.5-13 filed after December 31,  
18 1983; plus

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

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

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

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

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

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

35 (E) the amount of property taxes imposed in the county for the  
36 stated assessment year under the authority of IC 21-2-6 or any  
37 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building  
38 fund whose property tax rate was initially established or  
39 reestablished for a stated assessment year that succeeds the  
40 1983 stated assessment year; minus

41 (F) the remainder of:

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

- 1 1983 stated assessment year; minus
- 2 (ii) the total property taxes imposed in the county for the
- 3 1984 stated assessment year under the authority of IC 21-2-6
- 4 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative
- 5 building fund whose property tax rate was not initially
- 6 established or reestablished for a stated assessment year that
- 7 succeeds the 1983 stated assessment year; minus
- 8 (G) the amount of property taxes imposed in the county for the
- 9 stated assessment year under:
- 10 (i) IC 21-2-15 for a capital projects fund; plus
- 11 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
- 12 (iii) IC 20-14-13 for a library capital projects fund; plus
- 13 (iv) IC 20-5-17.5-3 for an art association fund; plus
- 14 (v) IC 21-2-17 for a special education preschool fund; plus
- 15 (vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in
- 16 a school corporation's maximum permissible general fund
- 17 levy for certain transfer tuition costs; plus
- 18 (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in
- 19 a school corporation's maximum permissible general fund
- 20 levy for transportation operating costs; minus
- 21 (H) the amount of property taxes imposed by a school
- 22 corporation that is attributable to the passage, after 1983, of a
- 23 referendum for an excessive tax levy under IC 6-1.1-19,
- 24 including any increases in these property taxes that are
- 25 attributable to the adjustment set forth in ~~IC 6-1.1-19-1.5(a)~~
- 26 **IC 6-1.1-19-1.5(b)** STEP ONE or any other law; minus
- 27 (I) for each township in the county, the lesser of:
- 28 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
- 29 STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE,
- 30 whichever is applicable, plus the part, if any, of the
- 31 township's ad valorem property tax levy for calendar year
- 32 1989 that represents increases in that levy that resulted from
- 33 an appeal described in IC 6-1.1-18.5-13(5) filed after
- 34 December 31, 1982; or
- 35 (ii) the amount of property taxes imposed in the township for
- 36 the stated assessment year under the authority of
- 37 IC 36-8-13-4; minus
- 38 (J) for each participating unit in a fire protection territory
- 39 established under IC 36-8-19-1, the amount of property taxes
- 40 levied by each participating unit under IC 36-8-19-8 and
- 41 IC 36-8-19-8.5 less the maximum levy limit for each of the
- 42 participating units that would have otherwise been available
- 43 for fire protection services under IC 6-1.1-18.5-3 and
- 44 IC 6-1.1-18.5-19 for that same year; ~~minus~~
- 45 ~~(K) for each county, the sum of:~~
- 46 (i) the amount of property taxes imposed in the county for

- 1 the repayment of loans under IC 12-19-5-6 that is included
- 2 in the amount determined under IC 12-19-7-4(a) STEP
- 3 SEVEN for property taxes payable in 1995; or for property
- 4 taxes payable in each year after 1995; the amount
- 5 determined under IC 12-19-7-4(b); and
- 6 (ii) the amount of property taxes imposed in the county
- 7 attributable to appeals granted under IC 6-1.1-18.6-3 that is
- 8 included in the amount determined under IC 12-19-7-4(a)
- 9 STEP SEVEN for property taxes payable in 1995; or the
- 10 amount determined under IC 12-19-7-4(b) for property taxes
- 11 payable in each year after 1995; plus
- 12 (2) all taxes to be paid in the county in respect to mobile home
- 13 assessments currently assessed for the year in which the taxes
- 14 stated in the abstract are to be paid; plus
- 15 (3) the amounts, if any, of county adjusted gross income taxes that
- 16 were applied by the taxing units in the county as property tax
- 17 replacement credits to reduce the individual levies of the taxing
- 18 units for the assessment year, as provided in IC 6-3.5-1.1; plus
- 19 (4) the amounts, if any, by which the maximum permissible ad
- 20 valorem property tax levies of the taxing units of the county were
- 21 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
- 22 assessment year; plus
- 23 (5) the difference between:
- 24 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
- 25 minus
- 26 (B) the amount the civil taxing units' levies were increased
- 27 because of the reduction in the civil taxing units' base year
- 28 certified shares under IC 6-1.1-18.5-3(e).
- 29 (h) "December settlement sheet" means the certificate of settlement
- 30 filed by the county auditor with the auditor of state, as required under
- 31 IC 6-1.1-27-3.
- 32 (i) "Tax duplicate" means the roll of property taxes which each
- 33 county auditor is required to prepare on or before March 1 of each year
- 34 under IC 6-1.1-22-3.
- 35 SECTION 18. IC 6-1.1-29-9 IS AMENDED TO READ AS
- 36 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) A county
- 37 council may adopt an ordinance to abolish the county board of tax
- 38 adjustment. This ordinance must be adopted by July 1 and may not be
- 39 rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17,
- 40 IC 6-1.1-18, IC 6-1.1-19, ~~IC 12-19-3~~, ~~IC 12-19-7~~, IC 21-2-14,
- 41 IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11, IC 36-9-3, IC 36-9-4,
- 42 and IC 36-9-13, if such an ordinance is adopted, this section governs
- 43 the treatment of tax rates, tax levies, and budgets that would otherwise
- 44 be reviewed by a county board of tax adjustment under IC 6-1.1-17.
- 45 (b) The time requirements set forth in IC 6-1.1-17 govern all filings
- 46 and notices.

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

6 SECTION 19. IC 6-3.5-6-18.5 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18.5. (a) This  
 8 section applies to a county containing a consolidated city.

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

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

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

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

33	Center Township	\$1,898,145
34	Decatur Township	\$ 164,103
35	Franklin Township	\$ 173,934
36	Lawrence Township	\$ 890,086
37	Perry Township	\$ 854,544
38	Pike Township	\$1,410,375
39	Warren Township	\$1,027,721
40	Washington Township	\$1,017,890
41	Wayne Township	\$ 988,397
42	Lawrence-City	\$ 648,848
43	Beech Grove	\$ 639,017
44	Southport	\$ 18,906
45	Speedway	\$ 546,000

46 (3) For each year after 1995, calculate the total amount of

1 revenues that are to be distributed as distributive shares during  
2 that month as follows:

3 STEP ONE: Determine the total amount of revenues that  
4 were distributed as distributive shares during that month in  
5 calendar year 1995.

6 STEP TWO: Determine the total amount of revenue that the  
7 department has certified as distributive shares for that  
8 month under section 17 of this chapter for the calendar year.

9 STEP THREE: Subtract the STEP ONE result from the  
10 STEP TWO result.

11 STEP FOUR: If the STEP THREE result is less than or  
12 equal to zero (0), multiply the STEP TWO result by the  
13 ratio established under subdivision (1).

14 STEP FIVE: Determine the ratio of:

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

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

23 STEP SIX: If the STEP THREE result is greater than zero  
24 (0), the STEP ONE amount shall be distributed by  
25 multiplying the STEP ONE amount by the ratio established  
26 under subdivision (1).

27 STEP SEVEN: For each taxing unit determine the STEP  
28 FIVE ratio multiplied by the STEP TWO amount.

29 STEP EIGHT: For each civil taxing unit determine the  
30 difference between the STEP SEVEN amount minus the  
31 product of the STEP ONE amount multiplied by the ratio  
32 established under subdivision (1). The STEP THREE  
33 excess shall be distributed as provided in STEP NINE only  
34 to the civil taxing units that have a STEP EIGHT difference  
35 greater than or equal to zero (0).

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

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

44 (B) the sum of the maximum permissible property tax  
45 levies under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for all  
46 qualifying civil taxing units of the county during the

1 calendar year in which the month falls.  
 2 SECTION 20. IC 12-7-2-45 IS AMENDED TO READ AS  
 3 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 45. "County  
 4 office" refers to a county office of family and children **within the**  
 5 **division of family and children.**

6 SECTION 21. IC 12-7-2-91 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 91. "Fund" means  
 8 the following:

- 9 (1) For purposes of IC 12-12-1-9, the fund described in  
 10 IC 12-12-1-9.
- 11 ~~(2) For purposes of IC 12-13-8, the meaning set forth in~~  
 12 ~~IC 12-13-8-1.~~
- 13 ~~(3)~~ (2) For purposes of IC 12-15-20, the meaning set forth in  
 14 IC 12-15-20-1.
- 15 ~~(4)~~ (3) For purposes of IC 12-17-12, the meaning set forth in  
 16 IC 12-17-12-4.
- 17 ~~(5)~~ (4) For purposes of IC 12-18-4, the meaning set forth in  
 18 IC 12-18-4-1.
- 19 ~~(6)~~ (5) For purposes of IC 12-18-5, the meaning set forth in  
 20 IC 12-18-5-1.
- 21 ~~(7) For purposes of IC 12-19-3, the meaning set forth in~~  
 22 ~~IC 12-19-3-1.~~
- 23 ~~(8) For purposes of IC 12-19-4, the meaning set forth in~~  
 24 ~~IC 12-19-4-1.~~
- 25 ~~(9) For purposes of IC 12-19-7, the meaning set forth in~~  
 26 ~~IC 12-19-7-2.~~
- 27 ~~(10)~~ (6) For purposes of IC 12-23-2, the meaning set forth in  
 28 IC 12-23-2-1.
- 29 ~~(11) For purposes of IC 12-24-6, the meaning set forth in~~  
 30 ~~IC 12-24-6-1.~~
- 31 ~~(12)~~ (7) For purposes of IC 12-24-14, the meaning set forth in  
 32 IC 12-24-14-1.
- 33 ~~(13)~~ (8) For purposes of IC 12-30-7, the meaning set forth in  
 34 IC 12-30-7-3.

35 SECTION 22. IC 12-7-2-95 IS AMENDED TO READ AS  
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 95. (a)  
 37 "Grant-in-aid", for purposes of the statutes listed in subsection (b),  
 38 means any money paid by the federal government to the state ~~or any~~  
 39 ~~money paid by the state to a county~~ for the purpose of defraying any of  
 40 the expenses, claims, allowances, assistance, or obligations authorized  
 41 by this title.

- 42 (b) This section applies to the following statutes:
- 43 (1) IC 12-13.
- 44 (2) IC 12-14.
- 45 (3) IC 12-15.
- 46 (4) IC 12-17-1.

- 1 (5) IC 12-17-2.
- 2 (6) IC 12-17-3.
- 3 (7) IC 12-17-9.
- 4 (8) IC 12-17-10.
- 5 (9) IC 12-17-11.
- 6 ~~(10) IC 12-19.~~
- 7 SECTION 23. IC 12-7-2-200 IS AMENDED TO READ AS
- 8 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 200. (a)
- 9 "Warrant", for purposes of the statutes listed in subsection (b), means
- 10 an instrument that is:
- 11 (1) the equivalent of a money payment; and
- 12 (2) immediately convertible into cash by the payee for the full
- 13 face amount of the instrument.
- 14 (b) This section applies to the following statutes:
- 15 (1) IC 12-10-6.
- 16 (2) IC 12-13.
- 17 (3) IC 12-14.
- 18 (4) IC 12-15.
- 19 (5) IC 12-17-1.
- 20 (6) IC 12-17-9.
- 21 (7) IC 12-17-10.
- 22 (8) IC 12-17-11.
- 23 ~~(9) IC 12-19.~~
- 24 SECTION 24. IC 12-13-5-1 IS AMENDED TO READ AS
- 25 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. The division
- 26 shall administer or supervise the public welfare activities of the state.
- 27 The division has the following powers and duties:
- 28 (1) The administration of old age assistance, aid to dependent
- 29 children, and assistance to the needy blind and persons with
- 30 disabilities, excluding assistance to children with special health
- 31 care needs.
- 32 (2) The administration of the following:
- 33 (A) Any public child welfare service.
- 34 (B) The licensing and inspection under IC 12-17.2 and
- 35 IC 12-17.4.
- 36 (C) The care of dependent and neglected children in foster
- 37 family homes or institutions, especially children placed for
- 38 adoption or those born out of wedlock.
- 39 (D) The interstate placement of children.
- 40 (3) The provision of services to county governments, including
- 41 the following:
- 42 ~~(A) Organizing and supervising county offices for the~~
- 43 ~~effective administration of public welfare functions:~~
- 44 ~~(B) (A) Compiling statistics and necessary information~~
- 45 ~~concerning public welfare problems throughout Indiana.~~
- 46 ~~(C) (B) Researching and encouraging research into crime,~~

- 1 delinquency, physical and mental disability, and the cause  
 2 of dependency.
- 3 (4) Prescribing the form of, printing, and supplying to the county  
 4 departments blanks for applications, reports, affidavits, and other  
 5 forms the division considers necessary and advisable.
- 6 (5) Cooperating with the federal Social Security Administration  
 7 and with any other agency of the federal government in any  
 8 reasonable manner necessary and in conformity with IC 12-13  
 9 through IC 12-19 to qualify for federal aid for assistance to  
 10 persons who are entitled to assistance under the federal Social  
 11 Security Act. The responsibilities include the following:
- 12 (A) Making reports in the form and containing the  
 13 information that the federal Social Security Administration  
 14 Board or any other agency of the federal government  
 15 requires.
- 16 (B) Complying with the requirements that a board or agency  
 17 finds necessary to assure the correctness and verification of  
 18 reports.
- 19 (6) Appointing from eligible lists established by the state  
 20 personnel board employees of the division necessary to  
 21 effectively carry out IC 12-13 through IC 12-19. The division  
 22 may not appoint a person who is not a citizen of the United  
 23 States and who has not been a resident of Indiana for at least one  
 24 (1) year immediately preceding the person's appointment unless  
 25 a qualified person cannot be found in Indiana for a position as a  
 26 result of holding an open competitive examination.
- 27 (7) Assisting the office of Medicaid policy and planning in fixing  
 28 fees to be paid to ophthalmologists and optometrists for the  
 29 examination of applicants for and recipients of assistance as  
 30 needy blind persons.
- 31 (8) When requested, assisting other departments, agencies,  
 32 divisions, and institutions of the state and federal government in  
 33 performing services consistent with this article.
- 34 (9) Acting as the agent of the federal government for the  
 35 following:
- 36 (A) In welfare matters of mutual concern under IC 12-13  
 37 through IC 12-19.
- 38 (B) In the administration of federal money granted to  
 39 Indiana in aiding welfare functions of the state government.
- 40 (10) Administering additional public welfare functions vested in  
 41 the division by law and providing for the progressive  
 42 codification of the laws the division is required to administer.
- 43 ~~(11) Transferring to each county that is required to submit a~~  
 44 ~~schedule under IC 12-19-1-9(d) an amount equal to the~~  
 45 ~~scheduled amount of the county's lease and rental obligations as~~  
 46 ~~provided in IC 12-19-1-9.~~

- 1           ~~(12)~~ **(11)** Supervising day care centers and child placing
- 2           agencies.
- 3           ~~(13)~~ **(12)** Supervising the licensing and inspection of all public
- 4           child caring agencies.
- 5           ~~(14)~~ **(13)** Supervising the care of delinquent children and
- 6           children in need of services.
- 7           ~~(15)~~ **(14)** Assisting juvenile courts as required by IC 31-30
- 8           through IC 31-40.
- 9           ~~(16)~~ **(15)** Supervising the care of dependent children and
- 10          children placed for adoption.
- 11          ~~(17)~~ **(16)** Compiling information and statistics concerning the
- 12          ethnicity and gender of a program or service recipient.
- 13          ~~(18)~~ **(17)** Providing permanency planning services for children
- 14          in need of services, including:
- 15                 (A) making children legally available for adoption; and
- 16                 (B) placing children in adoptive homes;
- 17          in a timely manner.
- 18          **(18) Operating each county office as an administrative unit**
- 19          **within the division.**

20           SECTION 25. IC 12-13-5-3 IS AMENDED TO READ AS  
 21           FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. The division  
 22           may ~~do the following~~:

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

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

31           SECTION 26. IC 12-13-5-5 IS AMENDED TO READ AS  
 32           FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. (a) Each county  
 33           auditor shall keep records and make reports relating to the ~~county~~  
 34           ~~welfare fund, the family and children's fund, and other~~ financial  
 35           transactions as required under IC 12-13 through IC 12-19 and as  
 36           required by the division.

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

40           SECTION 27. IC 12-13-7-8 IS AMENDED TO READ AS  
 41           FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. (a) The  
 42           treasurer of state may receive money:

- 43                 (1) received from a source other than the federal Social Security
- 44                 Act;
- 45                 ~~(2) not received from taxes levied in the county;~~ and
- 46                 ~~(3)~~ **(2)** that under IC 12-13 through IC 12-19 the division and

1 county offices are authorized to collect, receive, and administer.  
 2 (b) The treasurer of state may pay the money received under  
 3 subsection (a) into the proper fund or the proper account of the state  
 4 general fund, provide for the proper custody of the money, and make  
 5 disbursements upon the order of the division and upon warrant of the  
 6 auditor of state.

7 SECTION 28. IC 12-13-7-17 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. The part of  
 9 the care and maintenance of the inmates of the Plainfield Juvenile  
 10 Correctional Facility and the Indianapolis Juvenile Correctional  
 11 Facility that under law is to be charged back to the counties shall be  
 12 paid from the county general fund. ~~and not the county welfare fund or~~  
 13 ~~the county family and children's fund; unless otherwise provided by~~  
 14 ~~law.~~

15 SECTION 29. IC 12-13-9-2 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. The division  
 17 shall ~~administer the state medical assistance to wards fund and shall~~  
 18 ~~use money in the fund to~~ defray the expenses and obligations incurred  
 19 by the division for medical assistance to wards and associated  
 20 administrative costs.

21 SECTION 30. IC 12-14-1-2 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. An application  
 23 for a dependent child under this article must be made to the county  
 24 office ~~of~~ in the county where the dependent child resides.

25 SECTION 31. IC 12-14-2-5.4 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5.4. (a) Subject  
 27 to IC 12-8-1-12 and except as provided in subsection (d), the AFDC  
 28 grant for a person who:

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

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

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

35 (b) At:

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

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

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

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

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

46 (2) the person's monthly family income is equal to or exceeds

1           one hundred percent (100%) of the monthly federal income  
2           poverty level;  
3       whichever occurs first.

4           (d) A person:  
5           (1) who becomes employed (including a person who is in a  
6           program established under IC 12-8-11); and  
7           (2) whose net income is equal to or more than the amount of  
8           need recognized under section 5 of this chapter;  
9       has the option to receive either guaranteed child care or a cash payment  
10       equal to the amount of the AFDC grant for which the person qualifies  
11       immediately before the person becomes employed.

12       (e) The option under subsection (d) is available until:  
13       (1) the person is no longer eligible for AFDC under section 5.1  
14       of this chapter; or  
15       (2) the person's monthly family income is equal to or exceeds  
16       one hundred percent (100%) of the monthly federal income  
17       poverty level;  
18       whichever occurs first.

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

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

23       SECTION 32. IC 12-14-2-12 IS AMENDED TO READ AS  
24       FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 12. The county  
25       office shall notify the applicant ~~and the division~~ of the county office's  
26       decision concerning assistance in writing.

27       SECTION 33. IC 12-14-2-14 IS AMENDED TO READ AS  
28       FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 14. ~~Except in~~  
29       ~~counties that are automated under IC 12-14-9.5~~; Assistance shall be  
30       paid monthly ~~to the recipient upon warrant of the county auditor from~~  
31       ~~the county welfare fund upon a verified schedule of the recipients and~~  
32       ~~the amount payable to each recipient prepared and verified by the~~  
33       ~~county director, in accordance with the awards made by the county~~  
34       ~~office. A schedule shall be filed in the form required by the division. by~~  
35       **the division.**

36       SECTION 34. IC 12-14-3-2 IS AMENDED TO READ AS  
37       FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. The county  
38       office shall prepare ~~four (4)~~ **three (3)** copies of the certificate.

39       SECTION 35. IC 12-14-3-4 IS AMENDED TO READ AS  
40       FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The copies of  
41       the certificate shall be distributed as follows:

- 42           (1) One (1) copy retained by and filed in the office of the county  
43           office.  
44           (2) One (1) copy filed with the **central office of the** division.  
45           ~~(3) One (1) copy filed in the office of the county auditor.~~  
46           ~~(4)~~ **(3)** One (1) copy given to the recipient.

1 SECTION 36. IC 12-14-4-2 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. If a move  
 3 occurs, the county office **in the county** from which the recipient moves  
 4 shall:

5 (1) give written notice; and

6 (2) immediately transfer all of the records relating to the  
 7 recipient;

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

10 SECTION 37. IC 12-14-4-3 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. The county  
 12 office ~~of in~~ **in** the county to which a child has moved or been taken is  
 13 responsible for determining the eligibility and the payment of  
 14 assistance to the recipient.

15 SECTION 38. IC 12-14-9-1 IS AMENDED TO READ AS  
 16 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. ~~Except in~~  
 17 ~~counties that are automated under IC 12-14-9.5, a county office shall~~  
 18 ~~monthly present claims for state reimbursement under IC 12-14-1~~  
 19 ~~through IC 12-14-9 to the division at the time and in the manner the~~  
 20 ~~division requires. Assistance shall be paid monthly to the recipient~~  
 21 ~~by warrant of the auditor of state from the state general fund after~~  
 22 ~~receipt of a schedule of the recipients, the amount payable to each~~  
 23 ~~recipient, and the purposes for the payment. The schedule must be~~  
 24 ~~prepared and verified by the director of the division or the~~  
 25 ~~director's designee according to the awards made by the division.~~  
 26 **All schedules must be filed in the form prescribed by the auditor of**  
 27 **state. Payment shall be made from the aid to dependent children**  
 28 **account of the state general fund.**

29 SECTION 39. IC 12-14-13-5 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. The copies of  
 31 the certificate shall be distributed as follows:

32 (1) One (1) copy retained by and filed in the **central office of**  
 33 **the** division.

34 (2) One (1) copy filed with the **state auditor of state.**

35 (3) One (1) copy filed in the office of the county recorder.

36 (4) One (1) copy given to the recipient.

37 SECTION 40. IC 12-14-20-1 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) The  
 39 division may accept voluntary contributions from a person desiring to  
 40 contribute to the support of a parent or other person who receives  
 41 public assistance.

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

45 SECTION 41. IC 12-14-22-7 IS AMENDED TO READ AS  
 46 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. (a) A schedule

1 of payments made to or for the benefit of each recipient under this  
2 article shall be filed by the ~~county office~~ **division** each month with the  
3 ~~county auditor and the~~ prosecuting attorney.

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

7 SECTION 42. IC 12-15-15-9 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) For each  
9 state fiscal year beginning on or after July 1, 1997, a hospital is entitled  
10 to a payment under this section.

11 (b) Total payments to hospitals under this section for a state fiscal  
12 year shall be equal to all amounts transferred from the hospital care for  
13 the indigent fund for Medicaid current obligations during the state  
14 fiscal year, including amounts of the fund appropriated for Medicaid  
15 current obligations.

16 (c) The payment due to a hospital under this section must be based  
17 on a policy developed by the office. The policy:

18 (1) is not required to provide for equal payments to all hospitals;  
19 ~~(2) must attempt, to the extent practicable as determined by the~~  
20 ~~office, to establish a payment rate that minimizes the difference~~  
21 ~~between the aggregate amount paid under this section to all~~  
22 ~~hospitals in a county for a state fiscal year and the amount of the~~  
23 ~~county's hospital care for the indigent property tax levy for that~~  
24 ~~state fiscal year; and~~

25 ~~(3) (2) must provide that no hospital will receive a payment~~  
26 ~~under this section less than the amount the hospital received~~  
27 ~~under IC 12-15-15-8 for the state fiscal year ending June 30,~~  
28 ~~1997.~~

29 (d) Following the transfer of funds under subsection (b), an  
30 amount equal to the amount determined in the following STEPS shall  
31 be deposited in the Medicaid indigent care trust fund under  
32 IC 12-15-20-2(1) and used to pay the state's share of the enhanced  
33 disproportionate share payments to providers for the state fiscal year:

- 34 STEP ONE: Determine the difference between:  
35 (A) the amount transferred from the state hospital care for  
36 the indigent fund under subsection (b); and  
37 (B) thirty-five million dollars (\$35,000,000).

38 STEP TWO: Multiply the amount determined under STEP ONE  
39 by the federal medical assistance percentage for the state fiscal  
40 year.

41 SECTION 43. IC 12-16-4-1 IS AMENDED TO READ AS  
42 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. To receive  
43 payment from the division for the costs incurred in providing care to an  
44 indigent person, a hospital must file an application with the county  
45 office ~~of in~~ the county in which the hospital is located.

46 SECTION 44. IC 12-16-7-2 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. ~~(a)~~ Except as  
2 provided in section 5 of this chapter, claims for payment shall be  
3 segregated by year using the patient's admission date.

4 ~~(b) Each year the division shall pay claims as provided in section~~  
5 ~~4 of this chapter, without regard to the county of admission or that~~  
6 ~~county's transfer to the state fund.~~

7 SECTION 45. IC 12-16-7-3 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. A payment  
9 made to a hospital under the hospital care for the indigent program  
10 must be on a warrant drawn on the state ~~hospital care for the indigent~~  
11 ~~fund established by IC 12-16-14.~~ **general fund.**

12 SECTION 46. IC 12-16-7-4 IS AMENDED TO READ AS  
13 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. (a) Each year  
14 the division shall pay two-thirds (2/3) of each claim upon submission  
15 and approval of the claim.

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

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

25 ~~(2)~~ (1) Any contribution to the fund in that year.

26 ~~(3)~~ (2) Any amount that was appropriated to the state hospital  
27 care for the indigent ~~fund~~ **program** for that year by the general  
28 assembly.

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

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

33 SECTION 47. IC 12-16-7-5 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. Before the end  
35 of each state fiscal year, the division shall, to the extent there is money  
36 ~~in appropriated to~~ the state hospital care for the indigent ~~fund;~~  
37 **program,** pay each provider under the hospital care for the indigent  
38 program a pro rata part of the one-third (1/3) balance on each approved  
39 claim for patients admitted during the preceding year.

40 SECTION 48. IC 12-17-1-7 IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. An application  
42 for assistance for a destitute child under this chapter must be made to  
43 the county office ~~of in~~ the county in which the destitute child resides.  
44 The application must be in writing. The division shall prescribe the  
45 manner and the form upon which the application must be made.

46 SECTION 49. IC 12-17-1-10 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) Upon the  
2 completion of an investigation under section 9 of this chapter, the  
3 county office shall do the following:

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

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

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

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

13 (b) The county office shall provide assistance to the recipient at  
14 least monthly upon warrant of the county auditor. The assistance must  
15 be

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

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

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

22 SECTION 50. IC 12-17-1-12 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 12. (a) If  
24 assistance is granted to a destitute child under this chapter, facts  
25 supporting the award of assistance, as prescribed by the division, must  
26 be entered on a certificate.

27 (b) The division shall prescribe the form for the certificate under  
28 subsection (a). The certificate must bear the impress of the division's  
29 seal.

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

33 (1) One (1) copy must be retained by the office of the county  
34 office.

35 (2) One (1) copy must be filed with and retained by the **central**  
36 **office of the** division.

37 ~~(3) One (1) copy must be filed with and retained by the office of~~  
38 ~~the county auditor.~~

39 ~~(4)~~ **(3)** One (1) copy must be given to the recipient.

40 SECTION 51. IC 12-17-3-2 IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. ~~(a) This section~~  
42 ~~does not apply to a county department's:~~

43 ~~(1) administrative expenses; or~~

44 ~~(2) expenses regarding facilities, supplies, and equipment.~~

45 ~~(b)~~ Necessary expenses incurred in the administration of the child  
46 welfare services under section 1 of this chapter shall be paid out of the

1 county welfare fund or the county family and children's state general  
2 fund. (whichever is appropriate):

3 SECTION 52. IC 12-19-1-1 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. A county office  
5 of family and children is established in each county **as an office within**  
6 **the division of family and children.**

7 SECTION 53. IC 12-19-1-9 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) The  
9 division shall provide the necessary facilities to house the county  
10 office.

11 (b) The division shall pay for the costs of the facilities, supplies,  
12 and equipment needed by each county office. ~~including the transfer to~~  
13 ~~the county that is required by IC 12-13-5.~~

14 (c) Each county is responsible for the payment of the county's  
15 lease and rental obligations for office space used by the county office  
16 if:

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

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

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

24 SECTION 54. IC 12-19-1-10 IS AMENDED TO READ AS  
25 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) ~~Subject to~~  
26 ~~the rules adopted by the director of~~ The division a county office shall  
27 administer the following **through a county office:**

28 (1) Assistance to dependent children in the homes of the  
29 dependent children.

30 (2) Assistance and services to elderly persons.

31 (3) Assistance to persons with disabilities.

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

33 (A) Children in need of services.

34 (B) Dependent children.

35 (C) Children with disabilities.

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

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

40 (7) Licensing of foster family homes for the placement of  
41 delinquent children.

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

44 (9) Provision of family preservation services.

45 (10) Any other welfare activities that are delegated to the county  
46 office by the division under this chapter, including services

1 concerning assistance to the blind.

2 (b) **The division shall pay the expenses and obligations**  
3 **incurred after December 31, 1999, to carry out responsibilities of**  
4 **the county office.**

5 SECTION 55. IC 12-19-1-13 IS AMENDED TO READ AS  
6 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 13. (a) A county  
7 office **or the division** may sue and be sued under the name of "The  
8 County Office of Family and Children of \_\_\_\_\_ County".

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

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

- 13 (1) The circuit court with jurisdiction in the county.
- 14 (2) A superior court or any other court of the county.

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

20 SECTION 56. IC 12-19-1-14 IS AMENDED TO READ AS  
21 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 14. (a) A county  
22 office may charge the following adoption fees:

- 23 (1) An adoption placement fee that may not exceed the actual  
24 costs incurred by the county office for medical expenses of  
25 children and mothers.
- 26 (2) A fee that does not exceed the time and travel costs incurred  
27 by the county office for home study and investigation concerning  
28 a contemplated adoption.

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

- 34 (1) The care of children whose adoption is contemplated.
- 35 (2) The improvement of adoption services provided by the  
36 county departments.

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

39 (d) The division may provide written authorization allowing a  
40 county office to reduce or waive charges authorized under this section  
41 in hardship cases or for other good cause after investigation. The  
42 division may adopt forms on which the written authorization is  
43 provided.

44 SECTION 57. IC 12-19-1-16 IS AMENDED TO READ AS  
45 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 16. (a) ~~This~~  
46 ~~section does not apply to money received to reimburse the county~~

1 welfare fund for expenditures made from the appropriations of the  
 2 county office. **The state welfare trust clearance fund is established.**  
 3 **The fund shall be administered by the division. Money in the fund**  
 4 **at the end of a state fiscal year does not revert to the state general**  
 5 **fund.**

6 (b) A county office may receive and administer money available  
 7 to or for the benefit of a person receiving payments or services from the  
 8 county office. The following applies to all money received under this  
 9 section:

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

14 (2) The money may be expended by the county office in any  
 15 manner consistent with the following:

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

18 (B) Indiana law.

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

20 SECTION 58. IC 12-19-1-18 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18. (a) After  
 22 petition to and with the approval of the judge of the circuit court, a  
 23 ~~county office~~ **the division** may take the actions described in subsection  
 24 (b) if:

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

27 (2) a recipient of public assistance:

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

29 (B) refuses to:

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

31 (ii) comply with the director of the division's rules and  
 32 policies.

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

35 (1) Act for the applicant or recipient.

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

38 (A) This chapter.

39 (B) IC 12-10-6.

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

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

42 (E) IC 12-15.

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

44 (G) IC 16-35-2.

45 (c) A fee for services provided under this section may be paid to  
 46 the responsible person in an amount not to exceed ten dollars (\$10)

1 each month. The fee may be allowed:  
 2 (1) in the monthly assistance award; or  
 3 (2) by vendor payment if the fee would cause the amount of  
 4 assistance to be increased beyond the maximum amount  
 5 permitted by statute.

6 SECTION 59. IC 12-19-1-21 IS ADDED TO THE INDIANA  
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 8 [EFFECTIVE JANUARY 1, 2000]: **Sec. 21. (a) As used in this**  
 9 **chapter, "child services" means child welfare services specifically**  
 10 **provided for children who:**

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

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

23 (b) **The division shall pay the expenses and obligations**  
 24 **incurred after December 31, 1999, to deliver child services.**

25 SECTION 60. IC 12-19-1-22 IS ADDED TO THE INDIANA  
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 27 [EFFECTIVE JULY 1, 1999]: **Sec. 22. (a) This section applies**  
 28 **notwithstanding the repeal of IC 12-19-3 through IC 12-19-7**  
 29 **(effective January 1, 2000).**

30 (b) **All bonds issued under IC 12-1-11 (before its repeal) or this**  
 31 **article before January 1, 2000, or under subsection (c):**

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

37 (c) **If the county welfare fund established under IC 12-19-3**  
 38 **(repealed January 1, 2000) or family and children's fund**  
 39 **established under IC 12-19-7 (repealed January 1, 2000) is**  
 40 **exhausted before January 1, 2000, the county may obtain loans and**  
 41 **issue bonds under IC 12-19-3 or IC 12-19-7, as appropriate, to**  
 42 **provide money for the fund as if IC 12-19-3 and IC 12-19-7 had not**  
 43 **been repealed.**

44 (d) **Each official and body responsible for the levying of taxes**  
 45 **for the county must ensure that sufficient levies are made to meet**  
 46 **the principal and interest on the bonds at the time fixed for the**

1 **payment of the principal and interest, without regard to any other**  
 2 **statute. If an official or a body fails or refuses to make or allow a**  
 3 **sufficient levy required by this section, the bonds and the interest**  
 4 **on the bonds shall be payable out of the general fund of the county**  
 5 **without appropriation.**

6 SECTION 61. IC 16-33-3-10 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. Whenever the  
 8 circuit court having jurisdiction finds, upon application by the county  
 9 office of family and children, that the parent or guardian of a client  
 10 placed in the center is unable to meet the costs that the parent or  
 11 guardian is required to pay for the services of the center, the court shall  
 12 order payment of the costs ~~from the county general fund:~~ **by the**  
 13 **division of family and children.**

14 SECTION 62. IC 16-33-4-17 IS AMENDED TO READ AS  
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. (a) Each child,  
 16 the estate of the child, the parent or parents of the child, or the guardian  
 17 of the child, individually or collectively, are liable for the payment of  
 18 the costs of maintenance of the child of up to one hundred percent  
 19 (100%) of the per capita cost, except as otherwise provided. The cost  
 20 shall be computed annually by dividing the total annual cost of  
 21 operation for the fiscal year, exclusive of the cost of education  
 22 programs, construction, and equipment, by the total child days each  
 23 year. The maintenance cost shall be referred to as maintenance charges.  
 24 The charge may not be levied against any of the following:

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

27 (2) A child orphaned by reason of the death of the natural  
 28 parents.

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

35 (1) preventative maintenance; and

36 (2) repair and rehabilitation;

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

39 (c) The superintendent of the home may, with the approval of the  
 40 state health commissioner, agree to accept payment at a lesser rate than  
 41 that prescribed in subsection (a). The superintendent of the home shall,  
 42 in determining whether or not to accept the lesser amount, take into  
 43 consideration the amount of money that is necessary to maintain or  
 44 support any member of the family of the child. All agreements to  
 45 accept a lesser amount are subject to cancellation or modification at  
 46 any time by the superintendent of the home with the approval of the

1 state health commissioner.

2 (d) A person who has been issued a statement of amounts due as  
3 maintenance charges may petition the superintendent of the home for  
4 a release from or modification of the statement and the superintendent  
5 shall provide for hearings to be held on the petition. The superintendent  
6 of the home may, with the approval of the state health commissioner  
7 and after the hearing, cancel or modify the former statement and at any  
8 time for due cause may increase the amounts due for maintenance  
9 charges to an amount not to exceed the maximum cost as determined  
10 under subsection (a).

11 (e) The superintendent of the home may arrange for the  
12 establishment of a graduation or discharge trust account for a child by  
13 arranging to accept a lesser rate of maintenance charge. The trust fund  
14 must be of sufficient size to provide for immediate expenses upon  
15 graduation or discharge.

16 (f) The superintendent may make agreements with  
17 instrumentalities of the federal government for application of any  
18 monetary awards to be applied toward the maintenance charges in a  
19 manner that provides a sufficient amount of the periodic award to be  
20 deposited in the child's trust account to meet the immediate personal  
21 needs of the child and to provide a suitable graduation or discharge  
22 allowance. The amount applied toward the settlement of maintenance  
23 charges may not exceed the amount specified in subsection (a).

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

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

28 (2) Make determinations of the ability of:

29 (A) the estate of the child;

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

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

32 to pay maintenance charges.

33 (3) Set a standard as a basis of judgment of ability to pay that  
34 shall be recomputed periodically to do the following:

35 (A) Reflect changes in the cost of living and other pertinent  
36 factors.

37 (B) Provide for unusual and exceptional circumstances in  
38 the application of the standard.

39 (4) Issue to any person liable under this chapter statements of  
40 amounts due as maintenance charges, requiring the person to pay  
41 monthly, quarterly, or otherwise as may be arranged, an amount  
42 not exceeding the maximum cost as determined under this  
43 chapter.

44 SECTION 63. IC 20-8.1-3-36 IS AMENDED TO READ AS  
45 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 36. (a) It is  
46 unlawful for a person operating or responsible for an educational,

1 correctional, charitable, or benevolent institution or training school to  
 2 fail to ensure that a child under his authority attends school as required  
 3 under this chapter. Each day of violation of this section constitutes a  
 4 separate offense.

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

11 SECTION 64. IC 20-8.1-6.1-7 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. (a) If a student  
 13 is transferred under section 2 of this chapter from a school corporation  
 14 in Indiana to a public school corporation in another state, the transferor  
 15 corporation shall pay the transferee corporation the full tuition fee  
 16 charged by the transferee corporation. However, the amount of the full  
 17 tuition fee must not exceed the amount charged by the transferor  
 18 corporation for the same class of school, or if the school has no such  
 19 classification, the amount must not exceed the amount charged by the  
 20 geographically nearest school corporation in Indiana which has such  
 21 classification.

22 (b) If a child is:

23 (1) placed by a court order in an out-of-state institution or other  
 24 facility; and

25 (2) provided all educational programs and services by a public  
 26 school corporation in the state where the child is placed, whether  
 27 at the facility, the public school, or another location;

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

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

35 (1) The amount under a written agreement among the ~~county~~  
 36 ~~office,~~ **division of family and children**, the institution or other  
 37 facility, and the governing body of the public school corporation  
 38 in the other state that specifies the amount and method of  
 39 computing transfer tuition.

40 (2) The full tuition fee charged by the transferee corporation, if  
 41 subdivision (1) does not apply. However, the amount of the full  
 42 tuition fee must not exceed the amount charged by the transferor  
 43 corporation for the same class of school, or if the school has no  
 44 such classification, the amount must not exceed the amount  
 45 charged by the geographically nearest school corporation in  
 46 Indiana which has such classification.

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

10 the ~~county office~~ **division** of family and children for the county placing  
 11 the child shall pay from the county family and children's fund in an  
 12 amount and in the manner specified in a written agreement between the  
 13 ~~county office~~ **division** and the institution or other facility.

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

18 SECTION 65. IC 20-8.1-6.1-8 IS AMENDED TO READ AS  
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. (a) As used in  
 20 this section, the following terms have the following meanings:

21 (1) "Class of school" refers to a classification of each school or  
 22 program in the transferee corporation by the grades or special  
 23 programs taught at the school. Generally, these classifications  
 24 are denominated as kindergarten, elementary school, middle  
 25 school or junior high school, high school, and special schools or  
 26 classes, such as schools or classes for special education,  
 27 vocational training, or career education.

28 (2) "ADM" means the following:  
 29 (A) For purposes of allocating to a transfer student state  
 30 distributions under IC 21-1-30 (primetime), "ADM" as  
 31 computed under IC 21-1-30-2.  
 32 (B) For all other purposes, "ADM" as set forth in  
 33 IC 21-3-1.6-1.1.

34 (3) "Pupil enrollment" means the following:  
 35 (A) The total number of students in kindergarten through  
 36 grade 12 who are enrolled in a transferee school corporation  
 37 on a date determined by the Indiana state board of  
 38 education.  
 39 (B) The total number of students enrolled in a class of  
 40 school in a transferee school corporation on a date  
 41 determined by the Indiana state board of education.

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

44 (4) "Special equipment" means equipment that during a school  
 45 year:  
 46 (A) is used only when a child with disabilities is attending

- 1 school;
- 2 (B) is not used to transport a child to or from a place where
- 3 the child is attending school;
- 4 (C) is necessary for the education of each child with
- 5 disabilities that uses the equipment, as determined under the
- 6 individualized instruction program for the child; and
- 7 (D) is not used for or by any child who is not a child with
- 8 disabilities.

9 The Indiana state board of education may select a different date for

10 counts under subdivision (3). However, the same date shall be used for

11 all school corporations making a count for the same class of school.

12 (b) Each transferee corporation is entitled to receive for each

13 school year on account of each transferred student, except a student

14 transferred under section 3 of this chapter, transfer tuition from the

15 transferor corporation or the state as provided in this chapter. Transfer

16 tuition equals the amount determined under STEP THREE of the

17 following formula:

18 STEP ONE: Allocate to each transfer student the capital

19 expenditures for any special equipment used by the transfer

20 student and a proportionate share of the operating costs incurred

21 by the transferee school for the class of school where the transfer

22 student is enrolled.

23 STEP TWO: If the transferee school included the transfer

24 student in the transferee school's ADM for a school year, allocate

25 to the transfer student a proportionate share of the following

26 general fund revenues of the transferee school for, except as

27 provided in clause (C), the calendar year in which the school

28 year ends:

29 (A) The following state distributions that are computed in

30 any part using ADM or other pupil count in which the

31 student is included:

- 32 (i) Primetime grant under IC 21-1-30.
- 33 (ii) Tuition support for basic programs and at-risk
- 34 weights under IC 21-3-1.7-8 (before January 1, 1996)
- 35 and only for basic programs (after December 31,
- 36 1995).
- 37 (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
- 38 (iv) At-risk grant under IC 21-3-1.7-9.7.
- 39 (v) Academic honors diploma award under
- 40 IC 21-3-1.7-9.8.
- 41 (vi) Vocational education grant under IC 21-3-1.8-3.
- 42 (vii) Special education grant under ~~IC 21-3-1.8~~
- 43 **IC 21-3-1.8-2** (repealed January 1, 1996) or
- 44 IC 21-3-10.
- 45 (viii) The portion of the ADA flat grant that is
- 46 available for the payment of general operating

- 1 expenses under IC 21-3-4.5-2(b)(1).  
 2 (B) For school years beginning after June 30, 1997,  
 3 property tax levies.  
 4 (C) For school years beginning after June 30, 1997, excise  
 5 tax revenue (as defined in IC 21-3-1.7-2) received for  
 6 deposit in the calendar year in which the school year begins.  
 7 (D) For school years beginning after June 30, 1997,  
 8 allocations to the transferee school under IC 6-3.5.

- 9 STEP THREE: Determine the greater of:  
 10 (A) zero (0); or  
 11 (B) the result of subtracting the STEP TWO amount from  
 12 the STEP ONE amount.

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

19 (c) Operating costs shall be determined for each class of school  
 20 where a transfer student is enrolled. The operating cost for each class  
 21 of school is based on the total expenditures of the transferee  
 22 corporation for the class of school from its general fund expenditures  
 23 as specified in the classified budget forms prescribed by the state board  
 24 of accounts. This calculation excludes:

- 25 (1) capital outlay;  
 26 (2) debt service;  
 27 (3) costs of transportation;  
 28 (4) salaries of board members;  
 29 (5) contracted service for legal expenses; and  
 30 (6) any expenditure which is made out of the general fund from  
 31 extracurricular account receipts;

32 for the school year.

33 (d) The capital cost of special equipment for a school year is equal  
 34 to:

- 35 (1) the cost of the special equipment; divided by  
 36 (2) the product of:  
 37 (A) the useful life of the special equipment, as determined  
 38 under the rules adopted by the Indiana state board of  
 39 education; multiplied by  
 40 (B) the number of students using the special equipment  
 41 during at least part of the school year.

42 (e) When an item of expense or cost described in subsection (c)  
 43 cannot be allocated to a class of school, it shall be prorated to all  
 44 classes of schools on the basis of the pupil enrollment of each class in  
 45 the transferee corporation compared to the total pupil enrollment in the  
 46 school corporation.

1 (f) Operating costs shall be allocated to a transfer student for each  
2 school year by dividing:

3 (1) the transferee school corporation's operating costs for the  
4 class of school in which the transfer student is enrolled; by

5 (2) the pupil enrollment of the class of school in which the  
6 transfer student is enrolled.

7 When a transferred student is enrolled in a transferee corporation for  
8 less than the full school year of pupil attendance, the transfer tuition  
9 shall be calculated by the portion of the school year for which the  
10 transferred student is enrolled. A school year of pupil attendance  
11 consists of the number of days school is in session for pupil attendance.  
12 A student, regardless of the student's attendance, is enrolled in a  
13 transferee school unless the student is no longer entitled to be  
14 transferred because of a change of residence, because the student has  
15 been excluded or expelled from school for the balance of the school  
16 year or for an indefinite period, or because the student has been  
17 confirmed to have withdrawn from school. The transferor and the  
18 transferee corporation may enter into written agreements concerning  
19 the amount of transfer tuition due in any school year. Where an  
20 agreement cannot be reached, the amount shall be determined by the  
21 Indiana state board of education and costs may be established, when in  
22 dispute, by the state board of accounts.

23 (g) A transferee school shall allocate revenues described in  
24 subsection (b) STEP TWO to a transfer student by dividing:

25 (1) the total amount of revenues received; by

26 (2) the ADM of the transferee school for the school year that  
27 ends in the calendar year in which the revenues are received.

28 However, for state distributions under IC 21-1-30, IC 21-3-10, or any  
29 other statute that computes the amount of a state distribution using less  
30 than the total ADM of the transferee school, the transferee school shall  
31 allocate the revenues to the transfer student by dividing the revenues  
32 that the transferee school is eligible to receive in a calendar year by the  
33 pupil count used to compute the state distribution.

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

42 (i) If the school corporation can meet the requirements of  
43 IC 21-1-30-5, it may negotiate transfer tuition agreements with a  
44 neighboring school corporation that can accommodate additional  
45 students. Agreements under this section may be for one (1) year or  
46 longer and may fix a method for determining the amount of transfer

1 tuition or time of payment that is different from the method, amount,  
 2 or time of payment that is provided in this section or section 9 of this  
 3 chapter. A school corporation may not transfer a student under this  
 4 section without the prior approval of the child's parent or guardian.

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

9 SECTION 66. IC 20-8.1-6.1-12 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 12. (a) Annually  
 11 before the date specified in the rules adopted by the Indiana state board  
 12 of education, each school corporation shall report the information  
 13 specified in subsection (b) for each student:

14 (1) for whom tuition support is paid by another school  
 15 corporation;

16 (2) for whom tuition support is paid by the state; and

17 (3) who is enrolled in the school corporation but has the  
 18 equivalent of a legal settlement in another state or country;

19 to the county office (as defined in IC 12-7-2-45) for the county in  
 20 which the principal office of the school corporation is located and to  
 21 the department of education.

22 (b) Each school corporation shall provide the following  
 23 information for each school year beginning with the school year  
 24 beginning July 1, 1994, for each category of student described in  
 25 subsection (a):

26 (1) The amount of tuition support and other support received for  
 27 the students described in subsection (a).

28 (2) The operating expenses, as determined under section 8 of this  
 29 chapter, incurred for the students described in subsection (a).

30 (3) Special equipment expenditures that are directly related to  
 31 educating students described in subsection (a).

32 (4) The number of transfer students described in subsection (a).

33 (5) Any other information required under the rules adopted by  
 34 the Indiana state board of education after consultation with the  
 35 office of the secretary of family and social services.

36 (c) The information required under this section shall be reported  
 37 in the format and on the forms specified by the Indiana state board of  
 38 education.

39 (d) Not later than November 30 of each year beginning after  
 40 December 31, 1994, the department of education shall compile the  
 41 information required from school corporations under this section and  
 42 submit the compiled information in the form specified by the office of  
 43 the secretary of family and social services to the office of the secretary  
 44 of family and social services.

45 (e) Not later than November 30 of each year beginning after  
 46 December 31, 1994, each county office shall submit the following

1 information to the office of the secretary of family and social services  
 2 for each child who is described in ~~IC 12-19-7-1(1)~~ **IC 12-19-1-21(a)(1)**  
 3 and is placed in another state or is a student in a school outside the  
 4 school corporation where the child has legal settlement:

5 (1) The name of the child.

6 (2) The name of the school corporation where the child has legal  
 7 settlement.

8 (3) The last known address of the custodial parent or guardian of  
 9 the child.

10 (4) Any other information required by the office of the secretary  
 11 of family and social services.

12 (f) Not later than December 31 of each year beginning after  
 13 December 31, 1994, the office of the secretary of family and social  
 14 services shall submit a report to the members of the budget committee  
 15 and the executive director of the legislative services agency that  
 16 compiles and analyzes the information required from school  
 17 corporations under this section. The report shall identify the types of  
 18 state and local funding changes that are needed to provide adequate  
 19 state and local money to educate transfer students.

20 SECTION 67. IC 31-19-26-1 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) When a  
 22 petition for adoption is filed seeking a subsidy and the payment of a  
 23 subsidy is ordered by the court, the order must contain the following  
 24 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 division~~ **division** of family and children of ~~the county~~  
 33 ~~responsible for foster care of an adoptive child~~ may be ordered to pay  
 34 either or both of the subsidies under this chapter to the adoptive parents  
 35 or designated payees to the extent that money is available.

36 SECTION 68. IC 31-40-1-1 IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. This article  
 38 applies to a financial burden sustained by **the state and** a county as the  
 39 result of costs paid ~~by the county~~ under section 2 of this chapter,  
 40 including costs resulting from the institutional placement of a child  
 41 adjudicated a delinquent child or a child in need of services.

42 SECTION 69. IC 31-40-1-2 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) ~~The county~~  
 44 **state** shall pay the cost of:

45 (1) any services ordered by the juvenile court for any child or the  
 46 child's parent, guardian, or custodian; and

1 (2) returning a child under IC 31-37-23;  
 2 **except for probation, guardian ad litem, and court appointed**  
 3 **special advocate services. The county shall pay the cost of**  
 4 **probation, guardian ad litem, and court appointed special advocate**  
 5 **services.**

6 (b) The **state and the** county fiscal body shall provide sufficient  
 7 money to meet the court's requirements.

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

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

17 SECTION 70. IC 31-40-1-4 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The parent or  
 19 guardian of the estate of any child returned to Indiana under the  
 20 interstate compact on juveniles under IC 31-37-23 shall reimburse the  
 21 **state and** county for all costs involved in returning the child that the  
 22 court orders the parent or guardian to pay under section 3 of this  
 23 chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child  
 24 has been adjudicated a delinquent child or a child in need of services.

25 SECTION 71. IC 31-40-1-5 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. (a) Whenever  
 27 the court orders institutional placement of a child:

28 (1) the court shall refer to the child support guidelines adopted  
 29 by the Indiana supreme court to determine the financial  
 30 contribution required from each parent of the child or the  
 31 guardian of the child's estate;

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

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

38 (b) When implementing this section, the ~~county office~~ **division** of  
 39 family and children shall:

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

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

43 (c) A support order entered under subsection (a) (or  
 44 IC 31-6-4-18(f) before its repeal) shall be paid through the clerk of the  
 45 circuit court as trustee for remittance to the ~~county~~ **state**.

46 (d) The ~~county office~~ **division** of family and children shall monitor

1 the enforcement of support orders under subsection (a).

2 (e) The ~~county prosecuting~~ attorney for the ~~office of family and~~  
3 ~~children county~~ shall seek enforcement of the support orders.

4 SECTION 72. THE FOLLOWING ARE REPEALED  
5 [EFFECTIVE JANUARY 1, 2000]: IC 6-1.1-17-18; IC 6-1.1-18.6;  
6 IC 12-7-2-117; IC 12-13-7-10; IC 12-13-7-11; IC 12-13-7-14;  
7 IC 12-13-7-15; IC 12-13-7-16; IC 12-13-7-20; IC 12-13-8;  
8 IC 12-13-9-1; IC 12-13-9-3; IC 12-13-9-4; IC 12-14-2-13;  
9 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;  
10 IC 12-16-14; IC 12-16-15; IC 12-17-1-15; IC 12-17-3-3;  
11 IC 12-19-1-15; IC 12-19-1-17; IC 12-19-3; IC 12-19-4; IC 12-19-5;  
12 IC 12-19-6; IC 12-19-7; IC 12-24-6; IC 12-24-9-2; IC 12-24-9-3;  
13 IC 12-24-9-4; IC 12-24-13-6; IC 16-35-3; IC 16-35-4.

14 SECTION 73. [EFFECTIVE JULY 1, 1999] (a) As used in this  
15 SECTION, "county office property tax levies" means the property  
16 tax levies under or for any of the following:

- 17 (1) IC 12-13-8 (county medical assistance to wards fund).  
18 (2) IC 12-16-14 (county hospital care for the indigent fund).  
19 (3) IC 12-19-3 (county welfare fund and tax levy).  
20 (4) IC 12-19-4 (county welfare administration fund and tax  
21 levy).  
22 (5) IC 12-19-7 (county family and children's fund).  
23 (6) IC 16-35-3 (children with special health care needs  
24 county fund and tax levy).

25 (b) Notwithstanding any other law, after December 31, 1999,  
26 the state shall fund one hundred percent (100%) of the programs,  
27 services, and activities paid from county office property tax levies  
28 before January 1, 2000.

29 (c) Notwithstanding any other law, after December 31, 2000,  
30 a county may not impose a county office property tax levy. The  
31 maximum permissible levy for any fund:

- 32 (1) that is not terminated after December 31, 1999; and  
33 (2) for which a county office property tax levy was imposed  
34 before January 1, 2000;

35 shall be reduced to eliminate the part of the maximum levy related  
36 to a county office property tax levy before January 1, 2000.

37 SECTION 74. [EFFECTIVE JULY 1, 1999] (a) As used in this  
38 SECTION, "county office property tax levies" means the property  
39 tax levies under or for any of the following:

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

- 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) For calendar year 2000 and any other year that in any part
- 12 conditions a distribution of miscellaneous revenue on the county
- 13 property tax levies first due and payable in calendar year 1999 or
- 14 a previous year, the distribution must be made based on the
- 15 adjusted property tax levy determined under this SECTION.
- 16 (d) The state board of tax commissioners shall determine an
- 17 adjusted property tax levy for each year on which a distribution
- 18 described in subsection (c) is based. The adjusted property tax levy
- 19 must exclude the county office property tax levies imposed in that
- 20 year.
- 21 (e) Before July 15, 1999, the state board of tax commissioners
- 22 shall certify the adjusted levy determined under subsection (d) to
- 23 the auditor of state, each county auditor, and the department of
- 24 state revenue.
- 25 (f) For purposes of property tax levies first due and payable
- 26 after December 31, 1999, the state board of tax commissioners shall
- 27 adjust property tax levies of a political subdivision to eliminate that
- 28 part of a property tax levy that was imposed before January 1,
- 29 2000, to make a transfer described in IC 12-15-18-5.1.
- 30 (g) The unallotted balance on December 31, 1999, of any
- 31 county office property tax levies in a fund other than the state
- 32 general fund shall, on January 1, 2000, be transferred to the state
- 33 general fund to carry out the programs for which the money was
- 34 levied. The unallotted balance on December 31, 1999, of each
- 35 county welfare trust clearance fund shall be transferred on
- 36 January 1, 2000, to an account in the state welfare trust clearance
- 37 fund. However, by agreement between a county executive and the
- 38 division of family and children, a county may retain a balance of
- 39 county office property tax levies after December 31, 1999, in a fund
- 40 to pay obligations incurred but not allotted for payment before
- 41 January 1, 2000. The amount and time that balances shall be
- 42 retained shall be governed by the agreement. Money transferred
- 43 to the state under this subsection shall be treated as money from
- 44 state revenues.
- 45 (h) The state board of tax commissioners shall reduce the
- 46 maximum permissible ad valorem property tax levy of a county to

1 reflect the transfer by this act of expenditures payable from a  
2 county general fund to the state.

3 (i) This SECTION expires December 31, 2000.

4 SECTION 75. [EFFECTIVE JULY 1, 1999] (a) After December  
5 31, 1999, a reference in a law, rule, or other document to a county  
6 office of family and children shall be treated as a reference to:

7 (1) the county office of family and children within the  
8 division of family and children; or

9 (2) the division of family and children.

10 (b) The division of family and children may adopt and operate  
11 under interim guidelines to implement this SECTION. Interim  
12 guidelines adopted under this SECTION expire on the earliest of  
13 the following:

14 (1) A replacement interim guideline is adopted under this  
15 SECTION.

16 (2) A rule is adopted under IC 4-22-2 to replace the interim  
17 guideline.

18 (3) January 1, 2001.

19 (c) To the extent that the personnel, agreements and other  
20 obligations, and records and other property of a county office are  
21 not the personnel, agreements and other obligations, and records  
22 and other property of the division, after December 31, 1999, the:

23 (1) personnel;

24 (2) agreements and other obligations; and

25 (3) records and other property;

26 of a county office of family and children on December 31, 1999,  
27 shall be treated as the personnel, agreements and other obligations,  
28 and records and other property of the division of family and  
29 children.

30 (d) After December 31, 1999, a court order issued before  
31 January 1, 2000, and requiring or authorizing a county office of  
32 family and children to take an action shall be treated as an order  
33 requiring or authorizing the division of family and children to take  
34 the action. However, this subsection does not authorize the division  
35 of family and children to impose a property tax levy.

36 (e) After December 31, 1999:

37 (1) trust funds administered by; and

38 (2) wardships and guardianships granted to;

39 a county office of family and children before January 1, 2000, shall  
40 be administered by the division of family and children.

41 (f) The following funds are abolished:

42 (1) State medical assistance to wards fund.

43 (2) The state welfare fund.

44 (3) Institution clothing fund established under IC 12-24-6-1  
45 (repealed by this act).

46 Unallotted money in a fund described in this subsection on

1 December 31, 1999, shall on January 1, 2000, be transferred to an  
2 account in the state general fund.

3 (g) The unallotted balances on December 31, 1999, of any trust  
4 fund established under IC 12-19-1-15, as repealed by this act, shall  
5 be transferred to an appropriate trust fund under the  
6 administration of the division of family and children. The amount  
7 transferred shall be used only in a manner consistent with the  
8 intention of the donor of the property and for the following  
9 purposes:

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

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

15 SECTION 76. [EFFECTIVE JULY 1, 1999] (a) As used in this  
16 SECTION, "committee" refers to the human services committee.

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

19 (1) Four (4) members of the senate finance committee to be  
20 appointed by the president pro tempore of the senate.

21 (2) Four (4) members of the senate finance committee to be  
22 appointed by the minority leader of the senate.

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

26 (4) Six (6) members of the house ways and means committee  
27 to be appointed by the minority leader of the house of  
28 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 chairman of the legislative council shall name the  
34 chairperson of the committee. The chairperson of the committee  
35 serves at the pleasure of the chairman 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 August 31, 1999.

39 (f) The committee shall provide for the introduction of  
40 legislation in the 2000 and 2001 regular sessions of the general  
41 assembly to do the following:

42 (1) Make appropriate changes to references in statutes that  
43 are required by this act.

44 (2) Revise and consolidate the statutes relating to the  
45 reorganization of county offices of family and children under  
46 this act.

- 1           **(3) Otherwise implement this act.**
- 2           **(g) The committee may study any issue related to its**
- 3           **responsibilities.**
- 4           **(h) The affirmative votes of a majority of the members**
- 5           **appointed to the committee are required for the committee to take**
- 6           **action on any measure, including final reports.**
- 7           **(i) The committee shall operate under the direction of the**
- 8           **legislative council. The legislative services agency shall staff the**
- 9           **committee. The office of the secretary of family and social services**
- 10           **shall assist the committee as directed by the chairperson of the**
- 11           **committee.**
- 12           **(j) The committee shall issue:**
  - 13           **(1) an interim report before November 2, 1999, and at other**
  - 14           **times as determined by the legislative council; and**
  - 15           **(2) a final report before November 2, 2000.**
- 16           **Copies of each report shall be given to the governor and the**
- 17           **legislative council.**
- 18           **(k) Each member of the committee is entitled to receive the**
- 19           **same per diem, mileage, and travel allowances paid to members of**
- 20           **the general assembly serving on interim study committees**
- 21           **established by the legislative council.**
- 22           **(l) This SECTION expires December 31, 2000.**
- 23           **SECTION 77. [EFFECTIVE JANUARY 1, 1999**
- 24           **(RETROACTIVE)]: IC 6-3.1-20, as added by this act, applies only**
- 25           **to taxable years that begin after December 31, 1998.**
- 26           **SECTION 78. [EFFECTIVE JANUARY 1, 1999**
- 27           **(RETROACTIVE)]: IC 6-3.1-21, as added by this act, applies to a**
- 28           **taxable year beginning after December 31, 1998.**
- 29           **SECTION 79. [EFFECTIVE JULY 1, 1999] IC 6-1.1-18.5-2, as**
- 30           **amended by this act, applies to maximum property tax levies after**
- 31           **1999.**
- 32           **SECTION 80. [EFFECTIVE JANUARY 1, 1999**
- 33           **(RETROACTIVE)]: IC 6-3-1-3.5, as amended by this act, applies to**
- 34           **taxable years beginning after December 31, 1998."**
- 35           **Page 2, line 15, after "(\$23,000)" insert ";".**
- 36           **Renumber all SECTIONS consecutively.**  
              **(Reference is to ESB 465 as printed April 6, 1999.)**

Representative Espich