February 22, 1999

HOUSE BILL No. 1001

DIGEST OF HB 1001 (Updated February 22, 1999 1:00 pm - DI 58)

Citations Affected: IC 4; IC 6; IC 8; IC 12; IC 13; IC 16; IC 20; IC 21; IC 35.

Synopsis: State budget. Authorizes certain capital projects. Amends the law concerning swap agreements. Establishes the reading diagnostic and remediation program and fund. Establishes a grant program for full day kindergarten and school readiness programs beginning in the 2000-2001 school year. Combines the supplemental wastewater assistance fund and the supplemental drinking water assistance fund. Eliminates the authority of a county to impose a property tax levy for the county welfare fund, the county welfare administration fund, and the county family and children's fund. Makes conforming amendments. Reduces the minimum annual increase in civil unit maximum general fund levies from 5% to 4%. Limits the maximum civil unit levy increase to 8% instead of 10%. Provides an inventory tax credit equal to the amount of ad valorem property taxes that would be paid on inventory with an assessed value not exceeding $12,500. Provides that for each school year beginning in 1999 and thereafter, a student or the student's parent, guardian, or custodian is entitled to a credit against the first $50 of charges imposed by a school corporation or an accredited nonpublic school for rental fees or other costs for each student's textbooks or materials. Establishes the targeted tax relief fund. Provides that money in the targeted tax relief fund is appropriated to pay inventory tax credits and textbook credits. Increases individual and nonchild dependent exemptions by $500 and makes the $500 dependent child exemption permanent beginning with the 1999 taxable year. Provides that $30,000,000 of surplus lottery revenue is transferred each year to the pension relief fund. Establishes the Indiana twenty-first century growth fund for economic development projects. Revises the primetime formula. Provides for school funding. Establishes the children's health insurance program.

Effective: July 1, 1998; January 1, 1999; Upon Passage; July 1, 1999; January 1, 2000; January 1, 2001; March 1, 2001.

Bauer, Cochran, Espich, Buell

January 26, 1999, read first time and referred to Committee on Ways and Means.
February 22, 1999, amended, reported — Do Pass.

February 22, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1001

A BILL FOR AN ACT concerning state and local administration and to make an appropriation.

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

SECTION 1. [EFFECTIVE JULY 1, 1999]

(a) The following definitions apply throughout this act:
(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.
(2) "Biennium" means the period beginning July 1, 1999, and ending June 30, 2001. Appropriations appearing in the biennial column for construction or other permanent improvements may be allotted as provided in IC 4-13-2-19.
(3) "Deficiency appropriation" or "special claim" means an appropriation available during the 1998-99 fiscal year.
(4) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.
(5) "Fee replacement" includes repayment on indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.
(6) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".

(7) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.
(8) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, disability and retirement fund contributions.
(9) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".
(10) "State agency" means:
(A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;
(B) each hospital, penal institution, and other institutional enterprise of the state;
(C) the judicial department of the state; and
(D) the legislative department of the state.
However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.
(11) "Total operating expense" includes payments for both "personal services" and "other operating expense".
(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.
(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.
(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.
(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources or a combination thereof. However derived, the money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation thereto, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part thereof shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount shall be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

SECTION 2. [EFFECTIVE JULY 1, 1999]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 9 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

With the approval of the governor and the state budget agency, and notwithstanding the provisions of IC 4-13-2-19 or any other law concerning the reversion of unexpended appropriations, up to one-half (1/2) of any balance in any fund or account which would otherwise revert at the end of FY 1999-2000 or FY 2000-2001 does not revert and is available to the agency for expenditure.

In this bill, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 1999]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY		
LEGISLATORS' SALARIES-HOUSE		
Total Operating Expense	**3,364,683**	**4,388,595**
HOUSE EXPENSES		
Total Operating Expense	**6,792,256**	**7,341,595**
LEGISLATORS' SALARIES-SENATE		
Total Operating Expense	**1,017,248**	**1,017,248**
SENATE EXPENSES		
Total Operating Expense	**5,452,801**	**6,561,592**

Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals and other usual and customary expenses associated with legislative affairs. Except as provided below, this allowance is to be paid to each member of the general assembly for every day, including Sundays, during which the general assembly is convened in regular or special session, commencing with the day the session is officially convened and concluding with the day the session is adjourned sine die. However, after five (5) consecutive days of recess, the legislative business per diem allowance is to be made on an individual voucher basis until the recess concludes.

Members of the general assembly are entitled, when authorized by the speaker of the house or the president pro tempore of the senate, to the legislative business per diem allowance for each and every day engaged in official business.

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of

the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general assembly shall receive the same mileage allowance as state employees for each mile necessarily traveled from the member's usual place of residence to the state capitol. However, if the member traveled by a means other than by motor vehicle, and the member's usual place of residence is more than one hundred (100) miles from the state capitol, the member is entitled to reimbursement in an amount equal to the lowest air travel cost incurred in traveling from the usual place of residence to the state capitol. During the period the general assembly is convened in regular or special session, the mileage allowance shall be limited to one (1) trip each week per member.

Any member of the general assembly who is appointed, either by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or Indiana legislative council to serve on any research, study, or survey committee or commission, or who attends any meetings authorized or convened under the auspices of the Indiana legislative council, including pre-session conferences and federal-state relations conferences, is entitled, when authorized by the legislative council, to receive the legislative business per diem allowance for each day in actual attendance is also entitled to a mileage allowance, at the rate specified above, for each mile necessarily traveled from the member's usual place of residence to the state capitol, or other in-state site of the committee, commission, or conference. The per diem allowance and the mileage allowance permitted under this paragraph shall be paid from the legislative council appropriation for legislator and lay member travel unless the member is attending an out-of-state meeting, as authorized by the speaker of the house of representatives or the president pro tempore of the senate, in which case the member is entitled to receive:
(1) the legislative business per diem allowance for each day the member is engaged in approved out-of-state travel; and
(2) reimbursement for traveling expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the legislative council.

Notwithstanding the provisions of this or any other statute, the legislative council may adopt, by resolution, travel policies and procedures that apply only to members of the general assembly or to the staffs of the house of representatives, senate, and legislative services agency, or both members and staffs. The legislative council may apply these travel policies and procedures to lay members serving on research, study, or survey committees or commissions that are under the jurisdiction of the legislative council. Notwithstanding any other law, rule, or policy, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION),

except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives, senate, and legislative services agency, and to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' SUBSISTENCE		
House		
Total Operating Expense	**1,260,550**	**1,113,775**
Senate		
Total Operating Expense	**571,390**	**493,676**

Each member of the general assembly is entitled to a subsistence allowance of $25 per day for:
(1) each day that the general assembly is not convened in regular or special session; and
(2) each day after the first session day and before the second session day of each regular session and any day during that time period that the general assembly is convened in special session. The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, $6,500; assistant president pro tempore, $2,500; majority floor leader, $5,000; assistant majority floor leader, $1,000; majority caucus chairman, $5,000; assistant majority caucus chairman, $1,000; finance committee chairman, $5,000; budget subcommittee chairman, $4,000; majority whip, $1,500; minority floor leader, $5,500; minority caucus chairman, $4,500; minority assistant floor leader, $4,500; finance committee ranking minority member, $3,500; minority whip, $1,500; and assistant minority caucus chairman, $500.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, $6,500; speaker pro tempore, $5,000; deputy speaker pro tempore, $500; majority floor leader, $5,000; majority caucus chairman, $5,000; assistant majority caucus chairman, $1,000; ways and means committee chairman, $5,000; ways and means committee ranking majority member, $3,000; speaker emeritus, $1,500; budget subcommittee chairman, $3,000; majority whip, $3,500; assistant majority whip, $1,000; assistant majority floor leader, $1,000;

minority floor leader, $5,500; minority caucus chairman, $4,500; ways and means committee ranking minority member, $3,500; minority whip, $1,500; and minority assistant floor leader, $3,500.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND

LEGISLATORS' RETIREMENT FUND		
Total Operating Expense	**170,169**	**170,169**

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	**6,938,639**	**7,209,246**
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	**560,000**	**580,000**

If the funds above appropriated for the legislative council and the legislative services agency and legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of $50 per day during the 1999-2001 biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 13 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

LEGISLATIVE COUNCIL CONTINGENCY FUND		**200,000**

Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.

DISTRIBUTION OF PRINTED JOURNALS, BILLS, RESOLUTIONS, AND ENROLLED DOCUMENTS		
Total Operating Expense	**585,000**	**340,000**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

If the above appropriation for distribution of printed journals, bills, resolutions, and enrolled documents is insufficient, there are hereby appropriated such sums as may be necessary to pay for distribution of printed journals, bills, resolutions, and enrolled documents.

PRINTING AND DISTRIBUTING THE ACTS			
Total Operating Expense	**95,680**	**61,360**	

The above funds are appropriated for printing and distributing the acts of the first and second regular sessions of the 111th general assembly. Upon completion of the distribution as provided by IC 2-6-1.5, additional copies may be sold at a price or prices periodically determined by the legislative council. If the funds above appropriated for printing and distributing the acts are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay such expenses.

PUBLICATION OF THE INDIANA CODE			
Total Operating Expense	**190,697**	**210,454**	

The above funds are for recompilation of and printing of supplements to the Indiana Code for fiscal years 1999-2000 and 2000-2001. Upon completion of the distribution as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for publication of the Indiana Code are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay such expenses.

NATIONAL CONFERENCE OF STATE LEGISLATURES HOST COMMITTEE			**366,000**
COUNCIL OF STATE GOVERNMENTS ANNUAL DUES			
Other Operating Expense	**114,531**	**117,967**	
NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES			
Other Operating Expense	**131,679**	**135,654**	
PUBLICATION OF THE INDIANA ADMINISTRATIVE CODE			
Total Operating Expense	**225,000**	**420,000**	
PRINTING AND DISTRIBUTING THE INDIANA REGISTER			
Total Operating Expense	**258,813**	**297,635**	
BLOCK BOUNDARY SUGGESTION PROGRAM			
Total Operating Expense	**230,000**	**100,000**	
REAPPORTIONMENT SUPPORT AND SERVICES			
Total Operating Expense			**250,000**

FOR THE INDIANA LOBBY REGISTRATION COMMISSION		
Total Operating Expense	**176,085**	**195,650**

B. JUDICIAL

FOR THE SUPREME COURT		
Personal Services	**4,245,767**	**4,371,507**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**1,103,150**	**1,010,150**	

The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-13-12-9.

FOR THE COURT OF APPEALS

Personal Services	**6,684,891**	**6,875,883**
Other Operating Expense	**1,169,050**	**1,052,300**

The above appropriation for the court of appeals personal services includes the subsistence allowance provided by IC 33-13-12-9.

FOR THE CLERK OF THE SUPREME AND APPEALS COURTS

Personal Services	**580,073**	**580,073**
Other Operating Expense	**185,000**	**185,000**

FOR THE TAX COURT

Personal Services	**397,649**	**406,465**
Other Operating Expense	**133,968**	**111,468**

FOR THE JUDICIAL CENTER

Personal Services	**928,696**	**959,055**
Other Operating Expense	**665,333**	**653,768**

The above appropriations for the judicial center include the appropriations for the judicial conference.

DRUG AND ALCOHOL PROGRAMS FUND

Total Operating Expense	**299,010**	**299,010**

The above funds are appropriated under IC 33-19-7-5 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if the receipts are less than the appropriation, the center may not spend more than is collected.

FOR THE PUBLIC DEFENDER

Personal Services	**4,484,307**	**4,671,228**
Other Operating Expense	**1,164,301**	**1,144,301**

FOR THE PUBLIC DEFENDER COUNCIL

Personal Services	**810,353**	**810,353**
Other Operating Expense	**228,458**	**228,458**

FOR THE PROSECUTING ATTORNEYS' COUNCIL

Personal Services	**746,348**	**746,348**
Other Operating Expense	**176,826**	**176,826**

DRUG PROSECUTION

Drug Prosecution Fund (IC 33-14-8-5)

Total Operating Expense	**70,500**	**70,500**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

Augmentation allowed.

FOR THE SUPREME COURT
SPECIAL JUDGES
COUNTY COURTS

Personal Services	**30,000**	**30,000**
Other Operating Expense	**195,000**	**195,000**

If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-1-13-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

FOR THE DIVISION OF STATE COURT ADMINISTRATION
GUARDIAN AD LITEM

Total Operating Expense			**1,600,000**

The division of state court administration shall use the foregoing appropriation to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. However, the court may not use more than $75,000 per state fiscal year for administration of the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 and used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds.

PUBLIC DEFENDER COMMISSION
Public Defense Fund (IC 33-19-7-5(c))

Total Operating Expense	**2,400,000**	**2,400,000**

The above appropriation is for the purpose of reimbursing counties for indigent defense services provided to a defendant. The division of state court administration of the supreme court of Indiana shall provide staff support to the commission and shall administer the fund. The administrative costs may come from the fund.

INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY

Total Operating Expense	**625,000**	**625,000**

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-2.1-12-7.

CIVIL LEGAL AID

Total Operating Expense	**1,000,000**	**1,000,000**

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-2.1-11-7.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
TRIAL COURT OPERATIONS			
Personal Services	**64,632**	**67,228**	
Other Operating Expense	**135,368**	**182,772**	
LOCAL JUDGES' SALARIES			
Personal Services	**35,334,324**	**35,340,432**	
Other Operating Expense	**22,250**	**26,250**	
COUNTY PROSECUTORS' SALARIES			
Personal Services	**17,000,908**	**17,004,934**	
Other Operating Expense	**4,500**	**4,500**	

The above appropriations for county prosecutors' salaries represent the amounts authorized by IC 33-14-7-5 and that are to be paid from the state general fund.

In addition to the appropriations for local judges' salaries and for county prosecutors' salaries, there are hereby appropriated for personal services the amounts that the state is required to pay for salary changes or for additional courts created by the 111th general assembly.

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND			
JUDGES' RETIREMENT FUND			
Other Operating Expense	**8,394,664**	**8,898,344**	
PROSECUTORS' RETIREMENT FUND			
Other Operating Expense	**275,266**	**275,266**	

C. EXECUTIVE

FOR THE GOVERNOR'S OFFICE			
Personal Services	**1,927,885**	**1,927,885**	
Other Operating Expense	**235,350**	**235,350**	
GOVERNOR'S RESIDENCE			
Total Operating Expense	**174,499**	**174,499**	
CONTINGENCY FUND			
Total Operating Expense			**176,006**

Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

MISCELLANEOUS EXPENSES			
Total Operating Expense	**10,561**	**10,561**	
EXECUTIVE INTERNATIONAL DEVELOPMENT CONTINGENCY FUND			
Total Operating Expense			**50,000**
GOVERNOR'S FELLOWSHIP PROGRAM			
Total Operating Expense	**302,889**	**302,889**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
MILLENNIUM TASK FORCE			
Total Operating Expense			**500,000**
FOR THE WASHINGTON LIAISON OFFICE			
Total Operating Expense	**195,604**	**195,604**	
FOR THE GOVERNOR'S COMMISSION ON COMMUNITY SERVICES AND VOLUNTEERISM			
Personal Services	**104,841**	**104,841**	
Other Operating Expense	**51,044**	**51,044**	
FOR THE AUDITOR OF STATE			
GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS			
Total Operating Expense	**146,680**	**182,590**	

The above appropriations for governors' and governors' surviving spouses' pensions are made under IC 4-3-3.

FOR THE STATE ETHICS COMMISSION			
Personal Services	**221,081**	**221,081**	
Other Operating Expense	**33,192**	**33,192**	
FOR THE LIEUTENANT GOVERNOR			
Personal Services	**773,168**	**773,168**	
Other Operating Expense	**41,833**	**41,833**	
CONTINGENCY FUND			
Total Operating Expense			**38,000**

Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

FOR THE SECRETARY OF STATE			
CORPORATIONS AND ADMINISTRATION			
Personal Services	**321,205**	**321,205**	
Other Operating Expense	**18,837**	**18,837**	
UNIFORM COMMERCIAL CODE			
Personal Services	**670,247**	**670,247**	
Other Operating Expense	**168,626**	**168,626**	
SECURITIES DIVISION			
Personal Services	**601,050**	**601,050**	
Other Operating Expense	**13,081**	**13,081**	
FOR THE ATTORNEY GENERAL			
ATTORNEY GENERAL			
Personal Services	**9,799,937**	**9,799,937**	
Other Operating Expense	**1,224,700**	**1,244,700**	
MEDICAID FRAUD UNIT			
Total Operating Expense	**320,361**	**320,361**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

The above appropriations to the Medicaid fraud unit are the state's matching share of the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.

WELFARE FRAUD UNIT		
Total Operating Expense	**532,803**	**532,553**

The above appropriations to the welfare fraud unit are the state's matching share of the state welfare fraud unit. With the approval of the governor and the budget agency, the above appropriations for the welfare fraud unit may be augmented for the purpose of offsetting costs of the unit from revenues collected by the state from court settlements or judgments in welfare fraud (TANF or food stamps) cases.

Of the above appropriation for the welfare fraud unit, up to $10,000 may be used to meet unforeseen emergencies of a confidential nature. The funds are to be expended under the direction of the attorney general and are to be accounted for solely on the attorney general's certifications.

UNCLAIMED PROPERTY		
Abandoned Property Fund (IC 32-9-1.5-33)		
Personal Services	**594,769**	**594,769**
Other Operating Expense	**389,480**	**389,480**

Augmentation allowed.

D. FINANCIAL MANAGEMENT

FOR THE AUDITOR OF STATE		
Personal Services	**3,688,428**	**3,688,428**
Other Operating Expense	**1,066,197**	**1,180,947**
FOR THE STATE BOARD OF ACCOUNTS		
Personal Services	**14,895,643**	**14,895,643**
Other Operating Expense	**1,256,940**	**1,256,940**
GOVERNOR ELECT		
Total Operating Expense		**40,000**
FOR THE STATE BUDGET COMMITTEE		
Total Operating Expense	**49,300**	**42,550**

Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of the budget committee is an amount equal to one hundred fifty percent (150%) of the legislative business per diem allowance. If the above appropriations are insufficient to carry out the necessary operations of the budget committee, there are hereby appropriated such further sums as may be necessary.

FOR THE STATE BUDGET AGENCY		
Personal Services	**2,076,293**	**2,068,293**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**382,355**	**390,355**	
PERSONAL SERVICES/FRINGE BENEFITS CONTINGENCY FUND			
Total Operating Expense			**70,000,000**

The foregoing personal services/fringe benefits contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor.

DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND	
Total Operating Expense	**10,000,000**

The foregoing departmental and institutional emergency contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. These allocations may be made upon written request of proper officials, showing that contingencies exist that require additional funds for meeting necessary expenses. The budget committee shall be advised of each transfer request and allotment. With the approval of the governor and budget agency, the expenses of conducting an audit of a state agency for the following purposes may be paid from the departmental and institutional emergency contingency fund:
(1) To determine whether the state agency is managing and using its resources (including personnel, property, and office space) economically and efficiently.
(2) To determine whether there are any inefficiencies or uneconomical practices in the state agency's operations, and, if so, their causes.
(3) To determine whether the state agency has complied with laws and rules concerning matters of economy and efficiency.

YEAR 2000 COMPUTER CONTINGENCY FUND	
General Fund	
Total Operating Expense	**12,821,812**
Teacher's Retirement Fund	
Total Operating Expense	**805,370**
Public Employees' Retirement Fund	
Total Operating Expense	**45,506**
State Highway Fund	
Total Operating Expense	**757,000**
Federal Funds	
Total Operating Expense	**1,467,100**
Augmentation allowed for all funds.	

The foregoing year 2000 computer contingency fund appropriation is subject to allotment by the budget agency with the approval of the governor to assist agencies, departments, and state institutions become year 2000 compliant.

TARGETED TAX RELIEF FUND (IC 4-10-20)	
Other Operating Expense	**500,000,000**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
INDIANA 21st CENTURY GROWTH FUND			
Total Operating Expense	**25,000,000**	**25,000,000**	
FOR THE PROPERTY TAX REPLACEMENT FUND BOARD			
Property Tax Replacement Fund			
Total Operating Expense	**1,015,930,000**	**1,069,605,000**	

Adjustments may be made to this appropriation under IC 6-1.1-21-4.

FOR THE TREASURER OF STATE			
Personal Services	**713,448**	**713,448**	
Other Operating Expense	**60,500**	**60,500**	
FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND - ADMINISTRATION			
Investment Earnings (IC 5-10.2-2-12)			
Personal Services	**2,045,461**	**2,045,461**	
Other Operating Expense	**4,512,869**	**3,512,869**	
Augmentation allowed from investment earnings.			
PENSION RELIEF FUND			
From the Lottery Administrative Trust Fund			
Other Operating Expense	**10,000,000**	**10,000,000**	

The above amount is appropriated to the "m portion" (IC 5-10.3-11-4) of the pension relief fund, in compliance with the provisions of IC 4-30-16-3.

E. TAX ADMINISTRATION

FOR THE DEPARTMENT OF REVENUE			
COLLECTION AND ADMINISTRATION			
Personal Services	**32,911,040**	**32,911,040**	
Other Operating Expense	**15,924,537**	**15,924,537**	

With the approval of the governor and the budget agency, the department shall annually reimburse the state general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department of state revenue from taxes and fees.

OUTSIDE COLLECTIONS			
Total Operating Expense	**2,923,440**	**2,923,440**	

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue's outside collections may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and

fees.

MOTOR FUEL TAX DIVISION
From the Motor Carrier Regulation Fund
1,669,367 1,669,367
From the Motor Vehicle Highway Account
3,895,189 3,895,189
Augmentation allowed from the Motor Vehicle Highway Account.

The amounts specified from the Motor Carrier Regulation Fund and the Motor Vehicle Highway Account are for the following purposes:

Personal Services	**4,968,839**	**4,968,839**
Other Operating Expense	**595,717**	**595,717**

In addition to the foregoing appropriations, there is hereby appropriated to the department of revenue motor fuel tax division an amount sufficient to pay claims for refunds on license-fee-exempt motor vehicle fuel as provided by law. The sums above appropriated from the motor vehicle highway account for the operation of the motor fuel tax division, together with all refunds for license-fee-exempt motor vehicle fuel, shall be paid from the receipts of those license fees before they are distributed as provided by IC 6-6-1.1.

MOTOR CARRIER REGULATION
Motor Carrier Regulation Fund (IC 8-2.1-23)

Personal Services	**407,258**	**407,258**
Other Operating Expense	**1,266,993**	**1,266,993**

Augmentation allowed from the Motor Carrier Regulation Fund.

FOR THE INDIANA HORSE RACING COMMISSION

Personal Services	**1,056,495**	**1,056,495**
Other Operating Expense	**216,037**	**216,037**

The foregoing appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9. The appropriations are made under the provisions of IC 4-31 and from revenues accruing to the Indiana horse racing commission operating fund established by IC 4-31-10. Augmentation allowed.

FOR THE INDIANA GAMING COMMISSION

Personal Services	**1,834,340**	**1,834,340**
Other Operating Expense	**1,005,834**	**1,005,834**
INVESTIGATION		
Personal Services	**1,321,230**	**1,321,230**
Other Operating Expense	**489,030**	**467,030**

The foregoing appropriations to the Indiana gaming commission are made from revenues accruing to the state gaming fund under IC 4-33-13-3 before any distribution is made under IC 4-33-13-5. Augmentation allowed from the lottery and gaming surplus account

within the build Indiana fund.

The foregoing appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4. The commission may employ or contract for inspectors and agents required under IC 4-33-4-3.5. The licensed owners shall, in the manner prescribed by the rules of the commission, reimburse the commission for the salaries and other expenses of the inspectors and agents who are required to be present during the time gambling operations are conducted on a riverboat.

FOR THE STATE BOARD OF TAX COMMISSIONERS		
Personal Services	**4,804,153**	**4,804,153**
Other Operating Expense	**922,595**	**922,595**

From the above appropriations for the board of tax commissioners, travel subsistence and mileage allowances may be paid for members of the local government tax control board created by IC 6-1.1-18.5 and the state school property tax control board created by IC 6-1.1-19, under state travel regulations.

CONTINGENCY FUND		
Total Operating Expense	**500,000**	**500,000**

F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION		
Personal Services	**13,352,230**	**13,352,230**
Other Operating Expense	**8,210,925**	**8,210,925**
INFORMATION SERVICES DIVISION		
Pay Phone Fund		
Total Operating Expense	**5,718,000**	**5,718,000**
Augmentation allowed.		

The pay phone fund is established for the procurement of hardware, software, and related equipment and services needed to expand and enhance the state campus backbone and other central information technology initiatives. Such procurements may include, but are not limited to, wiring and rewiring of state offices, Internet services, video conferencing, telecommunications, application software and related services. The fund consists of the net proceeds received from contracts with companies providing phone services at state institutions and other state properties. The fund shall be administered by the information services division (ISD) of the department of administration. Money in the fund may be spent by the division in compliance with a plan approved by the budget agency. Any money remaining in the fund at the end of any fiscal year does not revert to the general fund or any other fund but remains in the pay phone fund.

FOR THE PERSONNEL DEPARTMENT		
Personal Services	**3,570,623**	**3,570,623**
Other Operating Expense	**850,000**	**850,000**
STATE EMPLOYEES' APPEALS COMMISSION		

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Personal Services	**126,226**	**126,226**	
Other Operating Expense	**12,000**	**12,000**	
FOR THE DATA PROCESSING OVERSIGHT COMMISSION			
Personal Services	**528,757**	**528,757**	
Other Operating Expense	**134,446**	**134,446**	
FOR THE COMMISSION ON PUBLIC RECORDS			
Personal Services	**1,493,902**	**1,493,902**	
Other Operating Expense	**186,753**	**178,853**	
G. OTHER			
FOR THE COMMISSION ON UNIFORM STATE LAWS			
Total Operating Expense	**43,200**	**43,200**	
FOR THE SECRETARY OF STATE ELECTION DIVISION			
Personal Services	**455,344**	**455,344**	
Other Operating Expense	**105,375**	**105,375**	
NATIONAL VOTER REGISTRATION PROGRAM			
Personal Services	**30,557**	**30,557**	
Other Operating Expense	**384,700**	**384,700**	
SECTION 4. [EFFECTIVE JULY 1, 1999]			
PUBLIC SAFETY			
A. CORRECTIONS			
FOR THE DEPARTMENT OF CORRECTION			
ESCAPEE COUNSEL AND TRIAL EXPENSE			
Other Operating Expense	**200,000**	**200,000**	
COMMUNITY CORRECTIONS PROGRAMS			
Total Operating Expense			**32,624,730**
COUNTY JAIL MISDEMEANANT HOUSING			
Total Operating Expense	**4,091,801**	**4,091,801**	
ADULT CONTRACT BEDS			
Total Operating Expense	**10,339,126**	**18,528,368**	
STAFF DEVELOPMENT AND TRAINING			
Personal Services	**819,793**	**819,793**	
Other Operating Expense	**347,573**	**347,573**	
PAROLE DIVISION			
Personal Services	**4,531,800**	**4,531,800**	
Other Operating Expense	**700,389**	**740,389**	
CENTRAL EMERGENCY RESPONSE			
Personal Services	**1,593,583**	**1,593,583**	
Other Operating Expense	**473,586**	**473,586**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
CENTRAL OFFICE			
Personal Services	**6,235,881**	**6,235,881**	
Other Operating Expense	**3,046,958**	**3,076,958**	
INFORMATION MANAGEMENT SERVICES			
Personal Services	**1,771,831**	**1,771,831**	
Other Operating Expense	**2,018,638**	**2,018,638**	
JUVENILE TRANSITION			
Personal Services	**2,950,505**	**2,950,505**	
Other Operating Expense	**16,384,000**	**13,384,000**	
PAROLE BOARD			
Personal Services	**455,794**	**455,794**	
Other Operating Expense	**39,170**	**39,170**	
DRUG ABUSE PREVENTION			
Drug Abuse Fund (IC 11-8-2-11)			
Personal Services	**30,030**	**30,030**	
Other Operating Expense	**72,000**	**72,000**	
Augmentation allowed.			
WABASH VALLEY CORRECTIONAL FACILITY			
Personal Services	**30,745,033**	**30,745,033**	
Other Operating Expense	**8,714,757**	**8,714,757**	
INDIANA STATE PRISON			
Personal Services	**25,097,677**	**25,097,677**	
Other Operating Expense	**7,502,402**	**7,502,402**	
VOCATIONAL TRAINING PROGRAM			
Total Operating Expense	**379,516**	**379,516**	
PENDLETON CORRECTIONAL FACILITY			
Personal Services	**24,267,602**	**24,267,602**	
Other Operating Expense	**5,904,655**	**5,904,655**	
CORRECTIONAL INDUSTRIAL FACILITY			
Personal Services	**18,242,349**	**18,242,349**	
Other Operating Expense	**3,436,812**	**3,436,812**	
INDIANA WOMEN'S PRISON			
Personal Services	**10,229,581**	**10,229,581**	
Other Operating Expense	**1,934,234**	**1,934,234**	
PUTNAMVILLE CORRECTIONAL FACILITY			
Personal Services	**24,737,223**	**24,737,223**	
Other Operating Expense	**5,539,172**	**5,539,172**	
PLAINFIELD JUVENILE CORRECTIONAL FACILITY			
Personal Services	**12,330,049**	**12,330,049**	
Other Operating Expense	**2,267,358**	**2,267,358**	
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Personal Services	**8,365,829**	**8,365,829**	
Other Operating Expense	**1,239,958**	**1,239,958**	
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Personal Services	**3,283,419**	**10,830,245**	
Other Operating Expense	**3,566,311**	**2,388,129**	
LOGANSPORT INTAKE/DIAGNOSTIC FACILITY			
Personal Services	**2,200,684**	**2,200,684**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**592,789**	**592,789**	
CAMP SUMMIT			
Personal Services	**1,871,722**	**1,871,722**	
Other Operating Expense	**345,506**	**345,506**	
BRANCHVILLE CORRECTIONAL FACILITY			
Personal Services	**14,915,245**	**14,915,245**	
Other Operating Expense	**3,451,313**	**3,276,313**	
WESTVILLE CORRECTIONAL FACILITY			
Personal Services	**37,928,026**	**37,928,026**	
Other Operating Expense	**8,811,176**	**8,811,176**	
WESTVILLE MAXIMUM CONTROL FACILITY			
Personal Services	**4,295,516**	**4,295,516**	
Other Operating Expense	**642,439**	**642,439**	
WESTVILLE TRANSITIONAL FACILITY			
Personal Services	**3,090,466**	**3,090,466**	
Other Operating Expense	**320,154**	**320,154**	
ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN			
Personal Services	**10,890,068**	**10,890,068**	
Other Operating Expense	**2,474,243**	**2,474,243**	
PLAINFIELD CORRECTIONAL FACILITY			
Personal Services	**21,733,660**	**21,733,660**	
Other Operating Expense	**6,108,983**	**6,108,983**	
RECEPTION AND DIAGNOSTIC CENTER			
Personal Services	**9,047,209**	**9,047,209**	
Other Operating Expense	**972,197**	**972,197**	
MIAMI CORRECTIONAL FACILITY			
Personal Services	**14,481,415**	**16,681,415**	
Other Operating Expense	**8,102,937**	**6,452,937**	
NEW CASTLE CORRECTIONAL FACILITY			
Personal Services	**910,040**	**6,221,620**	
Other Operating Expense	**300,000**	**3,056,000**	
HENRYVILLE CORRECTIONAL FACILITY			
Personal Services	**1,556,344**	**1,556,344**	
Other Operating Expense	**392,918**	**392,918**	
CHAIN O' LAKES CORRECTIONAL FACILITY			
Personal Services	**1,306,689**	**1,306,689**	
Other Operating Expense	**417,943**	**417,943**	
MEDARYVILLE CORRECTIONAL FACILITY			
Personal Services	**1,400,265**	**1,400,265**	
Other Operating Expense	**332,616**	**332,616**	
LAKESIDE CORRECTIONAL FACILITY			
Personal Services	**3,955,028**	**3,955,028**	
Other Operating Expense	**773,503**	**773,503**	
ATTERBURY CORRECTIONAL FACILITY			
Personal Services	**1,619,833**	**1,619,833**	
Other Operating Expense	**385,439**	**385,439**	
MADISON CORRECTIONAL FACILITY			
Personal Services	**2,513,147**	**2,513,147**	
Other Operating Expense	**577,883**	**577,883**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
EDINBURGH CORRECTIONAL FACILITY			
Personal Services	**2,211,764**	**2,211,764**	
Other Operating Expense	**400,813**	**400,813**	
FORT WAYNE JUVENILE CORRECTIONAL FACILITY			
Personal Services	**1,029,403**	**1,029,403**	
Other Operating Expense	**436,471**	**436,471**	
SOUTH BEND JUVENILE CORRECTIONAL FACILITY			
Personal Services	**1,587,589**	**1,587,589**	
Other Operating Expense	**399,855**	**399,855**	
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
Personal Services	**6,580,100**	**6,580,100**	
Other Operating Expense	**1,383,349**	**1,383,349**	
SOCIAL SERVICES BLOCK GRANT			
General Fund			
Total Operating Expense	**5,584,104**	**5,584,104**	
Work Release Subsistence Fund (IC 11-10-8-6.5)			
Total Operating Expense	**623,639**	**623,639**	

Augmentation allowed from Work Release Subsistence Fund and Social Services Block Grant.

MEDICAL SERVICES			
Other Operating Expense	**14,397,963**	**16,342,975**	
FOR THE STATE BUDGET AGENCY			
COUNTY JAIL MAINTENANCE CONTINGENCY FUND			
Other Operating Expense	**18,505,600**	**18,505,600**	

Disbursements from the fund shall be made for the purpose of reimbursing sheriffs for the cost of incarcerating in county jails persons convicted of felonies to the extent that such persons are incarcerated for more than five (5) days after the day of sentencing, at the rate of $35 per day. In addition to the per diem, the state shall reimburse the sheriffs for any expenses incurred in providing medical care to the convicted persons. However, if the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

Augmentation allowed.

B. LAW ENFORCEMENT

FOR THE ADJUTANT GENERAL			
Personal Services	**6,526,895**	**6,526,895**	
Other Operating Expense	**3,900,808**	**3,900,808**	
NAVAL FORCES			
Personal Services	**113,517**	**113,517**	
Other Operating Expense	**99,243**	**99,243**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
DISABLED SOLDIERS' PENSION			
Other Operating Expense	**14,570**	**15,008**	
GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND			
Total Operating Expense			**960,000**

The above appropriations for the adjutant general governor's civil and military contingency fund are made under IC 10-2-7-1.

FOR THE CRIMINAL JUSTICE INSTITUTE

ADMINISTRATIVE MATCH			
Total Operating Expense	**358,561**	**358,561**	
DRUG ENFORCEMENT MATCH			
Total Operating Expense	**1,759,415**	**1,759,415**	
VICTIM AND WITNESS ASSISTANCE FUND			
Victim and Witness Assistance Fund (IC 5-2-6-14)			
Total Operating Expense	**599,400**	**599,400**	
Augmentation allowed.			
VICTIMS OF VIOLENT CRIME ADMINISTRATION			
From the General Fund			
	1,000,000	**0**	
From the Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)			
	2,500,000	**2,500,000**	
Augmentation allowed from Violent Crime Victims Compensation Fund.			

The amounts specified from the General Fund and the Violent Crime Victims Compensation Fund are for the following purposes:

Personal Services	**151,771**	**151,771**
Other Operating Expense	**3,348,229**	**2,348,229**
STATE DRUG FREE COMMUNITIES FUND		
State Drug Free Communities Fund (IC 5-2-10-2)		
Total Operating Expense	**509,825**	**509,825**
Augmentation allowed.		
INDIANA SAFE SCHOOLS		
General Fund		
Total Operating Expense	**6,838,000**	**6,250,000**

Of the above appropriations for the Indiana safe schools program, ($5,500,000) is appropriated annually to provide grants to school corporations for school safe haven programs, emergency preparedness programs, and school safety programs, and $750,000 is appropriated annually for use in providing training to school safety specialists. Additionally, $2,000 is appropriated to each school corporation to be used for participation in a county school safety commission in fiscal year 1999-2000.

Indiana Safe Schools Fund (IC 5-2-10.1-2)

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Total Operating Expense	**400,000**	**400,000**	
Augmentation allowed from Indiana Safe Schools Fund.			
LAW ENFORCEMENT ASSISTANCE			
General Fund			
Total Operating Expense	**17,500,000**	**7,500,000**	
Law Enforcement Assistance Fund (IC 5-2-13-4)			
Total Operating Expense	**2,500,000**	**2,500,000**	
Augmentation allowed from the Law Enforcement Assistance Fund.			
OFFICE OF TRAFFIC SAFETY			
Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**983,203**	**983,203**	
Other Operating Expense	**5,286,016**	**5,286,016**	
Augmentation allowed.			
ALCOHOL AND DRUG COUNTERMEASURES			
Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)			
Total Operating Expense	**527,100**	**527,100**	
Augmentation allowed.			
HIGHWAY SAFETY PLAN			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**1,828,750**	**1,828,750**	

The above appropriations for the highway safety plan are from the motor vehicle highway account, and may be used only to fund traffic safety projects that are included in a current highway safety plan approved by the governor and the budget agency. The department shall apply to the national highway traffic safety administration for reimbursement of all eligible project costs. Any federal reimbursement received by the department for the highway safety plan shall be deposited into the motor vehicle highway account.

FOR THE CORONERS TRAINING BOARD			
Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)			
Personal Services	**165,000**	**165,000**	
Other Operating Expense	**307,050**	**220,950**	
Augmentation allowed.			
PROJECT IMPACT			
Total Operating Expense	**200,000**	**200,000**	
FOR THE LAW ENFORCEMENT TRAINING ACADEMY			
From the General Fund			
	2,100,000	**2,100,000**	
From the Law Enforcement Academy Training (IC 5-2-1-13)			
	2,967,427	**2,688,406**	
Augmentation allowed from Law Enforcement Academy Training.			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

The amounts specified from the General Fund and the Law Enforcement Academy Training Fund are for the following purposes:

Personal Services	**2,964,696**	**2,964,696**
Other Operating Expense	**2,102,731**	**1,823,710**

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

From the General Fund

50,522,379 50,522,379

From the Motor Vehicle Highway Account (IC 8-14-1)

50,522,379 50,522,379

From the Motor Carrier Regulation Fund (IC 8-2.1-23-1)

4,872,911 4,872,911

Augmentation allowed from general fund, motor vehicle highway account, and motor carrier regulation fund.

The amounts specified from the General Fund, the Motor Vehicle Highway Account, and the Motor Carrier Regulation Fund are for the following purposes:

Personal Services	**85,802,029**	**85,802,029**
Other Operating Expense	**20,115,640**	**20,115,640**

The above appropriations for personal services and other operating expense include funds to continue the state police minority recruiting program. In addition to any funds that may be expended for accident reporting from the "accident report account" under IC 9-29-11-1, there are included in the appropriations for Indiana state police and motor carrier inspection such additional funds as necessary for administering accident reporting as required under IC 9-26-3.

The foregoing appropriations for the Indiana state police and motor carrier inspection include funds for the police security detail to be provided to the Indiana state fair board. However, any amount expended to provide security for the Indiana state fair board may be reimbursed by the Indiana state fair board to such fund from which the expenditure was made, in accordance with reimbursement schedules recommended by the budget committee. Augmentation allowed.

DRUG INTERDICTION

Drug Interdiction Fund (IC 10-1-8-2)

Total Operating Expense	**220,000**	**220,000**

Augmentation allowed.

PENSION FUND

General Fund

Total Operating Expense	**4,793,521**	**4,793,521**

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	**4,793,521**	**4,793,521**

The above appropriations shall be paid into the state police pension fund provided for in IC 10-1-2 in twelve (12) equal installments on or before July 30 and on

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

or before the 30th of each succeeding month thereafter.

SUPPLEMENTAL PENSION

General Fund		
Total Operating Expense	**1,400,000**	**1,400,000**
Augmentation allowed.		
Motor Vehicle Highway Account (IC 8-14-1)		
Total Operating Expense	**1,400,000**	**1,400,000**
Augmentation allowed.		

If the above appropriations for supplemental pension for any one (1) year are greater than the amount actually required under the provisions of IC 10-1-2.6, then the excess shall be returned proportionately to the funds from which the appropriations were made. If the amount actually required under IC 10-1-2.6 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund and the motor vehicle highway account.

BENEFIT FUND

General Fund		
Total Operating Expense	**1,225,611**	**1,334,196**
Motor Vehicle Highway Account (IC 8-14-1)		
Total Operating Expense	**1,225,611**	**1,334,197**

All benefits that accrue to members shall be paid by warrant drawn on the treasurer of state by the auditor of state on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-1-2.

ENFORCEMENT AID FUND

General Fund		
Total Operating Expense	**87,500**	**87,500**
Augmentation allowed.		
Motor Vehicle Highway Account (IC 8-14-1)		
Total Operating Expense	**87,500**	**87,500**
Augmentation allowed.		

The above appropriations to the enforcement aid fund are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's certificate.

ACCIDENT REPORTING

Accident Report Account (IC 9-29-11-1)		
Other Operating Expense	**295,000**	**295,000**
Augmentation allowed.		

C. REGULATORY AND LICENSING

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

FOR THE ALCOHOLIC BEVERAGE COMMISSION

From the General Fund

1,850,000 1,850,000

From the Enforcement and Administration Fund (IC 7.1-4-10-1)

3,923,017 3,923,017

Augmentation allowed from the Enforcement and Administration Fund.

The amounts specified from the General Fund and the Enforcement and Administration Fund are for the following purposes:

Personal Services	**4,606,497**	**4,499,497**
Other Operating Expense	**1,166,520**	**1,273,520**

EXCISE OFFICER TRAINING FUND (IC 5-2-8-8)

Total Operating Expense	**1,900**	**1,900**

Augmentation allowed from the Excise Officer Training Fund.

FOR THE STATE BOARD OF ANIMAL HEALTH

Personal Services	**2,866,951**	**2,866,951**
Other Operating Expense	**1,086,002**	**1,086,002**

INDEMNITY FUND

Total Operating Expense			**185,000**

Augmentation allowed.

MEAT & POULTRY INSPECTION

Total Operating Expense	**1,747,472**	**1,747,472**

FOR THE CIVIL RIGHTS COMMISSION

Personal Services	**2,001,041**	**2,001,041**
Other Operating Expense	**256,734**	**256,734**

It is the intention of the general assembly that the civil rights commission shall make application to the federal government for funding related to the federal fair housing program, the federal fair housing initiatives program, and the federal employment discrimination program. Federal funds received by the state for these programs shall be considered as a reimbursement of state expenditures and as such shall be deposited into the state general fund.

FOR THE COMMISSION FOR WOMEN

Personal Services	**77,132**	**77,132**
Other Operating Expense	**21,772**	**21,772**

FOR THE EMERGENCY MANAGEMENT AGENCY

Personal Services	**1,544,357**	**1,544,357**
Other Operating Expense	**568,921**	**568,921**

EMERGENCY MANAGEMENT AGENCY CONTINGENCY FUND

Total Operating Expense	**250,000**	**250,000**

EARTHQUAKE PROGRAM MATCH

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Total Operating Expense	**25,883**	**25,883**	
DISASTER PREPAREDNESS IMPROVEMENT GRANT MATCH			
Total Operating Expense	**50,000**	**50,000**	
DIRECTION CONTROL AND WARNING			
Total Operating Expense	**31,750**	**31,750**	
INDIVIDUAL AND FAMILY ASSISTANCE			
Total Operating Expense	**1**	**1**	
Augmentation allowed.			
PUBLIC ASSISTANCE			
Total Operating Expense	**1**	**1**	
Augmentation allowed.			
HAZARD MITIGATION ASSISTANCE PROGRAM			
Total Operating Expense	**1**	**1**	
Augmentation allowed.			

The above appropriations for the emergency management agency represent the total program cost for civil defense and for emergency medical services for each fiscal year. It is the intent of the general assembly that the emergency management agency apply to the Federal Emergency Management Agency for all federal reimbursement funds for which Indiana is eligible. All funds received shall be deposited into the state general fund.

The above appropriations for the emergency management agency contingency fund are made to the contingency fund under IC 10-4-1-22. The above appropriations shall be in addition to any unexpended balances in the fund as of June 30, 1999.

FOR THE DEPARTMENT OF FIRE AND BUILDING SERVICES			
Fire and Building Services Fund (IC 22-12-6-1)			
Personal Services	**7,015,338**	**7,015,338**	
Other Operating Expense	**1,536,033**	**1,536,033**	
Augmentation allowed.			
FOR THE PUBLIC SAFETY TRAINING INSTITUTE			
Fire and Building Services Fund (IC 22-12-6-1)			
Personal Services	**694,735**	**698,735**	
Other Operating Expense	**556,900**	**556,900**	
Augmentation allowed.			
FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS			
Financial Institutions Fund (IC 28-11-2-9)			
Personal Services	**4,273,949**	**4,255,524**	
Other Operating Expense	**1,481,157**	**1,499,582**	
Augmentation allowed.			
FOR THE HEALTH PROFESSIONS SERVICE BUREAU			
Personal Services	**1,506,614**	**1,506,614**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**857,543**	**857,543**	
FOR THE WORKER'S COMPENSATION BOARD			
Personal Services	**1,639,971**	**1,639,971**	
Other Operating Expense	**176,507**	**176,507**	
FOR THE INSURANCE DEPARTMENT			
From the General Fund			
	3,800,000	**3,800,000**	
From the Department of Insurance Fund (IC 27-1-3-28)			
	1,532,810	**1,532,810**	
Augmentation allowed from Department of Insurance Fund.			
The amounts specified from the General Fund and the Department of Insurance Fund are for the following purposes:			
Personal Services	**4,376,095**	**4,376,095**	
Other Operating Expense	**956,715**	**956,715**	
BAIL BOND DIVISION			
Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)			
Personal Services	**64,417**	**64,417**	
Other Operating Expense	**25,425**	**25,425**	
Augmentation allowed.			
PATIENTS' COMPENSATION AUTHORITY			
Patients' Compensation Fund (IC 34-18-6-1)			
Personal Services	**829,067**	**829,068**	
Other Operating Expense	**74,012**	**74,012**	
Augmentation allowed.			
POLITICAL SUBDIVISION RISK MANAGEMENT			
Political Subdivision Risk Management Fund (IC 27-1-29-10)			
Personal Services	**209,539**	**209,539**	
Other Operating Expense	**10,811,361**	**10,811,361**	
Augmentation allowed.			
MINE SUBSIDENCE INSURANCE			
Mine Subsidence Insurance Fund (IC 27-7-9-7)			
Personal Services	**106,513**	**106,513**	
Other Operating Expense	**241,453**	**241,453**	
Augmentation allowed.			
FOR THE PROFESSIONAL LICENSING AGENCY			
Personal Services	**1,650,743**	**1,650,743**	
Other Operating Expense	**941,492**	**941,492**	
EMBALMERS AND FUNERAL DIRECTORS EDUCATION FUND (IC 25-15-9-13)			
Total Operating Expense	**5,500**	**5,500**	
Augmentation allowed.			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
FOR THE BUREAU OF MOTOR VEHICLES			
Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**16,873,553**	**16,873,553**	
Other Operating Expense	**18,613,850**	**18,571,260**	
LICENSE PLATES			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**9,803,875**	**9,803,875**	
ABANDONED VEHICLES			
Abandoned Vehicle Fund (IC 9-22-1-28)			
Total Operating Expense	**29,300**	**29,300**	
Augmentation allowed.			
FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION FUND			
Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)			
Total Operating Expense	**8,988,468**	**6,163,468**	
Augmentation allowed.			
LICENSE BRANCH OPERATIONS			
Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)			
Total Operating Expense	**5,000,000**	**5,000,000**	
FOR THE UTILITY REGULATORY COMMISSION			
Public Utility Fund (IC 8-1-6-1)			
Personal Services	**3,963,791**	**3,963,791**	
Other Operating Expense	**1,865,996**	**1,865,996**	
Augmentation allowed.			
FOR THE UTILITY CONSUMER COUNSELOR			
Public Utility Fund (IC 8-1-6-1)			
Personal Services	**3,195,299**	**3,195,299**	
Other Operating Expense	**552,144**	**552,144**	
Augmentation allowed.			
EXPERT WITNESS FEES AND AUDIT			
Public Utility Fund (IC 8-1-6-1)			
Total Operating Expense			**1,472,500**
Augmentation allowed.			
FOR THE DEPARTMENT OF LABOR			
Personal Services	**940,988**	**940,988**	
Other Operating Expense	**158,276**	**158,276**	
BUREAU OF MINES AND MINING			
Personal Services	**103,204**	**103,204**	
Other Operating Expense	**82,750**	**82,750**	
BUREAU OF SAFETY EDUCATION AND TRAINING			
Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)			
Personal Services	**707,335**	**707,335**	
Other Operating Expense	**255,400**	**255,400**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

Augmentation allowed.

Federal cost reimbursements for expenses attributable to the Bureau of Safety Education and Training appropriations shall be deposited into the special fund for safety and health consultation services.

OCCUPATIONAL SAFETY AND HEALTH		
Personal Services	**1,993,895**	**1,993,895**
Other Operating Expense	**435,750**	**435,750**
INDUSTRIAL HYGIENE		
Personal Services	**1,213,315**	**1,213,315**
Other Operating Expense	**207,800**	**207,800**
M.I.S. RESEARCH AND STATISTICS		
Personal Services	**191,401**	**191,401**
Other Operating Expense	**33,100**	**33,100**

The above funds are appropriated to occupational safety and health, industrial hygiene, and to management information services research and statistics to provide the total program cost of the Indiana occupational safety and health plan as approved by the United States Department of Labor. Inasmuch as the state is eligible to receive from the federal government fifty percent (50%) of the state's total Indiana occupational safety and health plan program cost, it is the intention of the general assembly that the department of labor make application to the federal government for the federal share of the total program cost. Federal funds received shall be considered a reimbursement of state expenditures and as such shall be deposited into the state general fund.

EMPLOYMENT OF YOUTH		
Special Fund for Employment of Youth (IC 20-8.1-4-31)		
Total Operating Expense	**80,000**	**80,000**

Augmentation allowed.

SECTION 5. [EFFECTIVE JULY 1, 1999]

CONSERVATION AND ENVIRONMENT

A. FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION		
Personal Services	**3,714,809**	**3,714,809**
Other Operating Expense	**1,489,921**	**1,489,921**
DEPARTMENT OF NATURAL RESOURCES FINANCIAL MANAGEMENT		
Personal Services	**128,558**	**128,558**
Other Operating Expense	**102,279**	**102,279**
ENTOMOLOGY AND PLANT PATHOLOGY DIVISION		
Personal Services	**568,373**	**568,373**
Other Operating Expense	**90,408**	**90,408**

ENTOMOLOGY AND PLANT PATHOLOGY FUND (IC 14-24-10-3)		
Total Operating Expense		**5,760**

Augmentation allowed.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
ENGINEERING DIVISION			
Personal Services	**1,268,244**	**1,268,244**	
Other Operating Expense	**107,404**	**107,404**	
STATE MUSEUM			
Personal Services	**1,781,930**	**2,119,472**	
Other Operating Expense	**600,500**	**887,500**	
STATE HISTORIC SITES			
Personal Services	**2,006,541**	**2,006,541**	
Other Operating Expense	**428,499**	**428,499**	

From the above appropriation, $75,000 in each state fiscal year shall be used for the Grissom Museum.

HISTORIC PRESERVATION DIVISION			
Personal Services	**603,145**	**603,145**	
Other Operating Expense	**60,820**	**60,820**	
OUTDOOR RECREATION DIVISION			
Personal Services	**785,655**	**785,655**	
Other Operating Expense	**153,313**	**153,313**	
SNOWMOBILE/OFFROAD VEHICLE LICENSING FUND			
Snowmobile/Offroad Licensing Fund (IC 14-16-2-8)			
Total Operating Expense	**62,443**	**78,707**	
Augmentation allowed.			
NATURE PRESERVES DIVISION			
Personal Services	**668,942**	**668,942**	
Other Operating Expense	**55,299**	**55,299**	
WATER DIVISION			
Personal Services	**4,274,677**	**4,276,099**	
Other Operating Expense	**1,567,414**	**1,616,664**	

All revenues accruing from state and local units of government and from private utilities and industrial concerns as the result of water resources study projects, and as a result of topographic and other mapping projects, shall be deposited into the state general fund, and such receipts are hereby appropriated, in addition to the foregoing amounts, for water resources studies.

GREAT LAKES COMMISSION			
Other Operating Expense	**46,000**	**46,000**	
SOIL CONSERVATION DIVISION - T by 2000			
Department of Natural Resources Cigarette Tax Fund (IC 6-7-1-28.1)			
Personal Services	**3,056,575**	**3,056,575**	
Other Operating Expense	**2,237,921**	**2,262,676**	
Augmentation allowed.			
LAKE AND RIVER ENHANCEMENT			
Lake and River Enhancement Fund (IC 6-6-11-12.5)			
Total Operating Expense			**1,236,484**

Augmentation allowed.

OIL AND GAS DIVISION

From the General Fund

	489,000	**489,000**

From the Oil and Gas Environmental Fund (IC 14-37-10-2)

	200,000	**200,000**

From the Oil and Gas Fund (IC 6-8-1-27)

	639,248	**639,248**

Augmentation allowed from Oil and Gas Environmental Fund and Oil and Gas Fund.

The amounts specified from the General Fund, the Oil and Gas Environmental Fund, and the Oil and Gas Fund are for the following purposes:

Personal Services	**1,068,912**	**1,069,270**
Other Operating Expense	**259,336**	**258,978**

STATE PARKS DIVISION

From the General Fund

	8,001,506	**8,015,856**

From the State Parks Special Revenue Fund (IC 14-19-4-2)

	9,732,471	**9,779,748**

Augmentation allowed from State Parks Special Revenue Fund.

The amounts specified from the General Fund and the State Parks Special Revenue Fund are for the following purposes:

Personal Services	**13,808,701**	**13,864,828**
Other Operating Expense	**3,925,276**	**3,930,776**

LAW ENFORCEMENT DIVISION

From the General Fund

	9,480,000	**9,480,000**

From the Fish and Wildlife Fund (IC 14-22-3-2)

	9,146,777	**9,077,877**

Augmentation allowed from the Fish and Wildlife Fund.

The amounts specified from the General Fund and the Fish and Wildlife Fund are for the following purposes:

Personal Services	**14,275,712**	**14,275,712**
Other Operating Expense	**4,351,065**	**4,282,165**

DEER RESEARCH AND MANAGEMENT

Deer Research and Management Fund (IC 14-22-5-2)

Personal Services	**1,070**	**1,070**
Other Operating Expense	**57,105**	**57,105**

Augmentation allowed.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

FISH AND WILDLIFE DIVISION

Fish and Wildlife Fund (IC 14-22-3-2)

Personal Services	**10,659,441**	**10,659,441**
Other Operating Expense	**3,910,146**	**3,910,146**

Augmentation allowed.

FORESTRY DIVISION

From the General Fund

1,954,000 1,954,000

From the Division of Forestry (IC 14-23-1)

6,871,498 6,871,498

Augmentation allowed from Division of Forestry.

The amounts specified from the General Fund and the Division of Forestry Fund are for the following purposes:

Personal Services	**7,173,718**	**7,173,718**
Other Operating Expense	**1,651,780**	**1,651,780**

All money expended by the division of forestry of the department of natural resources for the detention and suppression of forest, grassland, and wasteland fires shall be through the enforcement division of the department, and the employment with such money of all personnel, with the exception of emergency labor, shall be in accordance with IC 14-9-8.

RESERVOIR MANAGEMENT DIVISION

From the General Fund

2,932,000 2,932,000

From the Reservoir Management Division (IC 14-19-5-2)

5,233,187 5,233,187

Augmentation allowed from Reservoir Management Division.

The amounts specified from the General Fund and the Reservoir Management Division are for the following purposes:

Personal Services	**6,299,889**	**6,299,889**
Other Operating Expense	**1,865,298**	**1,865,298**

RECLAMATION DIVISION

From the General Fund

350,000 350,000

From the Natural Resources Reclamation Fund (IC 14-34-14-2)

4,504,040 4,504,040

Augmentation allowed from the Natural Resources Reclamation Fund.

The amounts specified from the General Fund and the Natural Resources Reclamation Fund are for the following purposes:

Personal Services	**4,118,060**	**4,108,384**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**735,980**	**745,656**	

In addition to any of the foregoing appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

LEGISLATORS' TREES			
Total Operating Expense			**33,692**
FOR THE WHITE RIVER PARK COMMISSION			
Total Operating Expense	**1,403,043**	**1,403,043**	
FOR THE WORLD WAR MEMORIAL COMMISSION			
Personal Services	**742,319**	**742,319**	
Other Operating Expense	**246,009**	**246,009**	

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be paid into the general fund. The American Legion shall provide for the complete maintenance of the interior of these buildings.

FOR THE ST. JOSEPH RIVER BASIN COMMISSION		
Total Operating Expense	**70,300**	**70,300**

B. DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

ADMINISTRATION

From the General Fund		
	4,138,208	**4,138,208**
From the State Solid Waste Management Fund (IC 13-20-22-2)		
	229,086	**229,086**
From the Waste Tire Management Fund (IC 13-20-13-8)		
	126,004	**126,004**
From the Title V Operating Permit Trust Fund (IC 13-17-8-1)		
	994,372	**994,372**
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
	951,636	**951,636**
From the Environmental Management Special Fund (IC 13-14-12-1)		
	274,204	**274,204**
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
	619,935	**619,935**
From the Asbestos Trust Fund (IC 13-17-6-3)		
	69,565	**69,565**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

	63,668	63,668

From the Underground Petroleum Storage Tank Excess Liability Fund IC 13-23-7-1)

	2,899,622	2,899,622

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund.

The amounts specified from the General Fund, the State Solid Waste Management Fund, the Waste Tire Management Fund, the Title V Operating Permit Trust Fund, the Environmental Management Permit Operation Fund, Environmental Special Fund, the Hazardous Substances Response Trust Fund, the Asbestos Trust Fund, the Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

Personal Services	**5,220,834**	**5,220,834**
Other Operating Expense	**5,145,466**	**5,145,466**

OFFICE OF PUBLIC POLICY AND PLANNING

From the General Fund

	578,893	578,893

From the State Solid Waste Management Fund (IC 13-20-22-2)

	31,503	31,503

From the Waste Tire Management Fund (IC 13-20-13-8)

	12,598	12,598

From the Title V Operating Permit Trust Fund (IC 13-17-8-1)

	176,664	176,664

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

	133,812	133,812

From the Environmental Management Special Fund (IC 13-14-12-1)

	85,109	85,109

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

	74,193	74,193

From the Asbestos Trust Fund (IC 13-17-6-3)

	12,093	12,093

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

	18,579	18,579

From the Underground Petroleum Storage Tank Excess Liability Fund IC 13-23-7-1)

	302,103	302,103

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

The amounts specified from the General Fund, the State Solid Waste Management Fund, the Waste Tire Management Fund, the Title V Operating Permit Trust Fund, the Environmental Management Permit Operation Fund, Environmental Special Fund, the Hazardous Substances Response Trust Fund, the Asbestos Trust Fund, the Underground Petroleum Storage Tank Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

Personal Services	**1,205,165**	**1,205,165**
Other Operating Expense	**220,382**	**220,382**
OHIO RIVER VALLEY WATER SANITATION COMMISSION		
General Fund		
Total Operating Expense	**152,444**	**152,444**
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	**71,656**	**71,656**
Augmentation allowed from the Environmental Management Special Fund.		
OFFICE OF ENVIRONMENTAL RESPONSE		
Personal Services	**2,411,408**	**2,411,408**
Other Operating Expense	**644,560**	**644,560**
POLLUTION PREVENTION AND TECHNICAL ASSISTANCE		
Personal Services	**800,886**	**800,886**
Other Operating Expense	**519,887**	**519,887**
U.S. GEOLOGICAL SURVEY CONTRACTS		
Total Operating Expense	**62,890**	**62,890**
STATE SOLID WASTE GRANTS MANAGEMENT		
State Solid Waste Management Fund (IC 13-20-22-2)		
Personal Services	**327,788**	**327,788**
Other Operating Expense	**1,439,257**	**1,439,257**
Augmentation allowed.		
WASTE TIRE MANAGEMENT		
Waste Tire Management Fund (IC 13-20-13-8)		
Total Operating Expense	**2,644,338**	**2,644,338**
Augmentation allowed.		
VOLUNTARY CLEAN-UP PROGRAM		
Voluntary Remediation Fund (IC 13-25-5-21)		
Personal Services	**504,138**	**504,138**
Other Operating Expense	**395,862**	**395,862**
Augmentation allowed.		
TITLE V AIR PERMIT PROGRAM		
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
Personal Services	**5,704,613**	**5,704,613**
Other Operating Expense	**2,955,747**	**2,955,747**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

Augmentation allowed.

WATER MANAGEMENT PERMITTING

From the General Fund

	2,272,976	2,272,976

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

	4,031,432	4,031,432

Augmentation allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:

Personal Services	4,802,164	4,802,164
Other Operating Expense	1,502,244	1,502,244

SOLID WASTE MANAGEMENT PERMITTING

From the General Fund

	2,310,320	2,310,320

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

	2,740,907	2,740,907

Augmentation Allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:

Personal Services	4,441,601	4,441,601
Other Operating Expense	609,626	609,626

HAZARDOUS WASTE MANAGEMENT PERMITTING

From the General Fund

	2,311,361	2,311,361

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

	1,642,845	1,642,845

Augmentation allowed from the Environmental Management Permit Operation Fund.

The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:

Personal Services	3,364,449	3,364,449
Other Operating Expense	589,757	589,757

VOLUNTARY COMPLIANCE

Voluntary Compliance Fund (IC 13-28-2-1)

Personal Services	139,413	139,413
Other Operating Expense	224,621	224,621

Augmentation allowed.

ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING

Environmental Management Special Fund (IC 13-14-12-1)

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Total Operating Expense	**1,000,000**	**1,000,000**	
Augmentation allowed.			
WETLANDS PROTECTION			
Personal Services	**24,494**	**24,494**	
Other Operating Expense	**26,215**	**26,215**	
WATERSHED MANAGEMENT			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**35,400**	**35,400**	
Augmentation allowed.			
CLEAN VESSEL PUMPOUT			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**66,667**	**66,667**	
Augmentation allowed.			
GROUNDWATER PROGRAM			
Total Operating Expense	**241,600**	**241,600**	
UNDERGROUND STORAGE TANK PROGRAM			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Total Operating Expense	**62,166**	**62,166**	
Augmentation allowed.			
AIR MANAGEMENT OPERATING			
From the General Fund			
	1,812,105	**1,812,105**	
From the Environmental Management Special Fund (IC 13-14-12-1)			
	800,000	**800,000**	
Augmentation allowed from the Environmental Management Special Fund.			
The amounts specified from the General Fund and the Environmental Management Special Fund are for the following purposes:			
Personal Services	**1,792,213**	**1,792,213**	
Other Operating Expense	**819,892**	**819,892**	
LEAD-BASED PAINT ACTIVITIES PROGRAM			
Lead Trust Fund (IC 13-17-14-6)			
Personal Services	**15,356**	**15,356**	
Other Operating Expense	**342,100**	**342,100**	
Augmentation allowed.			
WATER MANAGEMENT NON-PERMITTING			
Personal Services	**3,048,444**	**3,048,444**	
Other Operating Expense	**544,597**	**544,597**	
GREAT LAKES INITIATIVE			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**95,000**	**95,000**	
Augmentation allowed.			
COASTAL MANAGEMENT (POLLUTION PREVENTION INCENTIVES)			
Total Operating Expense	**22,636**	**22,636**	
OPERATOR TRAINING			
Total Operating Expense	**42,301**	**42,301**	
SAFE DRINKING WATER			
From the General Fund			
	572,489	**572,489**	
From the Environmental Management Special Fund (IC 13-14-12-1)			
	47,515	**47,515**	
Augmentation allowed from the Environmental Management Special Fund.			

The amounts specified from the General Fund and the Environmental Management Special Fund are for the following purposes:

Personal Services	**446,206**	**446,206**	
Other Operating Expense	**173,798**	**173,798**	
LEAKING UNDERGROUND STORAGE TANKS			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Personal Services	**79,404**	**79,404**	
Other Operating Expense	**28,692**	**28,692**	
Augmentation allowed.			
CORE SUPERFUND			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**186,472**	**186,472**	
Augmentation allowed.			
OFFICE OF LEGAL AFFAIRS AND ENFORCEMENT			
From the General Fund			
	3,164,840	**3,164,840**	
From the State Solid Waste Management Fund (IC 13-20-22-2)			
	86,021	**86,021**	
From the Title V Operating Permit Trust Fund (IC 13-17-8-1)			
	386,561	**386,561**	
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
	171,401	**171,401**	
From the Environmental Management Special Fund (IC 13-14-12-1)			
	56,739	**56,739**	
From the Asbestos Trust Fund (IC 13-17-6-3)			
	26,955	**26,955**	
Augmentation allowed from the State Solid Waste Management Fund, Title V Operating Permit Trust Fund, Environmental Management Permit Operation			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Fund, Environmental Management Special Fund, and Asbestos Trust Fund.			
The amounts specified from the General Fund, the State Solid Waste Management Fund, the Title V Operating Permit Trust Fund, the Environmental Management Permit Operation Fund, Environmental Management Special Fund, and the Asbestos Trust Fund for the following purposes:			
Personal Services	**3,281,545**	**3,281,545**	
Other Operating Expense	**610,972**	**610,972**	
AUTO EMISSIONS TESTING PROGRAM			
Personal Services			**387,148**
Other Operating Expense			**10,063,478**
HAZARDOUS WASTE SITE - STATE CLEAN-UP			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	**750,029**	**750,029**	
Other Operating Expense	**1,344,261**	**1,344,261**	
Augmentation allowed.			
HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	**99,009**	**99,009**	
Other Operating Expense	**700,991**	**700,991**	
Augmentation allowed.			
SUPERFUND MATCH			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**354,985**	**354,985**	
Augmentation allowed.			
HOUSEHOLD HAZARDOUS WASTE			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	**45,492**	**45,492**	
Other Operating Expense	**246,508**	**246,508**	
Augmentation allowed.			
LABORATORY CONTRACTS			
General Fund			
Total Operating Expense	**1,454,796**	**1,454,796**	
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**445,204**	**445,204**	
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**1,318,000**	**1,318,000**	
Augmentation allowed from the Environmental Management Special Fund and the Hazardous Substances Response Trust Fund.			
ASBESTOS TRUST - OPERATING			
Asbestos Trust Fund (IC 13-17-6-3)			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Personal Services	**431,494**	**431,494**	
Other Operating Expense	**46,119**	**46,119**	
Augmentation allowed.			
PETROLEUM TRUST - OPERATING			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Personal Services	**370,160**	**370,160**	
Other Operating Expense	**300,430**	**300,430**	
Augmentation allowed.			
UNDERGROUND PETROLEUM STORAGE TANK - OPERATING			
Underground Petroleum Storage Tank Excess Liability Fund (IC 13-23-7-1)			
Personal Services	**273,406**	**273,406**	
Other Operating Expense	**18,402,706**	**18,402,706**	
Augmentation allowed.			

Notwithstanding any other law, with the approval of the governor and the budget agency, the above appropriations for water management permitting, hazardous waste management permitting, wetlands protection, watershed management, groundwater program, underground storage tank program, air management operating, lead-based paint activities program, water management non-permitting, coastal management (pollution prevention incentives), and safe drinking water may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the department of environmental management.

FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION			
Personal Services	**167,691**	**167,691**	
Other Operating Expense	**102,939**	**102,939**	
FOR THE CLEAN MANUFACTURING TECHNOLOGY BOARD			
Total Operating Expense	**475,000**	**475,000**	

SECTION 6. [EFFECTIVE JULY 1, 1999]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE LIEUTENANT GOVERNOR			
STANDARDBRED BOARD OF REGULATION			
Total Operating Expense	**127,300**	**127,300**	
Augmentation allowed from the distribution to the Horse Racing Commission (IC 4-33-12-6(b)(6)).			
OFFICE OF THE COMMISSIONER OF AGRICULTURE			
Personal Services	**1,188,863**	**1,188,863**	
Other Operating Expense	**251,202**	**251,202**	
VALUE ADDED RESEARCH FUND			
Total Operating Expense	**400,000**	**400,000**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
FARM COUNSELING PROGRAM			
Total Operating Expense	**300,000**	**300,000**	
B. COMMERCE			
FOR THE DEPARTMENT OF COMMERCE			
ADMINISTRATIVE AND FINANCIAL SERVICES			
Personal Services	**1,843,108**	**1,843,108**	
Other Operating Expense	**1,522,260**	**1,522,260**	
BUSINESS DEVELOPMENT			
Personal Services	**821,765**	**821,765**	
Other Operating Expense	**164,322**	**164,322**	
TOURISM AND FILM DEVELOPMENT			
Personal Services	**517,889**	**517,889**	
Other Operating Expense	**276,256**	**276,256**	
MARKETING AND COMMUNICATIONS			
Personal Services	**591,968**	**591,968**	
Other Operating Expense	**40,000**	**40,000**	
MAIN STREET PROGRAM			
Personal Services	**97,846**	**97,846**	
Other Operating Expense	**71,195**	**71,195**	
INTERNATIONAL TRADE			
Personal Services	**1,688,785**	**1,688,785**	
Other Operating Expense	**357,204**	**357,204**	
COMMUNITY ECONOMIC DEVELOPMENT			
Personal Services	**370,285**	**370,285**	
Other Operating Expense	**83,840**	**83,840**	
OFFICE OF ENERGY POLICY			
Personal Services	**198,553**	**198,553**	
Other Operating Expense	**28,000**	**28,000**	
STATE ENERGY PROGRAM			
Total Operating Expense	**96,794**	**96,794**	
ENTERPRISE ZONE PROGRAM			
Indiana Enterprise Zone Fund (IC 4-4-6.1)			
Total Operating Expense	**177,105**	**177,105**	
Augmentation allowed.			
RECYCLING OPERATING			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Personal Services	**54,407**	**54,407**	
Other Operating Expense	**23,567**	**23,567**	
Augmentation allowed.			
RECYCLING PROMOTION AND ASSISTANCE PROGRAM			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Total Operating Expense	**760,000**	**760,000**	
Augmentation allowed.			
WASTE TIRE MANAGEMENT			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Waste Tire Management Fund (IC 13-20-13-8)			
Total Operating Expense	**268,709**	**268,709**	
Augmentation allowed.			
BUSINESS AND TOURISM PROMOTION FUND			
Total Operating Expense			**10,000,000**
COMMUNITY PROMOTION MATCHING FUND			
Total Operating Expense			**500,000**
ECONOMIC DEVELOPMENT FUND			
Total Operating Expense			**1,500,000**
INDUSTRIAL DEVELOPMENT GRANT FUND			
Total Operating Expense			**8,400,000**
LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/ REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION (LEDO/REDO) MATCHING GRANT PROGRAM			
Total Operating Expense			**2,000,000**
STRATEGIC DEVELOPMENT FUND			
Total Operating Expense			**200,000**
TOURISM INFORMATION AND PROMOTION FUND			
Total Operating Expense	**300,000**	**300,000**	
TRADE PROMOTION FUND			
Total Operating Expense	**200,000**	**200,000**	
TRAINING 2000 FUND			
Total Operating Expense			**26,000,000**
ECONOMIC DEVELOPMENT COUNCIL			
Total Operating Expense	**332,500**	**332,500**	
INDIANA DEVELOPMENT FINANCE AUTHORITY (IDFA) PROJECT GUARANTY FUND			
Total Operating Expense			**4,750,000**

Of the above appropriation for the project guaranty fund, $4,000,000 shall be used to create a debt service reserve fund for the purpose of allowing the authority to issue pooled bonds, either tax-exempt or taxable, for the construction or renovation of licensed child care facilities under the authority's industrial development project section for the federal capital access program.

BUSINESS DEVELOPMENT LOAN FUND			
Total Operating Expense			**2,000,000**
CAPITAL ACCESS PROGRAM			
Total Operating Expense			**7,800,000**

Of the above appropriations for the capital access program, $5,800,000 shall be used for licensed child care facilities, no more than $500,000 may be used for multi-bank community development corporation start-up grants, and the balance may be used as the state match requirement for the federal capital access program.

ENVIRONMENTAL REMEDIATION REVOLVING LOAN FUND SUBACCOUNT			
Total Operating Expense			**5,000,000**
LABOR/MANAGEMENT COUNCIL			
Total Operating Expense	**380,000**	**380,000**	
SMALL BUSINESS DEVELOPMENT CORPORATION (ISBD)			
Total Operating Expense	**1,540,000**	**1,540,000**	

Of the foregoing appropriation for the small business development corporation (SBDC), $500,000 shall be allocated to the minority business financial assistance program to capitalize the SBDC microloan program.

The budget agency may not make an allotment of funds appropriated to the business and tourism promotion fund, the industrial development grant fund, the LEDO/REDO matching grant program, the strategic development fund, the training 2000 fund, the IDFA project guaranty fund, or the SBDC small business incubator fund until the budget committee has reviewed the sums requested for allotment.

INDIANA TRANSPORTATION FINANCE AUTHORITY - AIRPORT FACILITIES		
Total Operating Expense	**18,089,131**	**18,442,553**
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS		
Total Operating Expense	**2,160,000**	**2,160,000**

The foregoing appropriations to the department of commerce are made instead of the appropriations made in HEA 1425-1997.

C. EMPLOYMENT SERVICES

FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT

DIVISION OF EMPLOYMENT AND TRAINING SERVICES		
OFFICE OF OCCUPATIONAL DEVELOPMENT - O.I.C.		
Total Operating Expense	**200,000**	**200,000**

The above appropriations for the department of workforce development, division of employment and training services, shall be used to carry out the purposes of IC 22-4-40.

TRAINING PROGRAMS		
Total Operating Expense	**3,280,000**	**3,280,000**
ADMINISTRATION		
Total Operating Expense	**1,301,022**	**1,301,022**
OFFICE OF WORKFORCE LITERACY		
Total Operating Expense	**650,000**	**650,000**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
VOCATIONAL EDUCATION EQUIPMENT REPLACEMENT ALLOCATION			
Total Operating Expense	**1,178,195**	**1,178,195**	

Transfer appropriations shall be made to the respective institution's operating account by the auditor of state based on the allocations specified below.

INDIANA UNIVERSITY- REGIONAL CAMPUSES		
EAST	**10,755**	**10,755**
NORTHWEST	**22,627**	**22,627**
SOUTH BEND	**12,006**	**12,006**
INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)	**44,067**	**44,067**
INDIANA UNIVERSITY - PURDUE UNIVERSITY AT FORT WAYNE	**25,926**	**25,926**
PURDUE UNIVERSITY - REGIONAL CAMPUSES		
LAFAYETTE	**36,019**	**36,019**
CALUMET	**18,009**	**18,009**
NORTH CENTRAL	**13,853**	**13,853**
VINCENNES UNIVERSITY	**93,081**	**93,081**
IVY TECH STATE COLLEGE	**901,852**	**901,852**

SECTION 7. [EFFECTIVE JULY 1, 1999]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

For the conduct and operation of the department of transportation, the following sums are appropriated for the periods designated, from the state general fund, the public mass transportation fund, the industrial rail service fund, the state highway fund, the motor vehicle highway account, the distressed road fund, the state highway road construction and improvement fund, the motor carrier regulation fund, and the crossroads 2000 fund.

A. ADMINISTRATION

From the General Fund	**79,825**	**82,985**
From the Public Mass Transportation Fund (IC 8-23-3-8)	**192,436**	**200,052**
From the Industrial Rail Service Fund (IC 8-3-1.7-2)		

28,509 29,637
From the State Highway Fund (IC 8-23-9-54)
411,956 428,260
Augmentation allowed from the Public Mass Transportation Fund.

The amounts specified from the General Fund and the Public Mass Transportation Fund are for the following purposes:

Personal Services	**532,037**	**551,767**
Other Operating Expense	**180,689**	**189,167**

The above appropriations may be used to match federal funds available for planning and administration of transportation in Indiana.

RAILROAD GRADE CROSSING IMPROVEMENT

Total Operating Expense	**250,000**	**250,000**

B. INTERMODAL OPERATING

From the General Fund
535,123 549,695
From the State Highway Fund (IC 8-23-9-54)
239,340 245,858
From the Public Mass Transportation Fund (IC 8-23-3-8)
551,911 566,942
From the Industrial Rail Service Fund (IC 8-3-1.7-2)
314,715 323,285
Augmentation allowed from the State Highway Fund, Public Mass Transportation Fund and Industrial Rail Service Fund.

The amounts specified from the General Fund, the State Highway Fund, the Public Mass Transportation Fund, and the Industrial Rail Service Fund are for the following purposes:

Personal Services	**1,398,213**	**1,448,436**
Other Operating Expense	**242,876**	**237,344**

INTERMODAL GRANT PROGRAM

General Fund

Total Operating Expense	**30,000**	**30,000**

Public Mass Transportation Fund (IC 8-23-3-8)

Total Operating Expense	**10,000**	**10,000**

Industrial Rail Service Fund (IC 8-3-1.7-2)

Total Operating Expense	**7,000**	**7,000**

Augmentation allowed from Public Mass Transportation Fund and the Industrial Rail Service Fund.

HIGH SPEED RAIL
High Speed Rail Development Fund (IC 8-23-25-1)
Total Operating Expense **21,000**
Augmentation allowed.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
PUBLIC MASS TRANSPORTATION			
Public Mass Transportation Fund (IC 8-23-3-8)			
Matching Funds	**27,026,132**	**28,107,175**	
Augmentation allowed.			

The appropriations are to be used solely for the promotion and development of public transportation. The department of transportation shall allocate funds based on a formula approved by the commissioner of the department of transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 1601, et seq.), or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency after review by the budget committee and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

C. HIGHWAY OPERATING			
Personal Services	**159,851,839**	**165,398,156**	
Other Operating Expense	**39,866,709**	**40,180,240**	
HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT			
Other Operating Expense	**14,376,346**	**14,879,518**	

The above appropriations for highway operating and highway vehicle and road maintenance equipment may be used for personal services, equipment, and other operating expense, including the cost of transportation for the governor.

HIGHWAY BUILDINGS AND GROUNDS			
Total Operating Expense			**22,202,569**

The above appropriations for highway buildings and grounds may be used for land acquisition, site development, construction and equipping of new highway facilities and for maintenance, repair, and rehabilitation of existing state highway facilities.

HIGHWAY PLANNING AND RESEARCH PROGRAM			
Total Operating Expense	**1,680,232**	**1,611,040**	
D. HIGHWAY CAPITAL IMPROVEMENTS PROGRAM			
HIGHWAY MAINTENANCE WORK PROGRAM			
Other Operating Expense	**63,883,012**	**65,880,055**	

The above appropriations for the highway maintenance work program may be used for:
(1) materials for patching roadways and shoulders;
(2) repairing and painting bridges;
(3) installing signs and signals and painting roadways for traffic control;
(4) mowing, herbicide application, and brush control;
(5) drainage control;
(6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
(7) materials for snow and ice removal;
(8) utility costs for roadway lighting; and
(9) other special maintenance and support activities consistent with the highway maintenance work program.

HIGHWAY CAPITAL IMPROVEMENTS		
Right of Way Expense	**9,000,000**	**9,000,000**
Formal Contracts Expense	**160,011,878**	**158,946,890**
Consulting Service Expense	**28,375,000**	**28,351,000**
Institutional Road Construction	**4,000,000**	**4,000,000**

The above appropriations for the capital improvements program may be used for:
(1) bridge rehabilitation and replacement;
(2) road construction, reconstruction, or replacement;
(3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
(4) relocation and modernization of existing roads;
(5) resurfacing;
(6) erosion and slide control;
(7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
(8) small structure replacements;
(9) safety and spot improvements; and
(10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

The foregoing appropriations for highway operating, highway vehicles and road maintenance equipment, highway buildings and grounds, the highway planning and research program, the highway maintenance work program, and highway capital improvements are appropriated from estimated revenues which include the following:
(1) Funds distributed to the state highway fund from the motor vehicle highway account under IC 8-14-1-3(4).
(2) Funds distributed to the state highway fund from the highway, road, and street fund under IC 8-14-2-3.
(3) All fees and miscellaneous revenues deposited in or accruing to the state highway fund under IC 8-23-9-54.
(4) Any unencumbered funds carried forward in the state highway fund from any previous fiscal year.
(5) All other funds appropriated or made available to the department by the general assembly.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

If funds from sources set out above for the department exceed appropriations from those sources to the department, the excess amount is hereby appropriated to be used at the discretion of the department with approval of the governor and the budget agency for the conduct and operation of the department.

If there is a change in a statute reducing or increasing revenue for department use, the budget agency shall notify the auditor of state to adjust the above appropriations to reflect the estimated increase or decrease. Upon the request of the department, the budget agency, with the approval of the governor, may allot any increase in appropriations to the department.

If the department of transportation finds that an emergency exists or that an appropriation will be insufficient to cover expenses incurred in the normal operation of the department, the budget agency may, upon request of the department, and with the approval of the governor, transfer funds from revenue sources set out above from one (1) appropriation to the deficient appropriation. No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM		
Formal Contracts Expense	**4,049,000**	**4,680,000**
Lease Rental Payments Expense	**27,500,000**	**27,500,000**
Augmentation allowed.		

The above appropriations for the state highway road construction and improvement program are appropriated from the state highway road construction and improvement fund provided in IC 8-14-10-5 and may include any unencumbered funds carried forward from any previous fiscal year. The funds may be used for:
(1) road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, grade separations;
(3) relocation and modernization of existing roads;
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects; and
(5) payment of rentals and leases relating to projects under IC 8-14.5.

CROSSROADS 2000 PROGRAM		
Crossroads 2000 Fund (IC 8-14-10-9)		
Formal Contracts Expense	**25,180,000**	**17,373,000**
Lease Rental Payments Expense	**9,500,000**	**18,000,000**
Augmentation allowed.		

FEDERAL APPORTIONMENT		
Right-of-Way Expense	**21,000,000**	**21,000,000**
Formal Contracts Expense	**367,600,000**	**376,200,000**
Consulting Engineers Expense	**36,272,000**	**36,176,000**
Highway Planning and Research	**6,720,927**	**6,346,347**
Local Government Revolving Acct.	**146,500,000**	**159,000,000**

The department may establish an account to be known as the "local government revolving account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 1999-2001 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from the motor vehicle highway account before distribution to local units of government.

E. LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:
(1) the program of technical assistance under IC 8-23-2-5(6); and
(2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7) there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

(1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
(2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

SECTION 8. [EFFECTIVE JULY 1, 1999]
FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

FAMILY AND SOCIAL SERVICES ADMINISTRATION		
Total Operating Expense	**12,927,662**	**12,927,662**
COMMISSION FOR THE STATUS OF BLACK MALES		
Total Operating Expense	**111,533**	**111,533**

FOR THE BUDGET AGENCY

FSSA/DEPARTMENT INSTITUTIONAL CONTINGENCY FUND		
Total Operating Expense		**2,000,000**

The above institutional contingency fund shall be allotted upon the recommendation of the budget agency with approval of the governor. This appropriation may be used to supplement individual hospital, state developmental center, and special institutions budgets.

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION		
Total Operating Expense	**3,731,106**	**3,731,106**
MEDICAID DISABILITY ELIGIBILITY EXAMS		
Total Operating Expense	**3,195,000**	**3,195,000**
MEDICAID - CURRENT OBLIGATIONS		
General Fund		
Total Operating Expense	**970,400,000**	**1,018,900,000**
Hospital Care for the Indigent Fund (IC 12-16-14-6)		
Total Operating Expense	**45,000,000**	**47,000,000**
Augmentation allowed.		

Subject to the approval of the governor and the budget agency, the foregoing appropriations for Medicaid - Current Obligations may be augmented or reduced based on revenues accruing to the hospital care for the indigent fund.

MEDICAID - ADMINISTRATION		
Total Operating Expense	**29,698,935**	**31,209,943**

The foregoing appropriations for Medicaid current obligations and for Medicaid administration are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of

Medicaid policy and planning for the respective purposes for which the money was allocated and paid to this state. Subject to the provisions of P.L.46-1995, if the sums herein appropriated for Medicaid current obligations and for Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the state general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

CHILDRENS HEALTH INSURANCE PROGRAM (CHIP) ASSISTANCE		
Total Operating Expense	**17,000,000**	**25,290,000**
CHILDRENS HEALTH INSURANCE PROGRAM (CHIP) ADMINISTRATION		
Total Operating Expense	**1,800,000**	**2,810,000**

The foregoing appropriations for CHIP Assistance and CHIP Administration are made from funds accruing to the state from the tobacco settlement.

DIVISION OF MENTAL HEALTH ADMINISTRATION		
Personal Services	**2,015,662**	**2,015,662**
Other Operating Expense	**229,892**	**229,892**
QUALITY ASSURANCE/ RESEARCH		
From the General Fund		
	1,296,976	**1,296,976**
From the Addiction Services Fund (IC 12-23-2)		
	98,000	**98,000**

The amounts specified from the General Fund and the Addiction Services Fund are for the following purposes:

Personal Services	**18,550**	**18,550**
Other Operating Expense	**1,376,426**	**1,376,426**

SERIOUSLY EMOTIONALLY DISTURBED		
Total Operating Expense	**12,485,578**	**12,485,578**
SERIOUSLY MENTALLY ILL		
General Fund		
Total Operating Expense	**84,693,491**	**87,693,491**
Mental Health Centers Fund (IC 6-7-1)		
Total Operating Expense	**5,500,000**	**5,500,000**
Augmentation allowed.		

The comprehensive community mental health centers shall submit their proposed annual budgets (including income and operating statements) to the budget agency on or before August 1 of each year. All federal funds shall be applied in augmentation of the foregoing funds rather than in place of any part of the funds.

The above appropriations for comprehensive community mental health services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

PREVENTION SERVICES

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Gamblers' Assistance Fund (IC 4-33-12-6)			
Total Operating Expense	**549,925**	**549,925**	
SUBSTANCE ABUSE TREATMENT			
General Fund			
Total Operating Expense	**5,500,000**	**5,500,000**	
Gamblers' Assistance Fund (IC 4-33-12-6)			
Total Operating Expense	**1,150,000**	**1,150,000**	
Addiction Services Fund (IC 12-23-2)			
Total Operating Expense	**2,946,936**	**2,946,936**	
Augmentation allowed.			
GAMBLERS' ASSISTANCE FUND (IC 4-33-12-6(f))			
Total Operating Expense	**1,452,075**	**1,702,075**	
MENTAL HEALTH INSTITUTIONS			
From the General Fund			
	103,160,146	**102,498,487**	
From the Mental Health Fund (IC 12-24-14-4)			
	23,033,086	**23,458,508**	
Augmentation allowed.			

The amounts specified from the General Fund and the Mental Health Fund are for the following purposes:

Personal Services	**105,124,700**	**105,124,700**
Other Operating Expense	**21,068,532**	**20,832,295**

The foregoing appropriations for the mental health institutions are for the operations of Evansville Psychiatric Treatment Center for Children, Evansville State Hospital, Larue D. Carter Memorial Hospital, Logansport State Hospital, Madison State Hospital, and Richmond State Hospital.

Sixty-six percent (66%) of the revenue accruing to the state mental health institutions under IC 12-15 shall be deposited in the mental health fund established by IC 12-24-14, and thirty-four percent (34%) of the revenue accruing to the institutions, under IC 12-15, shall be deposited in the state general fund.

In addition to the above appropriations each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%), but not to exceed $50,000 in each fiscal year, of the amount by which actual net collections exceed an amount specified in writing by the division of mental health before July 1 of each year beginning July 1, 1999.

DIVISION OF FAMILY AND CHILDREN SERVICES ADMINISTRATION		
Personal Services	**4,808,856**	**4,808,856**
Other Operating Expense	**1,601,453**	**1,601,453**

TITLE IV-D OF THE FEDERAL SOCIAL SECURITY ACT (STATE MATCH)

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Total Operating Expense	**4,044,490**	**4,044,490**	

The foregoing appropriations for the division of family and children Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 12-17-2-31.

STATE WELFARE FUND - COUNTY ADMINISTRATION			
General Fund			
Total Operating Expense	**43,255,114**	**41,273,243**	
State Welfare Fund (IC 12-19-4)			
Total Operating Expense	**36,072,229**	**36,793,674**	
Augmentation allowed.			
ADOPTION ASSISTANCE			
Total Operating Expense	**7,091,359**	**8,053,804**	
TITLE IV-B CHILD WELFARE ADMINISTRATION			
Total Operating Expense	**541,485**	**541,485**	

The foregoing appropriations for Title IV-B child welfare and adoption assistance represent the maximum state match for Title IV-B, and Title IV-E.

INFORMATION SYSTEMS/TECHNOLOGY			
Total Operating Expense	**16,854,438**	**16,854,438**	
EDUCATION AND TRAINING			
Total Operating Expense	**11,549,784**	**11,549,784**	
BURIAL REIMBURSEMENT			
Total Operating Expense	**25,000**	**25,000**	
TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)			
Total Operating Expense	**63,057,943**	**63,057,943**	
CHILD CARE SERVICES			
Total Operating Expense	**31,020,756**	**33,670,756**	

The above appropriations for child care services include the appropriation for the school age child care project made in IC 6-7-1-30.2.

The foregoing appropriations for information systems/technology, education and training, burial reimbursement, temporary assistance to needy families (TANF), and child care services are for the purpose of enabling the division of family and children to carry out all services as provided in IC 12-14. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the division of family and children for the respective purposes for which such money was allocated and paid to this state.

COMMUNITY MOBILIZATION GRANTS			
Total Operating Expense	**2,500,000**	**2,500,000**	
EARLY CHILDHOOD DEVELOPMENT INSTITUTE			
Total Operating Expense	**500,000**	**500,000**	

CHILD DEVELOPMENT ASSOCIATE CREDENTIAL AND PROFESSIONAL

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
SCHOLARSHIP FUND			
Total Operating Expense	**500,000**	**500,000**	
DOMESTIC VIOLENCE PREVENTION AND TREATMENT PROGRAM			
Domestic Violence Prevention and Treatment Fund (IC 12-18-4)			
Total Operating Expense	**1,121,098**	**1,121,098**	
Augmentation allowed.			
STEP AHEAD			
Total Operating Expense	**3,605,003**	**3,605,003**	
FOOD ASSISTANCE PROGRAM			
Total Operating Expense	**146,000**	**146,000**	
EARLY CHILDHOOD INTERVENTION SERVICES			
Total Operating Expense	**6,583,433**	**6,583,433**	
YOUTH SERVICE BUREAU			
Total Operating Expense	**1,250,000**	**1,250,000**	

The executive director of the division of family and children shall establish standards for youth service bureaus. Any youth service bureau that is not an agency of a unit of local government or is not registered with the Indiana secretary of state as a nonprofit corporation shall not be funded. The division of family and children shall fund all youth service bureaus that meet the standards as established June 30, 1983. However, a grant may not be made without approval by the budget agency after review by the budget committee.

SOCIAL SERVICES BLOCK GRANT (SSBG)			
Total Operating Expense	**17,345,304**	**17,345,304**	

The above appropriated funds are allocated in the following manner during the biennium:

Division of Disability, Aging, and Rehabilitative Services		
	6,162,973	**6,162,973**
Division of Family and Children, Child Welfare Services		
	3,200,209	**3,200,209**
Division of Family and Children, Child Development Services		
	4,131,465	**4,131,465**
Division of Family and Children, Family Protection Services		
	1,314,774	**1,314,774**
Division of Mental Health		
	1,373,748	**1,373,748**
Department of Health		
	166,515	**166,515**
Department of Correction		
	995,620	**995,620**

FOR THE STATE BUDGET AGENCY- MEDICAL SERVICE PAYMENTS		
Total Operating Expense	**15,000,000**	**15,000,000**

These appropriations for medical service payments are made to pay for medical services for committed individuals and patients of institutions under the jurisdiction of the department of correction, the state department of health, or the division of

mental health if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health, or the department of correction, or that are reimbursable from funds for medical assistance under IC 12-15. If these appropriations to the budget agency are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.

Direct disbursements from the above contingency fund are not subject to the provisions of IC 4-13-2.

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION		
DIVISION OF DISABILITY, AGING, AND REHABILITATIVE SERVICES		
AGING AND DISABILITY SERVICES		
Total Operating Expense	**14,973,943**	**14,973,943**
C.H.O.I.C.E. IN-HOME SERVICES		
Total Operating Expense	**37,623,785**	**42,623,785**

The foregoing appropriations for C.H.O.I.C.E./In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver.

If the above appropriations for C.H.O.I.C.E./In-Home Services are insufficient to provide services to all eligible persons, the division of disability, aging, and rehabilitative services may give priority for services to persons who are unable to perform three (3) or more activities of daily living (as defined in IC 12-10-10-1.5). The division of disability, aging, and rehabilitative services may discontinue conducting assessments for individuals applying for services under the C.H.O.I.C.E./In-Home Services program if a waiting list for such services exists.

The division of disability, aging, and rehabilitative services shall conduct an annual evaluation of the cost effectiveness of providing home care. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:
(1) the number and demographic characteristics of the recipients of home care during the preceding fiscal year;
(2) the total cost and per recipient cost of providing home care services during the preceding fiscal year;
(3) the number of recipients of home care services who would have been placed in long term care facilities had they not received home care services; and
(4) the total cost savings during the preceding fiscal year realized by the state due to recipients of home care services (including Medicaid) being diverted from long term care facilities.
The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
OFFICE OF DEAF AND HEARING IMPAIRED			
Personal Services	**252,970**	**252,970**	
Other Operating Expense	**252,904**	**252,904**	
VOCATIONAL REHABILITATION SERVICES			
Personal Services	**2,962,556**	**2,962,556**	
Other Operating Expense	**9,840,674**	**9,840,674**	
AID TO INDEPENDENT LIVING			
Total Operating Expense	**22,222**	**22,222**	
BLIND VENDING OPERATIONS			
Total Operating Expense	**145,308**	**145,308**	
DEVELOPMENTALLY DISABLED CLIENT SERVICES			
Total Operating Expense	**69,659,067**	**74,659,067**	

With the approval of the governor and the budget agency, an amount up to $1,250,000 for each year of the biennium may be transferred from the above appropriation for client services to early childhood intervention services.

All of the above appropriations for developmentally disabled client services, less the detailed transfers described in this paragraph, shall be authorized and made available for agencies for disbursement only on a unit purchase of services basis. Rates for such services shall be determined in accordance with adopted rules based on wage and expense information from agencies providing these services. Agencies shall be paid for actual units provided to eligible recipients up to the limit of the above appropriations and inclusive of social services block grant appropriations. Before any contract is prepared obligating fiscal year 1999-2000 appropriations, the division of disability, aging, and rehabilitative services must submit a listing of services to be purchased and the rates for such services to the budget agency for review and approval. After budget agency review and approval, the division shall notify each local agency of the services that have been authorized for purchase and shall limit all subsequent contracts to the services as authorized.

The above appropriations for client services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid program for day services provided to residents of group homes and nursing facilities.

In the development of new community residential settings for persons with developmental disabilities, the division of disability, aging, and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

ATTAIN PROJECT			
Total Operating Expense	**355,500**	**711,000**	
DIVISION OF DISABILITY, AGING, AND REHABILITATIVE SERVICES ADMINISTRATION			
Personal Services	**329,957**	**329,957**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**407,431**	**407,431**	

The above appropriations for the division of disability, aging, and rehabilitative services administration is for administrative expenses. Any federal fund reimbursements received for such purposes are to be deposited in the state general fund.

STATE DEVELOPMENTAL CENTERS

From the General Fund

26,848,532 26,848,532

From the Mental Health Fund (IC 12-24-14)

58,475,757 58,475,757

The amounts specified from the General Fund and the Mental Health Fund are for the following purposes:

Personal Services	**77,324,885**	**77,324,885**
Other Operating Expense	**7,999,404**	**7,999,404**

The foregoing appropriations for the state developmental centers are for the operations of the Fort Wayne state developmental center and the Muscatatuck state developmental center.

Sixty-six percent (66%) of the revenue accruing to the above named state developmental centers under IC 12-15 shall be deposited in the mental health fund established under IC 12-24-14, and thirty-four percent (34%) of the revenue accruing to the above named institutions under IC 12-15 shall be deposited in the state general fund.

In addition to the above appropriations, each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%) but not to exceed $50,000, of the amount in which actual net collections exceed an amount specified in writing by the division of disability, aging, and rehabilitative services before July 1 of each year beginning July 1, 1999.

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH

Personal Services	**17,529,642**	**17,529,642**
Other Operating Expense	**8,897,573**	**8,335,576**

All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund.

Of the foregoing appropriations for the department of health administration, $762,000 for fiscal year 1999-2000 and $200,000 for fiscal year 2000-2001 is designated as one-time funding for Hepatitis B immunizations.

AID TO COUNTY TUBERCULOSIS HOSPITALS

Other Operating Expense	**115,481**	**115,481**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

These funds shall be used for eligible expenses according to IC 16-21-7-3 for tuberculosis patients for whom there are no other sources of reimbursement, including patient resources, health insurance, medical assistance payments, and hospital care for the indigent.

PROJECT RESPECT		
Personal Services	**288,000**	**288,000**
Other Operating Expense	**1,227,360**	**1,227,360**
HOOSIER STATE GAMES		
Total Operating Expense	**225,000**	**225,000**
CANCER REGISTRY		
Personal Services	**192,009**	**192,009**
Other Operating Expense	**46,995**	**46,995**
MEDICARE-MEDICAID CERTIFICATION		
Total Operating Expense	**4,622,479**	**4,622,479**
AIDS EDUCATION		
Personal Services	**276,499**	**276,499**
Other Operating Expense	**428,700**	**428,700**
HIV/AIDS SERVICES		
Total Operating Expense	**3,500,000**	**3,500,000**
TEST FOR DRUG AFFLICTED BABIES		
Total Operating Expense	**67,200**	**67,200**

The above appropriation for drug afflicted babies shall be used for the following purposes:

(1) All newborn infants shall be tested for the presence of a controlled substance in the infant's meconium if they meet the criteria established by the state department of health. These criteria will, at a minimum, include all newborns, if at birth:
(A) the infant's weight is less than two thousand five hundred (2,500) grams;
(B) the infant's head is smaller than the third percentile for the infant's gestational age; and
(C) there is no medical explanation for the conditions described in clauses (A) and (B).
(2) If a meconium test determines the presence of a controlled substance in the infant's meconium, the infant may be declared a child in need of services as provided in IC 31-34-1-10 through IC 31-34-1-13. However, the child's mother may not be prosecuted in connection with the results of the test.
(3) The state department of health shall provide forms on which the results of a meconium test performed on an infant under subdivision (1) must be reported to the state department of health by physicians and hospitals.
(4) The state department of health shall, at least semi-annually:
(A) ascertain the extent of testing under this chapter; and
(B) report its findings under subdivision (1) to:
(i) all hospitals;
(ii) physicians who specialize in obstetrics and gynecology or work with infants and young children; and
(iii) any other group interested in child welfare that requests a copy of the report from the state department of health.
(5) The state department of health shall designate at least one (1) laboratory to perform the meconium test required under subdivisions (1) through (8). The designated laboratories shall perform a meconium test on each infant described in subdivision (1)

to detect the presence of a controlled substance.
(6) Subdivisions (1) through (7) do not prevent other facilities from conducting tests on infants to detect the presence of a controlled substance.
(7) Each hospital and physician shall:
(A) take or cause to be taken a meconium sample from every infant born under the hospital's and physician's care who meets the description under subdivision (1); and
(B) transport or cause to be transported each meconium sample described in clause (A) to a laboratory designated under subdivision (5) to test for the presence of a controlled substance as required under subdivisions (1) through (7).
(8) The state department of health shall continue to evaluate the program established under subdivisions (1) through (7). The state department of health shall report the results of the evaluation to the general assembly not later than January 30, 2000, and January 30, 2001. The general assembly shall use the results of the evaluation to determine whether to continue the testing program established under subdivisions (1) through (7).
(9) The state department of health shall establish guidelines to carry out this program, including guidance to physicians, medical schools, and birthing centers as to the following:
(A) Proper and timely sample collection and transportation under subdivision (7) of this appropriation.
(B) Quality testing procedures at the laboratories designated under subdivision 5 of this appropriation
(C) Uniform reporting procedures
(D) Appropriate diagnosis and management of affected newborns and counseling and support programs for newborns' families.
(10) A medically appropriate discharge of an infant may not be delayed due to the results of the test described in subdivision (1) or due to the pendency of the results of the test described in subdivision (1).

STATE CHRONIC DISEASES		
Personal Services	**92,090**	**92,090**
Other Operating Expense	**490,378**	**490,378**

At least $82,560 of the above appropriations shall be for grants to community groups and organizations as provided in IC 16-46-7-8.

CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER		
Total Operating Expense	**95,000**	**95,000**
CANCER EDUCATION AND DIAGNOSIS - PROSTATE CANCER		
Total Operating Expense	**80,000**	**80,000**
WOMEN, INFANTS, AND CHILDREN SUPPLEMENT		
Total Operating Expense	**190,000**	**190,000**
MATERNAL AND CHILD HEALTH SUPPLEMENT		
Total Operating Expense	**190,000**	**190,000**

Notwithstanding IC 6-7-1-30.2, the above appropriations for the women, infants, and children supplement and maternal and child health supplement are the total appropriations

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
provided for this purpose.			
ADOPTION HISTORY			
Adoption History Fund (IC 31-19-18)			
Total Operating Expense	**161,384**	**161,384**	
Augmentation allowed.			
RADON GAS TRUST FUND			
Radon Gas Trust Fund (IC 16-41-38-8)			
Total Operating Expense	**15,000**	**15,000**	
Augmentation allowed.			
COMMUNITY HEALTH CENTERS			
Total Operating Expense			**10,000,000**
LOCAL HEALTH MAINTENANCE FUND			
Total Operating Expense	**2,370,000**	**2,370,000**	
The above appropriations for the local health maintenance fund include the appropriation provided for this purpose in IC 6-7-1-30.5.			
CHILDREN WITH SPECIAL HEALTH CARE NEEDS			
Total Operating Expense	**7,471,096**	**7,471,096**	
INDIANA MEDICAL AND NURSING GRANT FUND (IC 16-46-5)			
Total Operating Expense	**40,000**	**40,000**	
Augmentation allowed.			
NEWBORN SCREENING PROGRAM			
Newborn Screening Fund (IC 16-41-17)			
Personal Services	**111,671**	**111,671**	
Other Operating Expense	**596,905**	**596,905**	
Augmentation allowed.			
BIRTH PROBLEMS REGISTRY			
Birth Problems Registry Fund (IC 16-38-4)			
Personal Services	**25,684**	**25,684**	
Other Operating Expense	**10,661**	**10,661**	
Augmentation allowed.			
MOTOR FUEL INSPECTION PROGRAM			
Motor Fuel Inspection Fund (IC 16-44-3-10)			
Total Operating Expense	**76,078**	**76,078**	
Augmentation allowed.			
MINORITY HEALTH INITIATIVE			
Total Operating Expense	**1,125,000**	**1,125,000**	
SILVERCREST CHILDREN'S DEVELOPMENT CENTER			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Personal Services	**6,842,420**	**6,842,420**	
Other Operating Expense	**592,250**	**592,250**	
INDIANA SCHOOL FOR THE BLIND			
Personal Services	**9,741,455**	**9,741,455**	
Other Operating Expense	**569,482**	**569,482**	
INDIANA SCHOOL FOR THE DEAF			
Personal Services	**15,855,439**	**15,855,439**	
Other Operating Expense	**1,825,966**	**1,825,966**	
INDIANA VETERANS' HOME			
Personal Services	**15,480,972**	**15,480,972**	
Other Operating Expense	**3,707,910**	**3,707,910**	

The state department of health shall reimburse the state general fund at least $9,758,396 for fiscal year 1999-2000 and $9,758,396 for fiscal year 2000-2001 from the veterans' home comfort and welfare fund established by IC 10-6-1-9.

SOLDIERS' AND SAILORS' CHILDREN'S HOME			
Personal Services	**7,736,801**	**7,736,801**	
Other Operating Expense	**1,167,428**	**1,099,705**	
FOR THE WOMEN'S HEALTH COMMISSION			
Total Operating Expense	**175,000**	**175,000**	

C. VETERANS' AFFAIRS

FOR THE DEPARTMENT OF VETERANS' AFFAIRS			
Personal Services	**497,312**	**497,312**	
Other Operating Expense	**411,245**	**411,245**	

The foregoing appropriations for the department of veterans' affairs include operating funds for the veterans' cemetery. Notwithstanding IC 10-5-1-8, staff employed for the operation and maintenance of the veterans' cemetery shall be selected as are all other state employees.

DISABLED AMERICAN VETERANS OF WORLD WARS			
Total Operating Expense	**40,000**	**40,000**	
AMERICAN VETERANS OF WORLD WAR II, KOREA, AND VIETNAM			
Total Operating Expense	**30,000**	**30,000**	
VETERANS OF FOREIGN WARS			
Total Operating Expense	**30,000**	**30,000**	
VIETNAM VETERANS OF AMERICA			
Total Operating Expense			**20,000**
OPERATION OF VETERANS' CEMETERY			
Total Operating Expense			**1,500,000**

There is hereby created the veterans' cemetery operation fund. The fund consists of

appropriations made by the general assembly, funds received from the federal government, funds received in payment for services, gifts, and donations. Money in the fund does not revert at the end of the fiscal year. Any interest accruing to the fund remains in the fund.

SECTION 9. [EFFECTIVE JULY 1, 1999]

EDUCATION

A. HIGHER EDUCATION		
FOR INDIANA UNIVERSITY		
INDUSTRIAL RESEARCH LIAISON PROGRAM		
Total Operating Expense	**262,624**	**272,131**
LOCAL GOVERNMENT ADVISORY COMMISSION		
Total Operating Expense	**131,457**	**133,936**
BLOOMINGTON CAMPUS		
Total Operating Expense	**179,183,585**	**184,949,512**
Fee Replacement	**15,864,160**	**16,699,178**
FOR INDIANA UNIVERSITY REGIONAL CAMPUSES		
EAST		
Total Operating Expense	**6,990,056**	**7,199,363**
Fee Replacement	**1,340,440**	**1,385,857**
KOKOMO		
Total Operating Expense	**9,556,153**	**9,907,976**
Fee Replacement	**1,641,127**	**1,696,732**
NORTHWEST		
Total Operating Expense	**17,153,409**	**17,628,386**
Fee Replacement	**3,134,724**	**3,240,936**
SOUTH BEND		
Total Operating Expense	**19,930,235**	**20,650,186**
Equity Funding	**0**	**176,151**
Fee Replacement	**4,202,682**	**4,345,078**
SOUTHEAST		
Total Operating Expense	**14,787,520**	**15,469,654**
Equity Funding	**0**	**518,685**
Fee Replacement	**3,382,603**	**3,497,213**
TOTAL APPROPRIATION - REGIONAL CAMPUSES		
	82,118,949	**85,716,217**
FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)		
HEALTH DIVISIONS		
Total Operating Expense	**83,509,432**	**86,043,294**
Fee Replacement	**3,004,452**	**3,123,465**
FOR INDIANA UNIVERSITY - REGIONAL MEDICAL CENTERS		
EVANSVILLE		
Total Operating Expense	**1,410,085**	**1,452,870**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
FORT WAYNE			
Total Operating Expense	**1,297,188**	**1,336,548**	
NORTHWEST			
Total Operating Expense	**1,842,834**	**1,898,749**	
LAFAYETTE			
Total Operating Expense	**1,644,989**	**1,694,901**	
MUNCIE			
Total Operating Expense	**1,479,111**	**1,523,991**	
SOUTH BEND			
Total Operating Expense	**1,371,700**	**1,413,320**	
TERRE HAUTE			
Total Operating Expense	**1,635,363**	**1,684,984**	

The Indiana University school of medicine shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

GENERAL ACADEMIC DIVISIONS			
Total Operating Expense	**78,223,974**	**81,858,343**	
Fee Replacement	**13,515,052**	**14,050,409**	
TOTAL APPROPRIATION - IUPUI			
	188,934,180	**196,080,874**	

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

FOR INDIANA UNIVERSITY -			
OPTOMETRY BOARD EDUCATION FUND			
Total Operating Expense	**29,000**	**1,500**	
CHEMICAL TEST TRAINING			
Total Operating Expense	**656,716**	**680,956**	
INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES			
Total Operating Expense	**2,549,070**	**2,654,386**	
GEOLOGICAL SURVEY			
Total Operating Expense	**3,102,203**	**3,220,638**	
SPINAL CORD AND HEAD INJURY RESEARCH CENTER			
Total Operating Expense	**500,000**	**500,000**	
FOR PURDUE UNIVERSITY - WEST LAFAYETTE CAMPUS			
Total Operating Expenses	**219,508,331**	**226,591,017**	
Fee Replacement	**20,868,889**	**20,940,679**	
FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES			
CALUMET			
Total Operating Expense	**24,623,951**	**25,418,546**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Equity Funding	**0**	**635,758**	
Fee Replacement	**1,933,404**	**1,940,136**	
NORTH CENTRAL			
Total Operating Expense	**8,561,635**	**8,889,391**	
Equity Funding	**0**	**195,906**	
Fee Replacement	**2,809,080**	**2,810,820**	
TOTAL APPROPRIATION - REGIONAL CAMPUSES			
	37,928,070	**39,890,557**	
FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT FORT WAYNE (IUPUFW)			
Total Operating Expense	**27,781,281**	**28,713,429**	
Equity Funding	**0**	**243,187**	
Fee Replacement	**4,582,311**	**4,614,070**	

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.

FOR PURDUE UNIVERSITY - COUNTY AGRICULTURAL EXTENSION EDUCATORS			
Total Operating Expense	**5,507,332**	**5,687,614**	
ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM			
Total Operating Expense	**2,963,612**	**2,963,612**	

The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 15-2.1-5-6. Notwithstanding IC 15-2.1-5-5, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS			
Total Operating Expense	**7,298,008**	**7,551,724**	
STATEWIDE TECHNOLOGY			
Total Operating Expense	**5,506,127**	**5,901,529**	
NORTH CENTRAL - VALPO NURSING PARTNERSHIP			
Total Operating Expense	**103,266**	**105,940**	
UNIVERSITY-BASED BUSINESS ASSISTANCE			
Total Operating Expense	**1,122,200**	**1,164,358**	
CENTER FOR PARALYSIS RESEARCH			
Total Operating Expense	**500,000**	**500,000**	
FOR INDIANA STATE UNIVERSITY			
Total Operating Expenses	**75,372,652**	**77,639,127**	
Fee Replacement	**6,127,781**	**5,742,818**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
INSTITUTE ON RECYCLING			
Total Operating Expense	**81,195**	**84,335**	
FOR UNIVERSITY OF SOUTHERN INDIANA			
Total Operating Expense	**27,704,561**	**28,877,094**	
Equity Funding	**0**	**631,373**	
Fee Replacement	**3,620,135**	**3,710,208**	
HISTORIC NEW HARMONY			
Total Operating Expense	**0**	**400,000**	
YOUNG ABE LINCOLN			
Total Operating Expense	**257,692**	**265,643**	
FOR BALL STATE UNIVERSITY			
Total Operating Expense	**115,008,522**	**118,931,199**	
Fee Replacement	**7,554,324**	**7,550,437**	
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES			
Total Operating Expense	**4,345,504**	**4,499,382**	
FOR VINCENNES UNIVERSITY			
Total Operating Expense	**27,984,356**	**29,031,486**	
Tuition Freeze Funding	**540,820**	**1,100,569**	
Fee Replacement	**2,863,491**	**2,870,213**	
FOR IVY TECH STATE COLLEGE			
Total Operating Expense	**85,208,073**	**89,040,033**	
Tuition Freeze Funding	**1,510,763**	**3,074,402**	
Fee Replacement	**8,331,324**	**8,331,647**	
FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)			
Total Operating Expense	**7,181,286**	**7,322,476**	

The sums herein appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech State College, and the Indiana Higher Education Telecommunications System (IHETS) are in addition to all income of said institutions and IHETS, respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 1999, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and IHETS and may be expended for any necessary expenses of the respective institutions and IHETS, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures only if approved by the governor and the budget agency.

The foregoing appropriations and allocations for fee replacement are for replacement of student fees deducted during the 1999-2001 biennium to cover bond or lease-purchase principal, interest, and other obligations of debt costs of facility construction and acquisition for those projects authorized by the general assembly. These fee replacement appropriations and allocations shall be allotted by the budget agency after receipt of verification of payment of such debt cost expense.

The foregoing appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech State College, and IHETS include the employers' share of Social Security payments for university and IHETS employees under the public employees' retirement fund, or institutions covered by the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for each institution and for IHETS employees covered by these retirement plans.

The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, and Ivy Tech State College on the basis of vouchers stating the total amount claimed against each fund and/or account, but not to exceed the legally made appropriations. The operating money may be claimed on the basis of twelve (12) equal installments to be claimed monthly starting in July and ending in June of each fiscal year after allotment by the budget agency.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the

applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, the trustees of Ivy Tech State College, and the directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

FOR THE MEDICAL EDUCATION BOARD		
FAMILY PRACTICE RESIDENCY FUND		
Total Operating Expense	**2,417,726**	**2,418,743**

Of the foregoing appropriations for the medical education board-family practice residency fund, $1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

MEDICAL EDUCATION - INTERN RESIDENCY PROGRAM		
Total Operating Expense	**1**	**1**
FOR THE COMMISSION FOR HIGHER EDUCATION		
Total Operating Expense	**1,512,052**	**1,568,558**
MIDWEST HIGHER EDUCATION COMMISSION (MHEC)		
Total Operating Expense	**75,000**	**75,000**
INDIANA CAREER AND POSTSECONDARY ADVANCEMENT CENTER		
Total Operating Expense	**931,284**	**931,284**
FOR THE DEPARTMENT OF ADMINISTRATION		
ANIMAL DISEASE AND DIAGNOSTIC LABORATORY LEASE RENTAL		
Total Operating Expense	**1,043,930**	**1,044,283**
FOR THE DEPARTMENT OF COMMERCE		
AVIATION TECHNOLOGY		
Total Operating Expense	**1,093,102**	**1,099,746**
FOR THE BUDGET AGENCY		
CORE 40 PROGRAM		
Total Operating Expense	**500,000**	**500,000**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

All or a part of this appropriation shall be allocated or transferred for core 40 initiatives to the department of education and the commission for higher education by the auditor of state, with the approval of the budget agency, after review by the budget committee of joint program recommendations made by the commission for higher education and the superintendent of public instruction.

DEGREE LINK		
Total Operating Expense	**518,168**	**537,016**

The above appropriation shall be used for the delivery of Indiana State University baccalaureate degree programs at Ivy Tech State College and Vincennes University locations through Degree Link. Distributions shall be made upon the recommendation of the Indiana commission for higher education and with approval by the budget agency after review by the budget committee.

QUALITY IMPROVEMENT		
Total Operating Expense	**17,381,754**	**18,320,258**

Allocations and transfers of the preceding appropriations for quality improvement shall be made to the respective institutions' operating accounts for one (1) time technology investments by the auditor of state with the approval of the budget agency, based on recommendations made by the commission for higher education.

SOUTHEAST INDIANA EDUCATION SERVICES		
Total Operating Expense	**765,934**	**790,352**

The above appropriation for southeast Indiana education services may be expended with the approval of the budget agency after review by the commission for higher education and the budget committee.

SOUTH CENTRAL EDUCATIONAL ALLIANCE		
BEDFORD SERVICE AREA		
Total Operating Expense	**287,335**	**297,735**
VINCENNES UNIVERSITY - ELKHART LEARNING CENTER		
Administrative Support	**351,558**	**351,558**
Support for Degree Programs	**196,083**	**196,083**
ELKHART COUNTY ALLIANCE FOR POSTSECONDARY EDUCATION		
Total Operating Expense	**510,719**	**510,719**

FOR THE STATE STUDENT ASSISTANCE COMMISSION		
Total Operating Expense	**1,247,241**	**1,247,241**
DISTRIBUTION		
Freedom of Choice Grants		
Total Operating Expense	**24,371,163**	**26,169,035**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Higher Education Award Program			
Total Operating Expense	**65,270,689**	**69,849,730**	
21st Century Scholar Awards			
Total Operating Expense	**5,989,656**	**7,024,039**	
Augmentation for 21st Century Scholar Awards allowed from the General Fund.			
Hoosier Scholar Program			
Total Operating Expense	**270,000**	**420,000**	

For the higher education awards and freedom of choice grants made for the 1999-2001 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:
(1) Financial Need: For purposes of these awards, financial need shall be limited to actual undergraduate tuition and fees for the prior academic year as established by the commission.
(2) Maximum Base Award: The maximum award shall not exceed the lesser of:
(A) eighty percent (80%) of actual prior academic year undergraduate tuition and fees; or
(B) eighty percent (80%) of the sum of the highest prior academic year undergraduate tuition and fees at any public institution of higher education and the lowest appropriation per full-time equivalent (FTE) undergraduate student at any public institution of higher education.
(3) Minimum Award: No actual award shall be less than $20.
(4) Award Size: A student's maximum award shall be reduced one (1) time:
(A) for dependent students, by the expected contribution from parents based upon information submitted on the financial aid application form; and
(B) for independent students, by the expected contribution derived from information submitted on the financial aid application form.
(5) Award Adjustment: The maximum base award may be adjusted by the commission, for any eligible recipient who fulfills college preparation requirements defined by the commission.
(6) Pro Rata Adjustment: If the dollar amounts of eligible awards exceed appropriations and program reserves, all awards will be adjusted on a pro rata basis by reducing the percentage of a maximum award under subdivision (2)(A) or (2)(B).

For the Hoosier scholar program for the 1999-2001 biennium, each award shall not exceed five hundred dollars ($500) and shall be made available for one (1) year only. Receipt of this award shall not reduce any other award received under any state funded student assistance program.

PART-TIME GRANT PROGRAM			
Total Operating Expense	**2,000,000**	**5,250,000**	

The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 20-12-21 if the applicant were a full-time student.

NURSING SCHOLARSHIP PROGRAM

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Total Operating Expense	**401,259**	**402,291**	
MINORITY TEACHER SCHOLARSHIP FUND			
Total Operating Expense	**382,036**	**431,102**	
COLLEGE WORK STUDY PROGRAM			
Total Operating Expense	**806,662**	**810,550**	
21ST CENTURY ADMINISTRATION			
Total Operating Expense	**2,392,520**	**2,580,919**	
SOUTHEAST INDIANA HIGHER EDUCATION OPPORTUNITY AGREEMENTS			
Total Operating Expense	**603,407**	**603,407**	

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

ADMINISTRATION/SERVICES			
SUPERINTENDENT'S OFFICE			
Personal Services	**589,266**	**589,266**	
Other Operating Expense	**1,254,593**	**1,454,593**	

The foregoing appropriations for the superintendent's office include $200,000 in fiscal year 2000-2001 for staff training to be directed by the superintendent of public instruction and approved by the Indiana state board of education.

STATE BOARD OF EDUCATION			
Total Operating Expense	**1,100,000**	**300,000**	

The foregoing appropriations for the state board of education are for the evaluation of all state education programs and policies and for the education roundtable created by IC 20-1-20.5. However, the foregoing appropriations may be allotted only with the approval of the governor, the superintendent of public instruction, and the budget agency.

RESEARCH AND DEVELOPMENT PROGRAMS			
Personal Services	**77,331**	**77,331**	
Other Operating Expense	**303,021**	**303,021**	

Of the foregoing appropriations for Research and Development Programs, $100,000 each year shall be used for the Indiana University Education Policy Center.

PUBLIC TELEVISION DISTRIBUTION			
Total Operating Expense	**2,715,000**	**2,715,000**	

These appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the eight (8) Indiana public education television stations that shall be approved by the budget agency and reviewed by the budget committee. The above appropriation includes the costs of transmission for the "GED-on-TV" program.

DEPUTY SUPERINTENDENT'S OFFICE			
Personal Services	**379,737**	**379,737**	
Other Operating Expense	**205,060**	**205,060**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
RILEY HOSPITAL			
Total Operating Expense	**30,000**	**30,000**	
ADMINISTRATION AND FINANCIAL MANAGEMENT			
Personal Services	**1,855,269**	**1,855,269**	
Other Operating Expense	**572,773**	**572,773**	
SCHOOL TRAFFIC SAFETY			
Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**199,530**	**199,530**	
Other Operating Expense	**42,492**	**42,492**	
Augmentation allowed.			
MOTORCYCLE OPERATOR SAFETY EDUCATION FUND			
Safety Education Fund			
Personal Services	**103,805**	**103,805**	
Other Operating Expense	**591,563**	**648,063**	

The foregoing appropriations for the motorcycle operator safety education fund are from the motorcycle operator safety education fund created by IC 20-10.1-7-14.

SCHOOL ASSESSMENT			
CENTER FOR SCHOOL ASSESSMENT			
Personal Services	**259,519**	**259,519**	
Other Operating Expense	**260,000**	**260,000**	
ACCREDITATION SYSTEM			
Personal Services	**418,475**	**418,475**	
Other Operating Expense	**588,433**	**588,433**	
COMMUNITY RELATIONS AND SPECIAL POPULATIONS			
CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS			
Personal Services	**238,993**	**238,993**	
Other Operating Expense	**100,312**	**100,312**	
SPECIAL EDUCATION (S-5)			
Personal Services	**20,000**	**20,000**	
Other Operating Expense	**26,980,000**	**27,980,000**	

The foregoing appropriations for special education are made under IC 20-1-6-19.

PROJECT SET			
Other Operating Expense	**91,065**	**91,065**	
GED-ON-TV PROGRAM			
Other Operating Expense	**270,000**	**270,000**	

The foregoing appropriation is for grants to provide GED-ON-TV programming. The GED-ON-TV Program shall submit for review by the budget committee an annual report on utilization of this appropriation.

SPECIAL EDUCATION EXCISE			
Alcoholic Beverage Excise Tax Funds (IC 20-1-6-10)			
Personal Services	**319,343**	**319,343**	
Augmentation allowed.			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
SCHOOL IMPROVEMENT AND PERFORMANCE			
CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE			
Personal Services	**1,367,910**	**1,367,910**	
Other Operating Expense	**1,357,645**	**1,357,645**	
VOCATIONAL EDUCATION			
Personal Services	**1,181,263**	**1,181,263**	
Other Operating Expense	**233,605**	**233,605**	
ADVANCED PLACEMENT PROGRAM			
Other Operating Expense	**598,050**	**598,050**	
PSAT PROGRAM			
Other Operating Expense	**800,000**	**800,000**	

The above appropriations for the Advanced Placement program and the PSAT program are to provide funding for students of accredited public and nonpublic schools.

GEOGRAPHY EDUCATION TRAINING			
Total Operating Expense	**49,990**	**49,990**	
ACADEMIC COMPETITION			
Total Operating Expense	**56,090**	**56,090**	
PROFESSIONAL DEVELOPMENT PRINCIPAL LEADERSHIP ACADEMY			
Personal Services	**315,413**	**315,413**	
Other Operating Expense	**187,192**	**187,192**	
JAPANESE/CHINESE INITIATIVES			
Total Operating Expense	**236,500**	**236,500**	

FOR THE DEPARTMENT OF EDUCATION
LOCAL SCHOOL FUNDING
SUPERINTENDENT'S OFFICE
EDUCATION SERVICE CENTERS

Total Operating Expense	**2,025,664**	**2,025,664**	

No appropriation made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least $2.50 per student for fiscal year 1999-2000 based on the school corporation's ADM count as reported for school aid distribution in the fall of 1998, and at least $2.50 per student for fiscal year 2000-2001, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 1999. Before notification of education service centers of the formula and components of the formula for distributing funds for education service centers, review and approval of the formula and components must be made by the budget agency.

ADMINISTRATION/ FINANCIAL MANAGEMENT
TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)

Total Operating Expense	**715,000**	**715,000**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation

The foregoing appropriation for transfer tuition (state employees' children and eligible children in mental health facilities) is made under IC 20-8.1-6.1-6 and IC 20-8.1-6.1-5.

DISTRESSED SCHOOLS DISTRIBUTION		
Total Operating Expense	**50,000**	**50,000**
TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION		
Total Operating Expense	**2,403,792**	**2,403,792**

The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area vocational schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2000-2001 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT		
General Fund		
Total Operating Expense	**1,754,353,046**	**1,869,803,046**
Property Tax Relief Fund		
Total Operating Expense	**1,267,476,954**	**1,383,196,954**

The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, vocational education programs, and at-risk programs in accordance with a statute enacted for this purpose during the 1999 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, one-half (1/2) of any excess shall revert to the state general fund and one-half (1/2) of any excess shall revert to the property tax replacement fund.

The above appropriations for tuition support shall be made each calendar year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each calendar year shall equal the amount required under the statute enacted for the purpose referred to above.

DISTRIBUTION FOR TRANSPORTATION		
Total Operating Expense	**27,398,255**	**26,966,826**

The distributions for transportation shall be made to each local school corporation in accordance with IC 21-3-3.1 and any pertinent rules.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
ADA FLAT GRANT DISTRIBUTION			
Total Operating Expense	**35,609,520**	**35,718,840**	

Distribution to local school corporations shall be based on average daily attendance. The foregoing appropriations for the ADA flat grant distribution account include, for each fiscal year, the appropriation of the common school fund interest balance. The remainder of the above appropriations are provided from the state general fund.

DISTRIBUTION FOR SUMMER SCHOOL			
Other Operating Expense	**21,100,000**	**21,600,000**	

It is the intent of the 1999 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

EARLY INTERVENTION PROGRAM			
Personal Services	**10,000**	**10,000**	
Other Operating Expense	**3,990,000**	**3,990,000**	

The above appropriations for the early intervention program are for grants to local school corporations for grant proposals for early intervention programs, including reading recovery.

SCHOOL LIBRARY PRINTED MATERIALS GRANTS			
Total Operating Expense			**6,000,000**

The above appropriation for school library printed materials grants shall be used for the state match for grants to school corporations for the purpose of purchasing library printed materials. A school corporation that receives a grant must provide money in an amount equal to the amount provided in the grant.

ADULT EDUCATION DISTRIBUTION			
Total Operating Expense	**14,000,000**	**14,000,000**	

It is the intent of the 1999 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

NATIONAL SCHOOL LUNCH PROGRAM			
Total Operating Expense	**5,400,000**	**5,400,000**	
MARION COUNTY DESEGREGATION COURT ORDER			
Total Operating Expense	**15,100,000**	**15,100,000**	

The foregoing appropriations for court ordered desegregation costs are made pursuant to order No. IP 68-C-225-S of the United States District Court for the Southern District of Indiana. If the sums herein appropriated are insufficient to enable

the state to meet its obligations, then there are hereby appropriated from the state general fund such further sums as may be necessary for such purpose.

FORT WAYNE DESEGREGATION COURT ORDER		
Total Operating Expense	**2,400,000**	**600,000**

The foregoing appropriations for court ordered desegregation costs are made pursuant to the order No. 86CV0325AS of the United States District Court for the Northern District of Indiana.

TEXTBOOK REIMBURSEMENT		
Other Operating Expense	**16,500,000**	**16,800,000**
TRANSPORTATION FOR SPECIAL AND VOCATIONAL EDUCATION		
Total Operating Expense	**9,070,000**	**9,570,000**

The distribution of these appropriations shall be made in accordance with IC 21-3-3.1.

SCHOOL ASSESSMENT		
READING ASSESSMENT AND REMEDIATION		
Other Operating Expense	**4,524,000**	**3,754,000**

If the expected distributions are anticipated to exceed the total appropriation for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

TESTING/ REMEDIATION		
Other Operating Expense	**31,315,197**	**31,315,197**
GRADUATION EXAM REMEDIATION		
Other Operating Expense	**4,958,910**	**4,958,910**

Prior to notification of local school corporations of the formula and components of the formula for distributing funds for remediation and graduation exam remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing/remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

PERFORMANCE BASED AWARDS		
Personal Services	**47,626**	**47,626**
Other Operating Expense	**3,202,374**	**3,202,374**

The foregoing appropriation shall be distributed after review by the budget committee and approval by the budget agency.

COMMUNITY RELATIONS AND SPECIAL POPULATIONS		
SPECIAL EDUCATION PRESCHOOL		
Total Operating Expense	**22,963,253**	**24,363,253**

The above appropriations shall be distributed to guarantee a minimum of $2,750 per

child enrolled in special education preschool programs from state and local sources in school corporations that levy a $0.01 per $100 assessed valuation tax rate for this purpose. It is the intent of the 1999 general assembly that the above appropriations for special education preschool shall be the total allowable expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

ENGLISH AS A SECOND LANGUAGE		
Other Operating Expense	**700,000**	**700,000**

The above appropriations for English as a second language are for pupils who have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is seventy-five ($75) dollars per pupil. It is the intent of the 1999 general assembly that the above appropriations for English as a second language shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

SCHOOL IMPROVEMENT AND PERFORMANCE		
GIFTED AND TALENTED EDUCATION PROGRAM		
Personal Services	**202,645**	**202,645**
Other Operating Expense	**6,656,484**	**6,656,484**
DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION		
Total Operating Expense	**250,000**	**250,000**

The distribution for adult vocational education programs shall be made in accordance with the state plan for vocational education.

OPTIONAL FULL DAY KINDERGARTEN		
Other Operating Expense	**15,000,000**	**96,000,000**

If the expected distributions are anticipated to exceed the total appropriation for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

PRIMETIME		
Personal Services	**203,845**	**203,845**
Other Operating Expense	**50,167,521**	**0**

The primetime distribution for each local school for the period of June 30, 1999, to December 31, 1999 shall be equal to one half (1/2) of the primetime distribution before any penalty assessed under the provisions of IC 21-1-30 that the school would have received during fiscal year 1998-1999. The distribution shall be made monthly in six (6) approximately equal payments to be made before the 15th day of each month.

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
COMPUTER LEARNING AND TRAINING			
Personal Services	**321,743**	**321,743**	
Other Operating Expense	**1,365,096**	**1,365,096**	
INNOVATIVE SCHOOL IMPROVEMENTS			
Personal Services	**91,238**	**91,238**	
Other Operating Expense	**719,557**	**719,557**	

Expenditures for this program shall be made only with the approval of both the governor and the superintendent of public instruction. Notwithstanding IC 20-10.1-22-2 and IC 20-10.1-26-2(b), appropriations for research and development and innovative school improvements do revert at the end of the fiscal year.

DRUG FREE SCHOOLS			
Personal Services	**50,933**	**50,933**	
Other Operating Expense	**20,093**	**20,093**	
EDUCATIONAL TECHNOLOGY PROGRAM AND FUND (INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM)			
Total Operating Expense	**4,000,000**	**4,000,000**	

Of the foregoing appropriation, $3,000,000 shall be allocated to the buddy system during the biennium. In making grants under the educational technology program, the department shall give consideration to a variety of educational technologies and to enhancing educational productivity. Of the foregoing appropriation, an amount shall be allocated for the development of community networks and information networks and the operation of the office of the special assistant to the superintendent of public instruction for technology. Expenditures from this fund shall be made only with the approval of the governor and the superintendent of public instruction.

TECH PREP DISTRIBUTION			
Other Operating Expense	**1,000,000**	**1,000,000**	

The above appropriations for tech prep distribution are to be used for grants to school corporations to assist with implementation of tech prep programs.

PROFESSIONAL DEVELOPMENT DISTRIBUTION			
Other Operating Expense	**500,000**	**500,000**	

The above appropriations for professional development are to be used for professional development grants to assist local school corporations.

ALTERNATIVE SCHOOLS			
Total Operating Expense	**7,500,000**	**7,500,000**	

C. OTHER LOCAL SCHOOL FUNDING

FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND

PENSION FUND CONTRIBUTIONS			
Other Operating Expense	**325,430,000**	**360,446,424**	
POSTRETIREMENT PENSION INCREASES			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Other Operating Expense	**96,900,000**	**101,500,000**	

The appropriations for postretirement pension increases are made for those benefits and adjustments provided in IC 21-6.1-6.

PENSION STABILIZATION FUND			
Other Operating Expense	**25,000,000**	**25,000,000**	

D. OTHER EDUCATION

FOR THE PROFESSIONAL STANDARDS BOARD ADMINISTRATION			
Personal Services	**1,253,674**	**1,236,764**	
Other Operating Expense	**4,152,793**	**6,119,694**	

Each mentor teacher is entitled to a maximum annual stipend of $600 to be paid from the foregoing appropriations.

There is created the professional standards board licensing fund to be administered by the professional standards board. The fund shall consist of fee revenues collected under the provisions of IC 20-1-1.4-7. Money in the fund does not revert at the end of the state fiscal year. Money in the fund is continuously appropriated for use by the board for administrative expenses in relation to carrying out its duties under the provisions of IC 20-1-1.4-7.

The above appropriations for professional standards board administration are in addition to the appropriation made to the professional standards licensing fund established in this SECTION.

FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD			
Personal Services	**707,639**	**707,639**	
Other Operating Expense	**54,418**	**54,418**	
PUBLIC EMPLOYEE RELATIONS BOARD			
Total Operating Expense	**35,000**	**35,000**	

The public employee relations account is established as a reverting account in the general fund.

FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND ADMINISTRATION			
Personal Services	**1,327,791**	**1,327,791**	
Other Operating Expense	**4,565,097**	**3,565,097**	
Augmentation allowed from investment earnings.			
FOR THE STATE LIBRARY			
Personal Services	**2,346,382**	**2,346,382**	
Other Operating Expense	**829,034**	**829,034**	
COOPERATIVE LIBRARY SERVICES AUTHORITY			
Total Operating Expense	**2,408,848**	**2,408,848**	

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
ACADEMY OF SCIENCE			
Total Operating Expense	**8,811**	**8,811**	
DISTRIBUTION TO PUBLIC LIBRARIES			
Other Operating Expense	**607,936**	**607,936**	

The foregoing appropriations for distribution to public libraries shall be distributed among the public libraries of the state of Indiana under IC 4-23-7.1. However, a public library district that does not provide for the issuance of library cards free of charge or for a fee to all individuals who reside in the county in which that public library district is located shall not be considered an eligible public library district in determining the amounts to be distributed under IC 4-23-7.1 and is not entitled to a distribution under IC 4-23-7.1.

FOR THE ARTS COMMISSION			
Personal Services	**370,220**	**370,220**	
Other Operating Expense	**3,472,563**	**3,472,563**	
FOR THE HISTORICAL BUREAU			
Personal Services	**363,347**	**363,347**	
Other Operating Expense	**41,650**	**41,650**	
HISTORICAL MARKER PROGRAM			
Total Operating Expense			**25,000**
FOR THE COMMISSION ON PROPRIETARY EDUCATION			
Personal Services	**397,970**	**397,970**	
Other Operating Expense	**62,243**	**62,243**	

SECTION 10. [EFFECTIVE JULY 1, 1999]

The following allocations of federal funds are available for vocational and technical education under the Carl D. Perkins Vocational and Applied Technology Education Act of 1990 (20 U.S.C. 2301, et seq. for the State Vocational and Applied Technology Program) (20 U.S.C. 2394(b) for the Technology Preparation Education Program). These funds shall be received by the department of workforce development, commission on vocational and technical education, and shall be allocated by the budget agency after consultation with the commission on vocational and technical education, the department of education, the commission for higher education, and the department of correction. Funds shall be allocated to these agencies in accordance with the allocations specified below:

ADMINISTRATION		
	494,923	**494,923**
STATE PROGRAMS AND LEADERSHIP		
	2,368,792	**2,368,792**
SECONDARY VOCATIONAL PROGRAMS		
	13,240,029	**13,240,029**
POSTSECONDARY VOCATIONAL PROGRAMS		
	7,584,175	**7,584,175**

TECHNOLOGY - PREPARATION EDUCATION
2,494,677 2,494,677

(a) There is allocated out of funds made available to Indiana under Section 903 of the Social Security Act, as amended, three hundred fifty-five thousand three hundred fifty dollars ($355,350) to the department of workforce development.
(b) Money allocated under this SECTION is subject to the requirements of IC 22-4-37-1.
(c) Money allocated under this SECTION may be used for the following purposes:
(1) The administration of the Indiana unemployment insurance programs, including the public employment offices.
(2) Acquiring land and erecting buildings for the use of the department of workforce development.
(3) Improvements, facilities, paving. landscaping, and fixed equipment as may be required by the department of workforce development.

SECTION 11. [EFFECTIVE JULY 1, 1999]

In accordance with IC 20-1-18.3, the budget agency, with the advice of the commission on vocational and technical education and the budget committee, may augment or reduce an allocation of federal funds made under SECTION 10 of this act.

SECTION 12. [EFFECTIVE JULY 1, 1999]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

SECTION 13. [EFFECTIVE JULY 1, 1999]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount

not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of $50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan the minimum meal allowance shall not be less than $90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than $85 for any twenty-four (24) hour period; while traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than $65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 14. [EFFECTIVE JULY 1, 1999]

The salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is $50 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 15. [EFFECTIVE JULY 1, 1999]

No payment for personal services shall be made by the auditor of state unless the payment has been approved by the budget agency or the designee of the budget agency.

SECTION 16. [EFFECTIVE JULY 1, 1999]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution have been deposited into the state treasury for the month. However, if a department or an institution has more than $10,000 in daily receipts, the receipts shall be deposited into the state treasury daily.

SECTION 17. [EFFECTIVE JULY 1, 1999]

In case of loss by fire or any other cause involving any state institution or department, the proceeds derived from the settlement of any claim for the loss shall be deposited in the state treasury, and the amount deposited is hereby reappropriated to the institution or department for the purpose of replacing the loss. If it is determined that the loss shall not be replaced, any funds received from the settlement of a claim shall be deposited into the state general fund.

SECTION 18. [EFFECTIVE JULY 1, 1999]

If an agency has computer equipment in excess of the needs of that agency, then the excess computer equipment may be sold under the provisions of surplus property sales, and the proceeds of the sale or sales shall be deposited in the state treasury. The amount so deposited is hereby reappropriated to that agency for other operating expenses of the then current year, if approved by the director of the budget agency.

SECTION 19. [EFFECTIVE JULY 1, 1999]

If any state penal or benevolent institution other than the Indiana state prison, Pendleton correctional facility, or Putnamville correctional facility shall, in the operation of its farms, produce products, or commodities in excess of the needs of the institution, the surplus may be sold through the division of industries and farms, the director of the supply division of the Indiana department of administration, or both. The proceeds of any such sale or sales shall be deposited in the state treasury. The amount deposited is hereby reappropriated to the institution for expenses of the then current year if approved by the director of the budget agency. The exchange between state penal and benevolent institutions of livestock for breeding purposes only is hereby authorized at valuations agreed upon between the superintendents or wardens of the institutions. Capital outlay expenditures may be made from the institutional industries and farms revolving fund if approved by the budget agency and the governor.

SECTION 20. [EFFECTIVE JULY 1, 1999]

This act does not authorize any rehabilitation and repairs to any state buildings, nor does it allow that any obligations be incurred for lands and structures, without the prior approval of the budget director or the director's designee. This SECTION does not apply to contracts for the construction or maintenance of roads and bridges, to the acquisition of rights-of-way for roads or bridges, or to the state universities supported in whole or in part by state funds.

SECTION 21. [EFFECTIVE JULY 1, 1999]

If an agency has an annual appropriation fixed by law, and if the agency also receives an appropriation in this act for the same function or program, the appropriation in this act supersedes any other appropriations and is the total appropriation for the agency for that program or function.

SECTION 22. [EFFECTIVE JULY 1, 1999]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided in this act placed to the credit of any division of the state of Indiana, the powers, duties, and functions whereof are assigned and transferred to any department for salaries, maintenance, operation, construction, or other expenses in the exercise of such powers, duties, and functions, shall be transferred to the credit of the department to which such assignment and transfer is made, and the same shall be available for the objects and purposes for which appropriated originally.

SECTION 23. [EFFECTIVE JULY 1, 1999]

The director of the division of procurement of the Indiana department of administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of an automobile that is to be paid for from any appropriation made by this act or any other act, unless the following facts are shown to the satisfaction of the commissioner of the department of administration or the commissioner's designee.
(1) In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.
(2) In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a greater distance than one thousand (1,000) miles each month or that they are subject to official duty call at all times.
(3) In the case of employees, it shall be shown that the major portion of the duties assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment. In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station is not to be considered as a part of the total.
Department heads shall annually submit justification for the continued assignment of each vehicle in their department, which shall be reviewed by the commissioner of the Indiana department of administration, or the commissioner's designee. There shall be an insignia permanently affixed on each side of all state owned cars, designating the cars as being state owned. However, this requirement does not apply to state owned cars driven by elected state officials or to cases where the commissioner of the Indiana department of administration or the commissioner's designee determines that affixing insignia on state owned cars would hinder or handicap the persons driving the cars in the performance of their official duties.

SECTION 24. [EFFECTIVE JULY 1, 1999]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory recommendation. The budget committee may hold hearings and take any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 25. [EFFECTIVE JULY 1, 1999]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 26. [EFFECTIVE JULY 1, 1999]

Federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

SECTION 27. [EFFECTIVE JULY 1, 1999]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director. Each demand for payment submitted by the agency or department to the auditor of state by claim voucher under such contracts or agreements shall be accompanied by a copy of the budget agency approval, or approval of any agency to whom the budget agency delegated signature authority, and no payment shall be made by the auditor of state without such approval. This SECTION does not apply to any contract entered into by an agency or department of state government that is the result of a public works project contract under IC 4-13.6.

SECTION 28. [EFFECTIVE JULY 1, 1999]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 29. [EFFECTIVE JULY 1, 1999]

Subject to SECTION 24 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 1999-2001 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 30. [EFFECTIVE JULY 1, 1998 (RETROACTIVE)]

(a) The following appropriation is made in addition to those found in P.L. 260-1997 (ss), SECTION 8, Part A.

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

Total Operating Expense 25,000,000

The foregoing appropriation is for the state fiscal year beginning July 1, 1998 and is made to enable the state to meet the maintenance of effort requirement for the federal temporary assistance to needy families block grant.

(b) Welfare fraud unit revenues collected by the state from court settlements or judgments in welfare fraud (TANF or Food stamps) cases shall not revert. This SECTION expires July 1, 1999.

SECTION 31. [EFFECTIVE JULY 1, 1999]

CONSTRUCTION

For the 1999-2001 biennium, the following amounts, from the funds listed as follows, are hereby appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals and the purchase and sale of land, including equipment for such properties.

State General Fund - Lease Rentals
124,044,008
State General Fund - Construction
169,380,252
State Police Building Account (IC 9-29-1-4)
1,955,580
Law Enforcement Academy Building Fund (IC 5-2-1-13)
1,700,000
Cigarette Tax Fund (Natural Resource) (IC 6-7-1-28.1)
8,927,601
Veterans' Home Building Fund (IC 10-6-1-9)
4,080,031
Postwar Construction Fund (IC 7.1-4-8-1)
29,342,259

TOTAL 362,050,281

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

GENERAL GOVERNMENT
DEPARTMENT OF ADMINISTRATION

Preventive Maintenance	**3,935,900**
Repair and Rehabilitation	**5,357,000**
Parking Garages Lease Rentals	**11,214,627**
Government Center North Lease Rentals	**26,768,857**
Government Center South Lease Rentals	**30,139,689**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
DEPARTMENT OF STATE REVENUE			
Preventive Maintenance			**332,850**
Repair and Rehabilitation			**80,690**
STATE BUDGET AGENCY			
Health and Safety Compliance Contingency Fund			**3,600,000**
Capital Needs Assessments			**500,000**
STATE FAIR COMMISSION			
Repair and Rehabilitation			**100,000**
PUBLIC SAFETY			
A. LAW ENFORCEMENT			
INDIANA STATE POLICE DEPARTMENT			
State Police Building Fund (IC 9-29-1-4)			
Preventive Maintenance			**355,580**
Repair and Rehabilitation			**1,600,000**
LAW ENFORCEMENT TRAINING BOARD			
Law Enforcement Academy Building Fund (IC 5-2-1-13)			
Preventive Maintenance			**162,435**
Repair and Rehabilitation			**1,537,565**
ADJUTANT GENERAL			
Preventive Maintenance			**250,000**
Repair and Rehabilitation			**2,900,245**
B. CORRECTIONS			
DEPARTMENT OF ADMINISTRATION			
Miami Correctional Lease Rentals			**19,269,200**
Pendleton Juvenile Lease Rentals			**5,255,450**
Rockville Correctional Lease Rentals			**8,763,287**
Wabash Valley Correctional Lease Rentals			**22,632,898**
DEPARTMENT OF CORRECTION			
Repair and Rehabilitation			**100,000**
CORRECTION WORK RELEASE CENTERS			
Preventive Maintenance			**96,858**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**134,500**
CORRECTIONAL UNITS			
Preventive Maintenance			**420,000**
Repair and Rehabilitation			**448,500**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**765,250**
INDIANA STATE PRISON			
Preventive Maintenance			**1,116,656**
Postwar Construction Fund (IC 7.1-4-8-1)			
Old Ivy Tech Building			**1,500,000**
Repair and Rehabilitation			**1,806,490**
PENDLETON CORRECTIONAL FACILITY			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Preventive Maintenance			**958,073**
Repair and Rehabilitation			**75,000**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**282,250**
WOMEN'S PRISON			
Preventive Maintenance			**262,500**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**81,765**
PUTNAMVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**810,598**
Postwar Construction Fund (IC 7.1-4-8-1)			
Central Maintenance Building			**2,997,611**
New Laundry			**1,393,313**
Repair and Rehabilitation			**439,752**
PLAINFIELD JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**523,026**
Repair and Rehabilitation			**931,000**
Postwar Construction Fund (IC 7.1-4-8-1)			
Cottages 6-9 Renovation			**3,441,000**
Repair and Rehabilitation			**530,325**
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**312,640**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**365,205**
BRANCHVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**331,606**
Repair and Rehabilitation			**995,000**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**500,000**
WESTVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**1,146,049**
Replace Heating Pipes			**1,100,000**
Repair and Rehabilitation			**575,000**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**1,965,000**
ROCKVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**331,606**
PLAINFIELD CORRECTIONAL FACILITY			
Preventive Maintenance			**553,607**
Postwar Construction Fund (IC 7.1-4-8-1)			
North Dorm Renovation			**4,248,726**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Repair and Rehabilitation			**839,750**
RECEPTION DIAGNOSTIC CENTER			
Preventive Maintenance			**216,471**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**376,050**
PEN PRODUCTS			
Preventive Maintenance			**106,050**
CORRECTIONAL INDUSTRIAL FACILITY			
Preventive Maintenance			**500,022**
Repair and Rehabilitation			**172,500**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**865,272**
WABASH VALLEY CORRECTIONAL FACILITY			
Preventive Maintenance			**801,500**
Postwar Construction Fund (IC 7.1-4-8-1)			
Gymnasium Level 4			**3,110,000**
Repair and Rehabilitation			**200,000**
MIAMI CORRECTIONAL FACILITY			
Preventive Maintenance			**500,000**
NEW CASTLE CORRECTION FACILITY			
Preventive Maintenance			**635,250**
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**350,000**
CONSERVATION AND ENVIRONMENT			
DEPARTMENT OF NATURAL RESOURCES			
STATE MUSEUM			
Preventive Maintenance			**213,310**
Repair and Rehabilitation			**985,000**
ENFORCEMENT			
Repair and Rehabilitation			**60,500**
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			**199,500**
FISH AND WILDLIFE			
Fish and Wildlife Structural Integrity			**2,731,000**
Repair and Rehabilitation			**591,000**
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			**1,741,215**
FORESTRY			
Repair and Rehabilitation			**3,444,650**
Cigarette Tax Fund (IC 6-7-1-28.1)			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Preventive Maintenance			**1,684,200**
HISTORIC SITES			
Repair and Rehabilitation			**1,045,000**
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			**273,186**
NATURE PRESERVES			
Preventive Maintenance			**105,000**
Repair and Rehabilitation			**525,000**
OUTDOOR RECREATION			
Repair and Rehabilitation			**275,000**
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			**32,025**
STATE PARKS AND RESERVOIR MANAGEMENT			
Electrical and HVAC Projects			**1,521,700**
Trails			**1,000,000**
Lake and River Rehabilitation			**2,000,000**
Repair and Rehabilitation			**2,326,100**
General Rehab			**8,500,000**
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			**4,682,475**
GENERAL ADMINISTRATION			
Repair and Rehabilitation			**100,000**
ADA Repair and Rehabilitation			**2,200,000**
DIVISION OF WATER			
Repair and Rehabilitation			**925,000**
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			**315,000**
WAR MEMORIALS COMMISSION			
Preventive Maintenance			**869,765**
FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS			
A. FAMILY AND SOCIAL SERVICES ADMINISTRATION			
Richmond Energy Savings Repayment			**215,315**
Larue Carter Energy Savings Repayment			**224,975**
EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER			
Preventive Maintenance			**43,877**
Repair and Rehabilitation			**191,000**
EVANSVILLE STATE HOSPITAL			
Preventive Maintenance			**727,650**
MADISON STATE HOSPITAL			
Preventive Maintenance			**934,047**
Repair and Rehabilitation			**2,175,000**
LOGANSPORT STATE HOSPITAL			
Preventive Maintenance			**926,100**
Repair and Rehabilitation			**1,495,500**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
LARUE D. CARTER MEMORIAL HOSPITAL			
Preventive Maintenance			**1,427,052**
Repair and Rehabilitation			**3,209,000**
RICHMOND STATE HOSPITAL			
Preventive Maintenance			**1,164,158**
Repair and Rehabilitation			**2,149,000**
FORT WAYNE STATE DEVELOPMENTAL CENTER			
Preventive Maintenance			**1,392,044**
Repair and Rehabilitation			**2,000,000**
MUSCATATUCK STATE DEVELOPMENTAL CENTER			
Preventive Maintenance			**1,209,086**
Postwar Construction Fund (IC 7.1-4-8-1)			
Life Safety Certification Rehabilitation			**3,500,000**
B. PUBLIC HEALTH			
DEPARTMENT OF HEALTH			
Preventive Maintenance			**380,000**
Repair and Rehabilitation			**270,000**
Soldiers and Sailors Energy Savings Repayment			**147,724**
SILVERCREST CHILDREN'S DEVELOPMENT CENTER			
Preventive Maintenance			**161,140**
SCHOOL FOR THE BLIND			
Preventive Maintenance			**512,499**
Repair and Rehabilitation			**2,107,000**
SCHOOL FOR THE DEAF			
Preventive Maintenance			**531,846**
Repair and Rehabilitation			**1,409,123**
SOLDIERS' AND SAILORS' CHILDREN'S HOME			
Preventive Maintenance			**310,446**
Repair and Rehabilitation			**1,833,500**
C. VETERANS' AFFAIRS			
VETERANS' HOME			
Veterans' Home Building Fund (IC 10-6-1-9)			
Preventive Maintenance			**697,331**
Repair and Rehabilitation			**3,382,700**
EDUCATION			
INDIANA UNIVERSITY - TOTAL SYSTEM			
General Repair and Rehab			**32,650,747**
PURDUE UNIVERSITY - TOTAL SYSTEM			
General Repair and Rehab			**25,195,607**
INDIANA STATE UNIVERSITY			
General Repair and Rehab			**6,982,429**
UNIVERSITY OF SOUTHERN INDIANA			
General Repair and Rehab			**1,061,673**
BALL STATE UNIVERSITY			
General Repair and Rehab			**9,290,349**

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
VINCENNES UNIVERSITY			
General Repair and Rehab			**3,228,920**
IVY TECH STATE COLLEGE			
General Repair and Rehab			**2,979,214**

SECTION 32. [EFFECTIVE JULY 1, 1999]

SPECIAL CONSTRUCTION

For the 1999-2001 biennium, the following amounts are appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals and the purchase and sale of land, including equipment for such properties.

State General Fund - Construction
130,016,753

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

GENERAL GOVERNMENT	
DEPARTMENT OF ADMINISTRATION	
Rehabilitation of State Library	**11,761,000**
PORT COMMISSION	
International Port Repair and Rehabilitation	**4,060,000**
Clark Maritime Repair and Rehabilitation	**1,740,000**
Southwind Maritime Repair and Rehabilitation	**2,710,000**
STATE BUDGET AGENCY	
Internet 2	**5,200,000**
Public Safety Institute Search and Rescue Facility Renovation	**300,000**
DEPARTMENT OF TRANSPORTATION	
Airport Development - State Match	**3,000,000**

The foregoing allocation for the Indiana department of transportation is for airport development and shall be used for the purpose of assisting local airport authorities and local units of government in matching available federal funds under the airport improvement program and for matching federal grants for airport planning and for the other airport studies. Matching grants of aid shall be made in accordance with the approved annual capital improvements program of the Indiana department of transportation and with the approval of the governor and the budget agency.

STATE FAIR COMMISSION	
Pepsi Coliseum HVAC	**2,140,000**

PUBLIC SAFETY

A. LAW ENFORCEMENT

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
LAW ENFORCEMENT TRAINING BOARD			
Emergency Vehicle Operations Course Repair and Upgrade			**1,000,000**
B. CORRECTIONS			
DEPARTMENT OF CORRECTION			
Hazardous Materials Remediation			**1,500,000**
CORRECTIONAL UNITS			
LCF Dayroom and West Dorm			**1,550,000**
INDIANA STATE PRISON			
Renovate IDU/A and O			**3,100,000**
PENDLETON CORRECTIONAL FACILITY			
Renovate G and J Cellhouses			**18,000,000**
Renovate Filter Plant			**1,500,000**
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Federal V.O.I.T.I.S. 10% Match Funding			**1,000,000**
WESTVILLE CORRECTIONAL FACILITY			
Kitchen Cold Storage Facility			**8,000,000**
PLAINFIELD CORRECTIONAL FACILITY			
Renovate Service Building			**3,918,010**
CONSERVATION AND ENVIRONMENT			
DEPARTMENT OF NATURAL RESOURCES			
FISH AND WILDLIFE			
Rehabilitation of Shooting Ranges			**2,400,000**
FORESTRY			
Harrison Wyandotte Complex Rehabilitation			**1,085,000**
Morgan Monroe Recreation Area Rehabilitation			**970,000**
HISTORIC SITES			
Angel Mounds Restoration			**530,000**
TC Steele Restoration			**400,000**
Lanier Mansion			**450,000**
STATE PARKS AND RESERVOIR MANAGEMENT			
Charlestown Development			**4,028,000**
Fort Harrison Development			**2,810,500**
Prophetstown Development			**1,000,000**
Water, Wastewater, and Related Projects			**9,010,600**
Inn Projects			**7,053,800**
Restroom and Shower Rehabilitation			**1,885,600**
Swimming Pool Rehabilitation			**2,100,000**
Shakamak State Park Cabin			**175,000**
GENERAL ADMINISTRATION			
Dams			**10,000,000**
WAR MEMORIALS COMMISSION			
War Memorial Exterior Phase II			**2,328,599**
Plaza Pavement Rehabilitation			**1,500,000**
War Memorial Interior			**3,032,025**
FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS			
A. FAMILY AND SOCIAL SERVICES ADMINISTRATION			

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Asbestos, IOSHA, and Demolition			**3,500,000**
MADISON STATE HOSPITAL			
Tuckpointing and Caulking			**1,500,000**
RICHMOND STATE HOSPITAL			
Clinical Treatment Center			**4,915,000**
B. PUBLIC HEALTH			
DEPARTMENT OF HEALTH			
SCHOOL FOR THE BLIND			
Air Condition Dorms			**1,900,000**
SCHOOL FOR THE DEAF			
Renovate Buildings 10, 15 and 16			**1,316,205**
Renovate Main Dormitory			**1,010,374**
Beecher and Simpson Halls			**1,712,040**
FOR THE STATE BUDGET AGENCY			
Indiana University Columbus Campus Planning			**750,000**
PURDUE UNIVERSITY			
North Central Campus Technology Building			**3,555,000**
UNIVERSITY OF SOUTHERN INDIANA			
Science Education Building			**12,600,000**
VINCENNES UNIVERSITY			
Technology Building Phase I			**6,000,000**
Performing Arts Center (A&E)			**868,000**
IVY TECH STATE COLLEGE			
Richmond Classroom Building (A&E)			**1,708,000**
Evansville Building (A&E)			**1,000,000**
Terre Haute Building (A&E)			**1,000,000**
INDIANA UNIVERSITY			
Proton Therapy			**10,000,000**
IU Southeast University Center Library (A&E)			**1,000,000**
BALL STATE UNIVERSITY			
Music Building (A&E)			**1,500,000**
IHETS			
Equipment Reserve			**450,000**

The above sums appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Vincennes University, and Ivy Tech State College are in addition to all income of said institutions from all permanent fees and endowments, and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

SECTION 33. [EFFECTIVE JULY 1, 1999]

The trustees of Indiana University, Purdue University, Indiana State University, Ball State University, and Ivy Tech State College may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5 and IC 23-13-18, for the following projects so long as for each institution the sum of principal costs

of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

INDIANA UNIVERSITY-Bloomington Campus	
Undergraduate Business School Renovation	**10,500,000**
INDIANA UNIVERSITY-Kokomo Campus	
New Science and Allied Health Building	**12,792,000**
INDIANA UNIVERSITY-Northwest Campus	
Professional Education Building	**16,601,000**
INDIANA UNIVERSITY-South Bend Campus	
Student Activities Center	**13,671,000**
INDIANA UNIVERSITY PURDUE UNIVERSITY AT INDIANAPOLIS	
Classroom Building	**15,624,000**
PURDUE UNIVERSITY West Lafayette Campus	
Visual Performing Arts Building	**20,750,000**
Boiler Upgrade Phase II	**18,554,000**
INDIANA STATE UNIVERSITY	
Power Plant	**16,601,000**
BALL STATE UNIVERSITY	
South Quadrangle Project	**16,800,000**
IVY TECH STATE COLLEGE	
Lafayette Campus Phase II	**10,900,000**
Bloomington Campus	**17,000,000**

SECTION 34. [EFFECTIVE JULY 1, 1999]

BUILD INDIANA FUND (BIF) (IC 4-30-17)

For the 1999-2001 biennium, the following amounts are hereby appropriated from the Build Indiana Fund.

FOR THE BUDGET AGENCY

INDIANA TECHNOLOGY FUND			**66,000,000**
Libraries (IC 4-34-3-3)	**3,000,000**	**3,000,000**	
Intelenet (IC 4-43-3-4)	**6,500,000**	**6,500,000**	
Department of Education/technology grants (IC 4-34-3-5)	**20,000,000**	**20,000,000**	
Department of Education/scientific instrument project	**1,250,000**	**1,250,000**	

For the scientific instrument project, the department of education shall develop

a plan which must be approved by the budget agency after review by the budget committee.

Professional Development in Technology	**2,500,000**
IHETS for state backbone	**2,000,000**

DIGITAL TELEVISION CONVERSION FOR INDIANA PUBLIC TELEVISION STATIONS	**20,000,000**

The above appropriation is for grants for digital conversion of public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the education television stations that must be approved by the budget agency after review by the budget committee.

COMMUNITY WASTEWATER AND DRINKING WATER GRANTS AND LOANS	**40,000,000**

The foregoing appropriation for local wastewater and drinking water grants and loans shall be deposited in the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-21.

THE DEPARTMENT OF TRANSPORTATION	
State airport improvement grant program	**2,000,000**
NICTD East Chicago Station	**3,500,000**
Monroe County Airport	**50,000**
TRANSPO Amtrak station	**1,500,000**
THE DEPARTMENT OF NATURAL RESOURCES	
Lake Shafer Enhancement	**2,000,000**
Lake George Dredging (Lake County)	**500,000**
Heritage Trust	**5,000,000**
Lake Michigan Marina Development Com.	**500,000**
Hometown Indiana	**2,200,000**

Of the above appropriations for Hometown Indiana, $1,000,000 is for West Baden Springs and $200,000 for the City of Vincennes old post office. Each Hometown Indiana project shall be reviewed by the budget committee

FOR THE STATE BUDGET AGENCY - LOCAL PROJECTS

Abington Twp. FD	**5,000**
Acuff Road Business Park	**125,000**
African American Achievers	**25,000**
African American Achievers Theater	**150,000**
African American Achievers Youth Corp., Inc.	**25,000**
African Americans United, Inc.	**50,000**
Allen Co. Central City Trust Fund	**50,000**
Allen County/Ft. Wayne Historical Society	**50,000**
Allen County Local Education Fund	**25,000**
Anderson - Memorial Field renovation	**25,000**
Anderson - Meridian Street revitalization	**100,000**

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	**Anderson Twp. VFD at St. Marks**			**25,000**
2	**Anderson - Wilson Boys and Girls Club**			**50,000**
3	**Argos Community Ambulance Service equipment**			**18,500**
4	**Argos VFD equipment**			**18,500**
5	**Austin - parks**			**30,000**
6	**Avilla - flood prevention**			**80,000**
7	**Beanblossom-Patricksburg Water Corp.-Spencer water system**			**50,000**
8	**Beech Grove Fire Department**			**50,000**
9	**Beech Grove Senior Citizens Center**			**100,000**
10	**Benton Co. Fowler/Center Twp. VFD**			**62,500**
11	**Benton Co. Hickory Grove VFD**			**62,500**
12	**Benton Co. Otterbein Community Center**			**25,000**
13	**Benton Co. Richland Twp. VFD**			**42,850**
14	**Benton Co. Town of Oxford Park Board**			**12,000**
15	**Benton Twp. (Monroe Co.) FD**			**7,500**
16	**Bessie Owens Community Center - East Chicago**			**25,000**
17	**Beverly Shores Walking Path**			**50,000**
18	**Birdseye VFD**			**10,000**
19	**Black Expo Economic Development Corp.**			**25,000**
20	**Bloomington Community Ice Rink**			**100,000**
21	**Bloomington Twp. FD equipment and construction**			**150,000**
22	**Boonville - codification system**			**15,000**
23	**Boonville Demolition/Paving project**			**5,000**
24	**Boonville FD project**			**20,000**
25	**Boonville - parking meter project**			**30,000**
26	**Bowling Green Old Settlers Reunion, Inc. - community center building**			**50,000**
27	**Bowman Park/School 79 playground**			**45,000**
28	**Brazil YMCA**			**30,000**
29	**Brazil YMCA - building and equipment**			**25,000**
30	**Bread of Life Ministry**			**10,000**
31	**Bread of Life Ministry**			**10,000**
32	**Bread of Life Ministry - freezer**			**9,000**
33	**Bridgeton VFD equipment**			**10,000**
34	**Brother's Keeper**			**25,000**
35	**Brothers Keepers**			**100,000**
36	**Brothers Keepers Inc.**			**200,000**
37	**Brownstown VFD**			**25,000**
38	**Bryant Community Center**			**35,000**
39	**Butler Tarkington Neighborhood Assn.**			**50,000**
40	**Byrd Gibson Sports Complex**			**15,000**
41	**Cambridge City FD**			**5,000**
42	**Cambridge City infrastructure**			**100,000**
43	**Cardinal Ritter HS Computer networking project**			**15,000**
44	**Celestine VFD**			**10,000**
45	**Center for the Homeless**			**50,000**
46	**Center Twp. FD - smoke hood and defibrillator**			**30,000**
47	**Centerville FD**			**5,000**
48	**Centerville infrastructure**			**100,000**
49	**Centerville Sr. Center - building improvements**			**25,000**

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	**Central City Housing Trust Fund - Fort Wayne**			**100,000**
2	**Central Perry VFD**			**10,000**
3	**Chrisney - Paving Project**			**15,000**
4	**City of Charlestown Fire Department**			**25,000**
5	**City of Charlestown Street Equipment**			**50,000**
6	**City of Hammond - Martin Luther King Park**			**20,000**
7	**City of Hammond - Safety Village**			**40,000**
8	**City of Hammond - Soccer Fields**			**75,000**
9	**City of Scottsburg Fire Department**			**50,000**
10	**City of Scottsburg Youth and Family Services Project**			**50,000**
11	**City of Seymour Fire Department**			**50,000**
12	**City of Seymour Refuse Transfer Station**			**50,000**
13	**Civil Rights Hall of Fame**			**25,000**
14	**Clark Co. - Roke Road Project**			**150,000**
15	**Clark Co. - Wood Twp. VFD**			**50,000**
16	**Clay Co., Lewis Twp. - fire truck**			**50,000**
17	**Clay Co., Town of Centerpoint - infrastructure**			**25,000**
18	**Clay Co., Town of Clay City - fire-police building**			**25,000**
19	**Clay Co., Town of Clay City - water system renovation**			**25,000**
20	**Clay Township Trustee for maintenance of township park**			**70,000**
21	**Clinton - Crown Hill Sewer Extension**			**90,000**
22	**Clinton City FD equipment**			**20,000**
23	**Colfax Campus/SB Heritage Found.**			**50,000**
24	**Colfax Campus/South Bend Heritange Foundation**			**50,000**
25	**College Branch Library**			**50,000**
26	**Columbia Park Zoo**			**10,000**
27	**Community Action of Greater Indpls.**			**50,000**
28	**Coolspring Twp. VFD - new engine/equipment**			**100,000**
29	**Covington - sewer and storm drains**			**80,000**
30	**Crawford Co. Auditor - building**			**40,000**
31	**Crooked Creek Multi Service Center**			**100,000**
32	**Crossroad - Ft. Wayne Children's Home**			**50,000**
33	**Crown Point FD - ambulance and equipment**			**100,250**
34	**Curry Twp. FD (Sullivan Co.) - equipment/repairs**			**25,000**
35	**Dale - Community Center Project**			**35,000**
36	**Dalman Road Project - Allen Co.**			**200,000**
37	**Dalman Road Project (Allen Co.)**			**50,000**
38	**Dana sewer**			**20,000**
39	**Daviess County Museum - restrooms**			**10,000**
40	**Daviess Co. Fairgrounds - improvements**			**15,000**
41	**Delaware Co. Albany FD**			**45,000**
42	**Devington CDC**			**500,000**
43	**Dick Johnson Twp. VFD**			**25,000**
44	**Dubois Co. Museum, Inc. - building**			**50,000**
45	**Eagle Creek Little League relocation**			**70,000**
46	**East Chicago - EMS Ambulance**			**100,000**
47	**East Chicago - Little League (Parks) improvement**			**100,000**
48	**East Chicago Parks and Recreation Department**			**50,000**
49	**East Chicago Children's Museum**			**1,000,000**

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	**Eastbrook Elementary Computer Lab**			**15,000**
2	**Eastern Greene County VFD**			**34,000**
3	**Eastside Community Investments, Inc.**			**200,000**
4	**Elberfeld VFD - turnout gear**			**20,000**
5	**Elkhart - Ullery Homeownership district infrastructure**			**100,000**
6	**Elkhart Chapter of the Indiana Black Expo - computers, equipment**			**20,000**
7	**Elkhart Chapter of the Indiana Black Expo - van**			**10,000**
8	**Elkhart Co. Baugo Twp. VFD - safety equipment**			**15,000**
9	**Elm Heights School - playground and ramp for disabled persons**			**59,500**
10	**English VFD**			**10,000**
11	**Enrichment Center - Children's Museum**			**25,000**
12	**Evansville Coalition for the Homeless - copier**			**5,000**
13	**Evansville-Vanderburgh School Corp. - Bosse Field Sound System**			**24,000**
14	**Fairbanks Twp. (Sullivan Co.) - rescue vehicle**			**25,000**
15	**Fairview VFD equipment**			**20,000**
16	**Family Services of Elkhart Co. - women's shelter**			**50,000**
17	**Ferdinand - Park Project**			**35,000**
18	**Fillmore VFD**			**11,000**
19	**Finley Twp. VFD**			**10,000**
20	**Flanner House**			**100,000**
21	**Floyd Co. - Georgetown Twp. VFD**			**30,000**
22	**Floyd Co. - Greenville Twp. VFD**			**100,000**
23	**Folsomville Owen Twp. VFD**			**20,000**
24	**Food Finders Food Bank - warehouse facility construction**			**20,000**
25	**Fort Wayne - street resurfacing**			**100,000**
26	**Fort Wayne Art Museum**			**50,000**
27	**Fort Wayne Urban Enterprise Zones**			**50,000**
28	**Fountain Co. 4-H ground improvements**			**20,000**
29	**Fountain Co. Clerk - computer systems/upgrade**			**5,000**
30	**Fountain Co. War Museum - Veedersburg**			**10,000**
31	**Fountainet VFD**			**25,000**
32	**Franklin County Roads**			**500,000**
33	**Franklin Twp. VFD**			**10,000**
34	**Friends of the Archives - State House Guidebook Printing**			**75,000**
35	**Ft. Wayne Neighborhood Housing Partnership**			**90,000**
36	**Ft. Wayne Sexual Assault Treatment Center**			**25,000**
37	**Gary Delinquent Tax Acquisition Fund**			**100,000**
38	**Gary YWCA**			**100,000**
39	**Gentryville - Lake Project**			**8,000**
40	**Gentryville - Town Hall Project**			**7,000**
41	**Gentryville VFD**			**5,000**
42	**German Township Trustee for maintenance of township park**			**65,000**
43	**Gibson Co. Ambulance Service - upgrade fleet & equipment**			**30,000**
44	**Gibson Co. Fairboard - fairgrounds pavilion**			**250,000**
45	**Gibson Co. Sheriff Department - video/audio systems**			**10,000**
46	**Gibson Twp-Little York FD**			**10,000**
47	**Grassy Fork Twp. VFD**			**25,000**
48	**Greater Lafayette Purdue University Airport - hanger space expansion**			**15,000**
49	**Greenbriar Elementary - outdoor learning**			**25,000**

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	Greencastle City Hall			84,000
2	Greene County Emergency Management			10,000
3	Greene County Firefighters Assn.			5,000
4	Greene County Highland Twp. VFD			46,000
5	Greene Co. Center Twp. - fire station/EMT building			80,000
6	Greene Co. Lyons - city park			10,000
7	Greene Co. Switz City - sidewalks			10,000
8	Greene Co. Taylor Twp. - cemetery paving			8,000
9	Griffith - intersection of Colfax Ave and Main St. project			150,000
10	Hamlet - Davis FD			50,000
11	Hammond - Challenger Space Learning Ctr - bldg. construction			110,000
12	Hammond - Martin Luther King Park - bandshell			20,000
13	Hammond - Ophelia Steen Community Center - building			40,000
14	Hammond - Woodland Child Development Center - building			15,000
15	Hammond YMCA - building repairs			25,000
16	Hanover - park improvements			40,000
17	Harcourt Elementary - outdoor learning			25,000
18	Harmony Wastewater			50,000
19	Harris Twp. Trustee for purchase of land and development of park			250,000
20	Harrison Co. - Corydon VFD			20,000
21	Harrison Co. - Franklin Twp. VFD			100,000
22	Harrison Co. - Ramsey VFD			50,000
23	Haubstadt VFD - turnout gear			10,000
24	Haubstadt Wastewater Project			35,000
25	Haven Hollow Park pave parking lot			43,000
26	Haven House, Inc.			108,400
27	Haysville - Harbison Twp. VFD - building			10,000
28	Health Net			25,000
29	Health Net Foundation			50,000
30	Health Net Foundation			50,000
31	Heritage Hall Community Center - East Chicago			25,000
32	Highland - downtown redevelopment			100,000
33	Highland FD - hurst tool set			37,000
34	Highland FD - radio equipment			40,000
35	Highland Girls' Youth Basketball, Inc.			1,000
36	Highland Police Dept. - storage facility			40,000
37	Hillsdale VFD equipment			10,000
38	Holland - Cass Twp. Fire Department			10,000
39	Hoosier Boys Town			25,000
40	Howard Co, Taylor Twp, park water fountains			1,500
41	Howard Co., Taylor Twp, ball diamond			4,000
42	Howard Co.,Taylor Twp.,fire station repairs			38,000
43	Huntingburg Parks Dept. - Trails program			50,000
44	Imagination Station - renovation, expansion			24,000
45	Indian Heights Elem. Schl - sign			4,000
46	Indian Heights Elem. School outdoor lab			30,000
47	Indiana Black Expo EDC			25,000
48	Indiana Black Expo, Inc.			340,000
49	Indianapolis Parks Department			50,000

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	**Indianapolis Public Schools**			**75,000**
2	**Ingalls - Fire Department improvements**			**85,000**
3	**Intersection Improvements and Signalization - Clarksville**			**235,000**
4	**IPFW - sports infrastructure**			**50,000**
5	**Jackson Co. Reddington VFD**			**12,500**
6	**Jackson Twp. VFD**			**10,000**
7	**Jackson Twp. VFD**			**25,000**
8	**Jackson/Washington Twp. VFD**			**25,000**
9	**Jasper - walking paths along the Patoka River**			**50,000**
10	**Jasper VFD**			**10,000**
11	**Jay County Fair**			**100,000**
12	**Jay County Fire Departments - radios and pagers**			**75,000**
13	**Jay Co. Historical Society building repair**			**40,000**
14	**Jefferson Co. 4-H Fair Board**			**20,000**
15	**Jefferson Co. Canaan VFD**			**12,500**
16	**Jefferson Co. Clifty Fire Co. #6**			**2,000**
17	**Jefferson Co. Deputy VFD**			**12,500**
18	**Jefferson Co. Dupont VFD**			**12,500**
19	**Jefferson Co. Fairplay Fire Co. #1**			**2,000**
20	**Jefferson Co. Hanover VFD**			**12,500**
21	**Jefferson Co. Heritage Trails**			**40,000**
22	**Jefferson Co. Kent VFD**			**12,500**
23	**Jefferson Co. Madison - Pearl Park**			**25,000**
24	**Jefferson Co. Madison VFD**			**12,500**
25	**Jefferson Co. Milton VFD**			**12,500**
26	**Jefferson Co. North Madison Fire Co. #5**			**2,000**
27	**Jefferson Co. road improvements**			**19,000**
28	**Jefferson Co. Ryker's Ridge VFD**			**12,500**
29	**Jefferson Co. Walnut Street Fire Co. #4**			**2,000**
30	**Jefferson Co. Washington Fire Co. #2**			**2,000**
31	**Jefferson Co. Western Fire Co. #3**			**2,000**
32	**Jeffersonville - Charleston Road overpass**			**100,000**
33	**Jeffersonville - Spring Hill Community Building**			**135,000**
34	**Jennings County - road improvements**			**19,000**
35	**Jennings Co. 4-H Fair Board**			**20,000**
36	**Jennings Co. Campbell VFD**			**12,500**
37	**Jennings Co. Center VFD**			**12,500**
38	**Jennings Co. Geneva VFD**			**12,500**
39	**Jennings Co. Lovett VFD**			**12,500**
40	**Jennings Co. Montgomery VFD**			**12,500**
41	**Jennings Co. Park Theatre Project**			**45,000**
42	**Jennings Co. Spencer VFD**			**12,500**
43	**Jennings Co. Vernon downtown revitalization**			**10,000**
44	**Jennings Co. Vernon VFD**			**12,500**
45	**Jennings Twp. VFD**			**10,000**
46	**Johanning Civic Center**			**108,500**
47	**Johnson Twp. FD**			**75,000**
48	**Johnson Twp. VFD**			**25,000**
49	**Jonathan Jennings-School 109 technology**			**15,000**

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	Kingman VFD equipment			10,000
2	Knox Co. Fairgrounds - improvements			50,000
3	Knox Co. Johnson Twp. VFD - truck			100,000
4	Knox Co. Monument Fund - Civil War Monument restoration			10,000
5	Knox Co. ARC - Civitan Center			100,000
6	Kokomo FD - breathing masks			50,000
7	Kokomo, West Side Bambino League parking lot & lights			14,000
8	Ladoga Normal College Building			50,000
9	Ladoga Wastewater			50,000
10	Lafayette FD - equipment			7,000
11	Lafayette Square Area beautification			150,000
12	LaGrange - waterworks project			50,000
13	LaGrange Co. Sewer District			250,000
14	Lake County Fairgrounds			100,250
15	Lake Dale FD - equipment			33,000
16	Lake Station Civic Center			100,000
17	Lakes of Four Seasons FD - truck and EMS equipment			100,250
18	Lapel - Local water project			115,000
19	LaPorte Co. - Harmony House Inc. building improvements			15,000
20	LaPorte Co. Parks Dept. - Creek Ridge Co. Park handicap access trail			20,000
21	Lawrence Co. Indian Creek Twp. - fire station			40,000
22	Lawrence Co. Marion Twp. - fire department			10,000
23	Lawrence Co. Perry Twp. VFA			134,000
24	Lawrence Co. Shawswick Twp. - East Oolitic community building			45,000
25	Lawrence Co. Spice Valley Twp. - Huron Fire Department			10,000
26	Lawrence Co. Spice Valley Twp. - Williams Fire Department			10,000
27	Leadership Perry Co. Playground Project			15,000
28	Leavenworth VFD			10,000
29	Lexington Twp. VFD			25,000
30	Life Spring			100,000
31	Long Center for the Performing Arts			150,000
32	Lowell Fire Department			100,250
33	Madison - Millennium Project			50,000
34	Madison Twp. VFD (Odon) - fire truck			50,000
35	Mansfield Mill			50,000
36	Mapleton Fall Creek CDC			100,000
37	Marengo-Liberty Twp. VFD			10,000
38	Mariah Hill Park			5,000
39	Marion Twp. fire equip and twp. park			25,000
40	Marshall Co. Humane Society equipment			30,000
41	Marshall Co. Sheriff Dept. computers and equipment			70,000
42	Martin Co. Lost River Twp. - truck			75,000
43	Martin Luther King Jr. Community Center - East Chicago			25,000
44	Martin Luther King, Jr. CDC			25,000
45	Martindale Brightwood CDC			60,000
46	Maumee Valley River Basin Committee			50,000
47	MCD - Community Utility Rehab.			500,000
48	Mecca VFD equipment			10,000
49	Michigan City - North Central Community Action Center			20,000

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	Michigan City - beautification of Michigan Blvd/US 35			250,000
2	Michigan City Police Dept. Community Policing Program			20,000
3	Middleway House Transitional Housing			100,000
4	Millennium Project-Wildcat Creek Greenway			250,000
5	Milltown VFD			10,000
6	Milton infrastructure			50,000
7	Mishawaka - sidewalks, curbs, sewers, intersection improvements			100,000
8	Monroe County Emergency Management			60,000
9	Monroe County Fair Board			54,000
10	Monroe County Firefighters Assn.			40,000
11	Monroe County Indian Creek Firefighters Assn.			80,000
12	Monroe Co. Convention & Visitors Bureau beautification project			15,000
13	Monroe Co. Courthouse structural repair			50,000
14	Monroe Co. Ellettsville - Recreational Family Park			37,000
15	Monroe Co. Humane Association			25,000
16	Monroe Co. "Blue Jeans" Center - community center			30,000
17	Morris Civic Center			200,000
18	Mt. Pleasant UMC (Vigo Co.)- water line extension			20,000
19	Muncie - Downtown redevelopment			250,000
20	Muncie Community Schools - modular classroom			20,000
21	Muncie Public Library - land			100,000
22	National Civil Rights Museum and Hall of Fame Inc.			100,000
23	New Albany Twp. VFD (Floyd Co.)			100,000
24	New Chicago - Road Grates			50,000
25	New Goshen VFD			30,000
26	New Goshen VFD equipment			10,000
27	New Washington VFD			25,000
28	Newport - old jail restoration			10,000
29	Newport - VC library			20,000
30	Newport VFD equipment			10,000
31	Newton Co. American Legion Post #364			2,150
32	Newton Co. Beaver Twp. Fire Station/Community Center			27,500
33	Newton Co. Emergency Mgt. Agy.			30,000
34	Newton Co. Goodland-Grant Twp. Library			40,000
35	Newton Co. Mount Ayr Town Hall and Community Center			40,000
36	Newton Co. Sumava Resorts Park			8,000
37	Northern Indiana Arts Assn - computer equipment			34,000
38	Northern Indiana Arts Assn - facade improvements			4,600
39	Northwest Family Services - Ophelia Steen Center			50,000
40	NWHS Kindergarten/Daycare - playground			45,000
41	Oakland City - Emer. street repairs from storm damage			50,000
42	Oasis of Hope Shelter for Battered Women			50,000
43	Orange Co. - Community Building			116,000
44	Orange Co. - Emergency System			56,000
45	Orange Co. Southeast Twp. - Fire Department			10,000
46	Orange Co. Northeast Twp. - Community Center			5,000
47	Orange Co. Orangeville Twp. - Community Center			5,000
48	Oregon Twp.-Koontz Lake FD firetruck			50,000
49	Osceola - dry well installations			50,000

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	Osceola - road repairs			15,000
2	Osceola VFD - safety equipment			15,000
3	Otwell - Jefferson Twp. Park improvements			20,000
4	Owen Co., Clay Twp. - fire pumper truck			50,000
5	Owen Co., Town of Gosport - fire truck			50,000
6	Owen Co., Town of Gosport - water system renovation			25,000
7	Owen Co., Washington Twp. fire station			15,000
8	Parke Co. 4-H Fairgrounds			15,000
9	Parke Co. 4-H ground improvements			10,000
10	Parke Co. Clerk - computer systems/upgrade			5,000
11	Parke Co. JUGA VFD			25,000
12	Parker City Community Park			35,000
13	Pathway Homeless Shelter			50,000
14	Patoka Twp. VFD - North District building expansion			25,000
15	Pendleton - Falls Park Sports Complex project			125,000
16	Pennsylvania Community Center - East Chicago			25,000
17	Perry County Airport Authority			100,000
18	Perry Twp. (Monroe Co.) FD			25,000
19	Perrysville VFD equipment			10,000
20	Phillips Temple/ICEE			50,000
21	Pierce-Polk Twp. VFD			10,000
22	Pike High School soccer facilities			45,000
23	Plymouth Jr. League Baseball - concession, restrooms, booth,equip			68,000
24	Plymouth Public Library			50,000
25	Portage Detective Bureau Cameras			8,567
26	Portage Exchange Club Freedom Shrine Memorial			10,158
27	Portage Park Dept. repairs and improvements			30,270
28	Portage radio room/cell block cameras			7,824
29	Portage street lights			2,400
30	Portage Twp. Community Health Care Clinic			18,186
31	Portage Twp. VFD - equipment			50,000
32	Portage, Olson Park surveillance camera			4,595
33	Posey Co. Mars Twp. VFD - truck			30,000
34	Posey Co. Mt. Vernon - Senior Citizen's Center expansion			90,000
35	Posey Co. New Harmony - capital			150,000
36	Posey Co. Poseyville - renovation Community/Senior Citizen's Center			35,000
37	Posey Co. Smith Twp. VFD - equipment			10,000
38	Posey Twp. VF Co., Inc.			10,000
39	Project Renew (Ft. Wayne)			50,000
40	Providence Home			250,000
41	Putnam County EMS			20,000
42	Randolph Co. 4-H pavilion & HVAC for Husted Hall			100,000
43	Randolph Co. Farmland VFD, Inc.			50,000
44	Reo-French Island Water Project			20,000
45	Richmond FD			5,000
46	Richmond infrastructure			200,000
47	Riverside Park Ball Field Improvements			50,000
48	Roachdale water wells project			25,000
49	Roberto Clemente Community Center - East Chicago			25,000

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	**Robertson Village Replanting & Parks**			**50,000**
2	**Rockport - Lincoln Pioneer Village Project**			**15,000**
3	**Rockport - Park Project**			**15,000**
4	**Rocky Ripple Town Board**			**25,000**
5	**Roke Road Project (Clark Co.)**			**150,000**
6	**Rome VFD**			**10,000**
7	**Rosedale water tower**			**20,000**
8	**R. Ross CDC**			**50,000**
9	**Sandcut - Otter Creek VFD Sandcut Station**			**80,000**
10	**Santa Claus - Park Project**			**20,000**
11	**Scenic Gateway Project**			**15,000**
12	**Schererville - Fire Station construction/addition**			**120,000**
13	**Schererville - Hoosier Boys Town - building construction**			**25,000**
14	**Schererville - Joliet Street improvements**			**30,000**
15	**Schererville - Lake County Surveyor - Hartsdale Pond Flood Control**			**125,000**
16	**Schnellville VFD**			**10,000**
17	**Science Lab relocation - Indianapolis**			**15,000**
18	**Shelby FD - equipment**			**33,000**
19	**Shepherdsville VFD equipment**			**10,000**
20	**Skelton Twp. VFD project**			**5,000**
21	**Sneider FD - equipment**			**33,000**
22	**South Haven VFD fire engine**			**250,000**
23	**South Milford VFD**			**45,000**
24	**Southeast Neighborhood Development**			**300,000**
25	**Southwest Indiana Law Enforcement Training Council**			**10,000**
26	**Sports & Hobby Develop. Group of Muncie - SportsPlex**			**90,000**
27	**Spurgeon - street improvements**			**30,000**
28	**Star Point Program of the Children's Museum**			**25,000**
29	**Starke Co. Sheriff Dept. computers and equipment**			**50,000**
30	**State Line VFD equipment**			**10,000**
31	**Steele Twp. VFD (Plainville)**			**25,000**
32	**Stendal - Lockhart Twp VFD - truck**			**110,000**
33	**Studebaker Museum**			**200,000**
34	**St. Anthony VFD**			**10,000**
35	**St. Bernice VFD equipment**			**10,000**
36	**St. Joseph Co. Center Twp. VFD - equipment**			**100,000**
37	**St. Joseph Co. general fund for capital improvements**			**100,000**
38	**St. Joseph Co. Penn Twp. North VFD - safety equipment**			**15,000**
39	**St. Joseph Co. Penn Twp. South VFD - safety equipment**			**10,000**
40	**St. Joseph Co. Portage Twp. VFD - equipment**			**50,000**
41	**St. Joseph Co. road/drainage projects**			**300,000**
42	**St. Joseph Co. South Gilmer Park**			**400,000**
43	**St. Mary-of-the-Woods Day Care/Pre School**			**25,000**
44	**St. Mary-of-the-Woods Village Trustee - sidewalk construction**			**15,000**
45	**Sullivan Co. YMCA (Sullivan) - land acquisition/chartering**			**30,000**
46	**Tell City - Hoosier RR Project**			**100,000**
47	**Tell City - Port Project**			**25,000**
48	**Terre Haute - Byrd Gibson Recreation Center**			**150,000**
49	**Terre Haute - McMillan Adult Day Care Center**			**28,000**

		FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
1	Terre Haute - Ryves Hall Youth Center			100,000
2	Terre Haute - Woodlawn Cemetery - fence			50,000
3	Terre Haute City Hall exterior restoration and rehab project			50,000
4	Terre Haute Family YMCA			42,000
5	Terre Haute Miss Softball America - indoor softball complex			15,000
6	The Learning Disability Center			10,000
7	The Museums at Prophetstown - infrastructure			100,000
8	The Respect Academy - Computer Lab			50,000
9	Tippecanoe Co. Historical Association			7,000
10	Town of Argus			70,000
11	Town of Hamlet - well head protection system			25,000
12	Town of Dugger - fire station project			50,000
13	Town of Fulda			5,000
14	Town of Grandview Project			5,000
15	Town of Porter - Baseball Field Reconstruction at Hawthorn Park			75,000
16	Town of Porter - Hike/Bike Trail Connection			50,000
17	Town of Sandborn - community center			100,000
18	Turkey Run High School tennis courts			20,000
19	Turman Township Advisory Board (Graysville) - firehouse			50,000
20	Unified Dispatch Signal Enhancement			50,000
21	Union Twp./Ft. Branch VFD - truck			100,000
22	United Northeast CDC			50,000
23	United Way of Delaware Co., Inc. - directories			40,000
24	UNWA CDC			35,000
25	UNWA Senior Citizens Assisted Living			50,000
26	Utica - drainage and sidewalk improvements			30,000
27	Vanderburgh Co. ARC - improvements			250,000
28	Vanderburgh Co. Armstrong Twp. Recreation Center - improvements			46,000
29	Vanderburgh Co. Armstrong Twp. Recreation Center fire hydrant			4,000
30	Vanderburgh Co. CAP of Evansville			60,000
31	Vanderburgh Co. Emporia Project			400,000
32	Vanderburgh Co. Fair Assn. drainage			72,000
33	Vanderburgh Co. German Twp. VFD - remodeling			63,000
34	Vanderburgh Co. Knight Twp. VFD - defibrillators			3,000
35	Vanderburgh Co. Old Courthouse Preservation Society - improvements			60,000
36	Vanderburgh Co. Perry Twp. VFD - equipment			10,000
37	Vanderburgh Co. Private Industry Council of Southwestern IN			50,000
38	Vanderburgh Co. Rivers Bend Playhouse - renovation			50,000
39	Vanderburgh Co. St. Vincent's Day Care Center			25,000
40	Vanderburgh Co. Tri-State Food Bank - racking for warehouses			25,000
41	Vanderburgh Co. United Caring Shelters - renovations			75,000
42	Veedersburg - civic center repair, HUB			20,000
43	Vermillion Co. Clerk - equipment upgrade			5,000
44	Vernon Twp. VFD			25,000
45	Vienna Twp. VFD			25,000
46	Vigo Co., Pierson Twp. - community center restoration			25,000
47	Vigo Co., Pimento School, Inc. - community center restoration			20,000
48	Vigo Co., Riley Twp. Fire District - land acquisition			10,000
49	Vigo Co., Town of Riley - community center renovation			20,000

	FY 1999-2000 Appropriation	FY 2000-2001 Appropriation	Biennial Appropriation
Vigo Twp. Public Library (Bicknell)			**25,000**
Wabash River Parkway Commission			**10,000**
Warren Co. 4-H Fair			**10,000**
Warren Co. 4-H ground improvements			**10,000**
Warren Co. Clerk - computer systems/upgrade			**5,000**
Warren Township Trustee for maintenance of township park			**65,000**
Washington - sidewalk, curb and street repairs			**75,000**
Washington Co. Campbellsburg - sidewalks			**10,000**
Washington Co. Landfill - lift station			**25,000**
Washington Twp. FD			**5,000**
Washington Twp. FD (Knox Co.) - equipment/repairs			**15,000**
Wayfinder Tourism Project			**15,000**
WEA Twp. Community FD - equipment			**7,000**
West Boggs Park - Daviess-Martin Park Dist. - improvements			**50,000**
West Lafayette - redevelopment of Sears and Roebuck Site			**150,000**
Westville - water project			**45,000**
White Co. Brookston Heart to Heart Park			**20,000**
White Co. Monon VFD			**62,500**
White Co. Town of Reynolds Park Board			**15,000**
White Co. Wolcott Park Community Building			**40,000**
White River State Park - Washington Street Bridge			**100,000**
Whiting - Parks/Street Department			**75,000**
Why, Inc.			**25,000**
Widner Twp. (Knox Co., Freelandville) fire department			**100,000**
Williamsport VFD equipment			**10,000**
Winchester FD Rescue			**20,000**
Winslow - Patoka VFD - equipment			**25,000**
Winslow Community Center - improvements			**25,000**
YMCA - Hammond - repairs			**40,000**
YWCA - renovations			**25,000**
YWCA building construction			**100,000**
Youth Science Lab			**60,000**
Zion Missionary Baptist Church, Inc. Development Fund			**25,000**
TOTAL LOCAL PROJECTS	**28,638,000**		
FIRE SAFETY EQUIPMENT GRANTS			**5,000,000**

SECTION 35. [EFFECTIVE JULY 1, 1999]

Notwithstanding P.L. 260-1997, the appropriation in P.L. 260-1197 SECTION 31 of $1,500,000 for cemetery construction for the department of veterans' affairs is canceled.

Notwithstanding P.L. 357-1989(ss), $3,145,408 of the $6,174,750 build indiana fund appropriation for the Tri-County Community Mental Health Center is canceled.

SECTION 36. [EFFECTIVE JULY 1, 1999]

The budget agency may employ one (1) or more architects or engineers to inspect construction, rehabilitation, and repair projects covered by the appropriations in this act or previous acts designated in this act.

SECTION 37. [EFFECTIVE JULY 1, 1999] **If any part of a construction or rehabilitation and repair appropriation made by this act or any previous acts has not been allotted or encumbered before the expiration of two (2) biennia, the budget agency may determine that the balance of the appropriation is not available for allotment. The appropriation may be terminated and the balance may revert to the fund from which the original appropriation was made.**

SECTION 38. [EFFECTIVE JULY 1, 1999] **(a) The general assembly finds that the state needs the construction, equipping, renovation, refurbishing or alteration of one (1) additional medium security correctional facility.**

(b) The general assembly finds that the state will have a continuing need for use and occupancy of the correctional facility described in subsection (a). The general assembly authorizes the state office building commission to provide the correctional facility described in subsection (a) under IC 4-13.5-1 and IC 4-13.5-4.

(c) The general assembly finds that the state needs the construction, equipping, renovation, refurbishing or alteration of one (1) additional mental health facility.

(d) The general assembly finds that the state will have a continuing need for use and occupancy of the mental health facility described in subsection (c). The general assembly authorizes the state office building commission to provide the mental health facility described in subsection (c) under IC 4-13.5-1 and IC 4-13.5-4.

SECTION 39. [EFFECTIVE UPON PASSAGE] **(a) The Trustees of Purdue University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the purpose of constructing, remodeling, renovating, furnishing, and equipping the Purdue Memorial Union project at the West Lafayette campus. However, the Trustees of Purdue University may not issue and sell bonds under IC 20-12-6 if the cost of the Purdue Memorial Union project exceeds nine million five hundred thousand dollars ($9,500,000).**

(b) Bonding authority granted by this SECTION is not eligible for fee replacement appropriations.

(c) The construction and operation by Purdue University of the following facilities is authorized and approved:

(1) Fort Wayne campus parking garage number one (1) - $4,870,000.

(2) Fort Wayne campus parking garage number two (2) - $7,200,000.

The projects approved under this subsection are financed through lease-purchase arrangements. No bonding authority is approved and the projects are not eligible for fee replacement.

SECTION 40. IC 4-33-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The commission shall do the following:

(1) Adopt rules that the commission determines necessary to protect or enhance the following:

(A) The credibility and integrity of gambling operations authorized by this article.

(B) The regulatory process provided in this article.

(C) The natural environment and scenic beauty of Patoka Lake.

(2) Conduct all hearings concerning civil violations of this article.

(3) Provide for the establishment and collection of license fees and taxes imposed under this article.

(4) Deposit the license fees and taxes in the state gaming ~~account~~ **fund** established by IC 4-33-13.

(5) Levy and collect penalties for noncriminal violations of this article.

(6) Deposit the penalties in the state gaming ~~account~~ **fund** established by IC 4-33-13.

(7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:

(A) Certify the revenue received by a riverboat.

(B) Receive complaints from the public.

(C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.

(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:

(i) IC 14-26-2-6.

(ii) IC 14-26-2-7.

(iii) IC 14-28-1.

(8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:

(A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and

(B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 41. IC 4-33-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The state gaming ~~account~~ **fund** is established**.** ~~in the state general fund.~~ **Money in the fund does not revert at the end of the state fiscal year.**

SECTION 42. IC 4-33-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The department shall deposit tax revenue collected under this chapter in the state gaming ~~account.~~ **fund.**

SECTION 43. IC 4-33-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. Sufficient funds are annually appropriated to the commission from the state gaming ~~account~~ **fund** to administer this article.

SECTION 44. IC 4-33-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming ~~account~~ **fund** under this chapter to the following:

(1) Twenty-five percent (25%) of the tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a city described in IC 4-33-12-6(b)(1)(A);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B); and

(2) Seventy-five percent (75%) of the tax revenue remitted by each licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

SECTION 45. IC 8-9.5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. As used in this chapter, "authority" means:

(1) an authority or agency established under IC 8-1-2.2 or IC 8-9.5 through IC 8-23;

(2) the commission established under IC 4-13.5;

(3) only in connection with a program established under IC 13-18-13 or IC 13-18-21, the bank established under IC 5-1.5; or

(4) a fund or program established under IC 13-18-13 or IC 13-18-21.

SECTION 46. IC 8-9.5-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. As used in this chapter, "obligations" means bonds, loan contracts, notes, bond anticipation notes, commercial paper, leases, lease-purchases, installment purchases, certificates of participation in agreements or programs, other evidences of indebtedness, or other agreements or purchasing programs, **whether or not the obligations have been issued or entered into.**

SECTION 47. IC 8-9.5-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) Subject to subsections (b) through (d), an authority may enter into and modify, amend, or terminate one (1) or more swap agreements that the authority determines to be necessary or desirable in connection with or incidental to the issuance, carrying, or securing of obligations. Swap agreements entered into by an authority shall:

(1) contain the provisions (including payment, term, security, default, and remedy provisions); and

(2) be with the parties;

that the authority determines are necessary or desirable after due consideration is given to the creditworthiness of the parties.

(b) The authority may not:

(1) enter into any swap agreement under this section other than for the purpose of managing an interest rate or similar risk that arises in connection with or incidental to the issuance, carrying, or securing of obligations by the authority; or

(2) carry on a business of acting as a dealer in swap agreements.

(c) A swap agreement shall be considered as being entered into in connection with or incidental to the issuance, carrying, or securing of obligations if:

(1) the swap agreement is entered into not more than one hundred eighty (180) days after the issuance of the obligations and specifically indicates the agreement's relationship to the obligations;

(2) the authority ~~specifically~~ designates the swap agreement as having a relationship to the ~~particular~~ obligations;

(3) the swap agreement amends, modifies, or reverses a swap agreement described in subdivision (1) or (2); or

(4) the terms of the swap agreement bear a reasonable relationship to the terms of the obligations.

(d) Payments to be made by the authority to any other party under a swap agreement ~~shall~~ **may** be payable ~~only~~ from:

(1) the same source or sources of funds from which the ~~related~~ obligations are, **will be, or may be** payable; **or**

(2) any other lawfully available source.

(e) This chapter does not create a debt or liability of the authority or the state for purposes of any constitutional or statutory limitation.

SECTION 48. IC 8-9.5-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) With respect to all leases and contracts entered into by the authority with the Indiana department of transportation, **the Indiana department of administration, a fund or program established under IC 13-18-13 or IC 13-18-21,** or any other entity to support obligations, the lease or contract may provide that payments under a swap agreement are treated as a debt service on the obligations or as additional rental or other payment due under the lease or contract as the authority may determine.

(b) The authority may determine that payments under a swap agreement may be integrated with payments on obligations for the purpose of meeting any statutory requirements related to the issuance of obligations.

SECTION 49. IC 13-18-21-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 21. The supplemental drinking water **and wastewater** assistance program is established.

SECTION 50. IC 13-18-21-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 22. (a) The supplemental drinking water **and wastewater** assistance fund is established to provide money for grants, loans, and other financial assistance **to or** for the benefit of: ~~political subdivisions or public water systems that serve economically disadvantaged municipalities~~

(1) participants for the purposes described in section 23(1) of this chapter; and

(2) political subdivisions for the purposes described in section 23(2) of this chapter.

(b) The general assembly may appropriate money to the supplemental fund. Grants or gifts of money to the supplemental fund and proceeds of the sale of:

(1) gifts to the supplemental fund; and

(2) loans and other financial assistance, as provided in sections 25 through 29 of this chapter;

shall be deposited in the supplemental fund.

(c) Repayments of loans and other financial assistance from the supplemental fund, including interest, premiums, and penalties, shall be deposited in the supplemental fund.

(d) The treasurer of state shall invest the money in the supplemental fund that is:

(1) not currently needed to meet the obligations of the supplemental fund; and

(2) not invested under subsection (e);

in the same manner as other public money may be invested. Earnings that accrue from the investments shall be deposited in the supplemental fund.

(e) As an alternative to the investment provided for in subsection (d), the budget agency may invest or cause to be invested all or a part of the supplemental fund in a fiduciary account or accounts with a trustee that is a financial institution. Notwithstanding any other law, any investment may be made by the trustee in accordance with one (1) or more trust agreements or indentures. A trust agreement or indenture may permit disbursements by the trustee to the department, the budget agency, a ~~political subdivision, a public water system that serves an economically disadvantaged municipality,~~ **participant,** the Indiana bond bank, or any other person as provided in the trust agreement or indenture. The state board of finance must approve the form of any trust agreement or indenture before execution.

(f) The cost of administering the supplemental fund may be paid from money in the supplemental fund.

(g) All money accruing to the supplemental fund is appropriated continuously for the purposes specified in this chapter.

(h) Money in the supplemental fund does not revert to the state general fund at the end of a state fiscal year.

SECTION 51. IC 13-18-21-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 23. Money in the supplemental fund may be used to do the following:

(1) Provide grants, loans, or other financial assistance to or for the benefit of ~~political subdivisions or public water systems that serve economically disadvantaged municipalities~~ **participants** for the planning, designing, acquisition, construction, renovation, improvement, or expansion of ~~drinking water treatment systems and~~ **public** water ~~supply~~ systems and other activities necessary or convenient to complete these tasks, whether or not those other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(2) **Provide grants, loans, or other financial assistance to or for the benefit of political subdivisions for the planning, designing, acquisition, construction, renovation, improvement, or expansion of wastewater or stormwater collection and treatment systems and other activities necessary or convenient to complete these tasks, whether or not those other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.**

(3) Pay the cost of administering the supplemental fund and the supplemental program.

~~(3)~~ **(4)** Conduct all other activities that are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

SECTION 52. IC 13-18-21-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 24. ~~(a)~~ The budget agency shall develop ~~a supplemental priority ranking system~~ **criteria** to recommend grants, loans, or other financial assistance from the supplemental fund.

~~(b) The supplemental priority ranking system shall be designed to establish funding for each category of projects consistent with the environmental, public health, and financial objectives of the state.~~

~~(c) The:~~

~~(1) budget agency shall consult with the department in establishing; and~~

~~(2) budget committee shall review~~

~~the supplemental priority ranking system.~~

SECTION 53. IC 13-18-21-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 25. **(a)** The budget agency may make grants or loans or provide other financial assistance from the supplemental fund for the benefit of a ~~political subdivision or public water system that serves an economically disadvantaged municipality~~ **participant** under the following conditions:

(1) A grant, loan, or other financial assistance ~~must~~ **may** be used:

(A) for planning, designing, acquiring, constructing, renovating, improving, or expanding ~~drinking water treatment systems or~~ **public** water ~~supply~~ systems, and other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) The budget agency must establish the terms and conditions that the budget agency considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

(b) In addition to its powers under subsection (a), the budget agency may also make grants or loans or provide other financial assistance from the supplemental fund to or for the benefit of a political subdivision under the following conditions:

(1) A grant, loan, or other financial assistance may be used:

(A) for planning, designing, acquiring, constructing, renovating, improving, or expanding wastewater or stormwater collection and treatment systems, and other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) The budget agency must establish the terms and conditions that the budget agency considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

SECTION 54. IC 13-18-21-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 26. (a) A grant, loan, or other financial assistance from the supplemental fund must be accompanied by all papers and opinions required by the budget agency.

(b) Unless otherwise provided by rule, a loan or other financial assistance must be accompanied by the

following:

~~(1) An approving opinion of nationally recognized bond counsel.~~

~~(2)~~ **(1)** A certification and guarantee of signatures.

~~(3)~~ **(2)** A certification that, as of the date of the loan or other financial assistance, no litigation is pending challenging the validity of or entry into:

(A) the grant, loan, or other financial assistance; or

(B) any security for the loan or other financial assistance.

(c) The budget agency may require an approving opinion of nationally recognized bond counsel.

SECTION 55. IC 13-18-21-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 27. A ~~political subdivision or public water system~~ **participant** receiving a grant, loan, or other financial assistance from the supplemental fund shall enter into a financial assistance agreement. A financial assistance agreement under this section is a valid, binding, and enforceable agreement of the ~~political subdivision or public water system.~~ **participant.**

SECTION 56. IC 13-18-21-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 28. (a) The budget agency may sell loans or evidences of other financial assistance and other obligations evidencing the loans or other financial assistance from the supplemental fund:

(1) periodically;

(2) at any price; and

(3) on terms acceptable to the budget agency.

(b) Proceeds of sales under this section shall be deposited in the supplemental fund, **the wastewater revolving loan fund,** or the fund at the direction of the budget director.

SECTION 57. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1999]: IC 13-18-13-21; IC 13-18-13-22; IC 13-18-13-23; IC 13-18-13-24; IC 13-18-13-25; IC 13-18-13-26; IC 13-18-13-27; IC 13-18-13-28; IC 13-18-13-29.

SECTION 58. [EFFECTIVE JULY 1, 1999] **(a) On July 1, 1999, the treasurer of state shall transfer the balance remaining in the supplemental wastewater assistance fund on June 30, 1999, to the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22, as amended by this act.**

(b) On July 1, 1999, all liabilities of the supplemental wastewater assistance fund become liabilities of the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22, as amended by this act.

SECTION 59. IC 20-1-22 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 22. School Readiness Program Plan

Sec. 1. The Indiana state board of education shall adopt rules under IC 4-22-2 establishing the criteria for acceptable school readiness programs that may be approved under this chapter. The rules must provide that programs similar to the following are approved:

(1) Head Start under 42 U.S.C. 9831 et seq.

(2) Even Start.

(3) Transitional kindergarten.

(4) Other nationally accepted programs that improve school readiness.

The criteria must be based on national studies and research on school readiness programs.

Sec. 2. Each school corporation may adopt a plan to provide a full day kindergarten or school readiness program, or both. The plan must comply with the rules adopted under this chapter and must include the following:

(1) Goals, objectives, and expectations of the program that are consistent with the school corporation goals and state student achievement or performance goals.

(2) Anticipated or estimated participation in each program.

(3) Physical space needs, specifically identifying the potential need for more classrooms

or facilities or expansion of existing rooms and including the estimated cost for additional space that would be attributable to having a program.

(4) Transportation needs, including necessary additional bus routes and buses and the estimated cost for necessary expansion of transportation.

(5) Personnel needs, including necessary additional teachers, aides, and other staff that would be required to maintain an eighteen to one (18:1) student to teacher ratio in full day kindergarten and the estimated cost for necessary additional personnel.

(6) Professional development plans for program teachers, including a description of the types and amount of training that teachers in the program will be asked or required to complete before implementing a program.

(7) Academic structure of the program, including the mix of subject areas and activities that will be provided in the program.

(8) Evaluation methods that will be used to monitor progress toward meeting or exceeding the program goals, objectives, and expectations.

A school corporation that has a full day kindergarten program that allows any kindergarten age child to participate may submit a plan that describes what the school corporation is doing to satisfy subdivisions (1), (2), (7), and (8).

Sec. 3. (a) A governing body shall conduct a public hearing for the purpose of giving all interested parties an opportunity to review and comment on the plan. Notice of the hearing must be given at least fourteen (14) days before the hearing in accordance with IC 5-14-1.5-5(b). After the public hearing, the governing body may revise the plan and hold another public hearing on the revised plan.

(b) The approved plan must be submitted to the department of education for review and approval before January 1, 2000, to receive a grant for the 2000-2001 school year. A school corporation that does not submit a plan in 1999 must submit a plan to the department of education for review and approval before January 1 of a year to receive a grant in subsequent school years.

(c) The plan must then be submitted to the Indiana state board of education for approval.

(d) A school corporation is not entitled to program funding under IC 21-3-12 until a plan is approved by the Indiana state board of education.

SECTION 60. IC 21-3-12 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]:

Chapter 12. Full Day Kindergarten and School Readiness Grants

Sec. 1. The definitions set forth in IC 21-3-1.6 apply throughout this chapter.

Sec. 2. As used in this chapter, "full day kindergarten enrollment" means the number of eligible pupils enrolled in full day kindergarten in the school corporation or in a transferee corporation on the day fixed by the superintendent to determine the average daily membership or ADM of the corporation.

Sec. 3. As used in this chapter, "school readiness program enrollment" means the number of children enrolled of eligible kindergarten age in the school corporation's school readiness program even though the child may also be enrolled in the school corporation's half day kindergarten. It does not include children who are enrolled in the school corporation's full day kindergarten.

Sec. 4. In addition to the amount a school corporation is entitled to receive under this article, each school corporation is entitled to receive a grant for its full day kindergarten program that is implemented under a plan approved under IC 20-1-22. The amount of the kindergarten grant for a school year is the product of:

(1) the school corporation's full day kindergarten enrollment; multiplied by

(2) one thousand five hundred dollars ($1,500).

A school corporation shall use the grant for its full day kindergarten program under the plan approved under IC 20-1-22.

Sec. 5. In addition to the amount a school corporation is entitled to receive under this article, each

school corporation is entitled to receive a grant for pupils attending a school readiness program other than full day kindergarten that is implemented under a plan approved under IC 20-1-22. The amount of the school readiness program grant for a school year is the product of:

(1) the school corporation's school readiness program enrollment; multiplied by

(2) one thousand two hundred dollars ($1,200).

A school corporation shall use the grant for its school readiness programs as set forth in its plan approved under IC 20-1-22.

Sec. 6. This chapter expires January 1, 2002.

SECTION 61. [EFFECTIVE UPON PASSAGE] **(a) Each school corporation is entitled to a school readiness program planning grant during December 1999 for planning and implementing a school readiness program as permitted by IC 20-1-22, as added by this act. The amount of each school corporation's grant is the school corporation's average daily membership for kindergarten, as defined in IC 21-3-1.6-1.1 multiplied by three hundred seventy dollars ($370).**

(b) School readiness program planning grants must be used only to pay for one (1) or more of the following:

(1) Developing and submitting the school corporation's school readiness program plan.

(2) Professional development of kindergarten teachers under the rules established by the professional standards board under IC 20-1-1.4.

(3) Implementing full day kindergarten or school readiness programs, as defined in IC 20-1-22, as added by this act.

(4) Operating full day kindergarten programs in existence on January 1, 1999.

(c) The Indiana state board of education shall adopt emergency rules under IC 4-22-2-37.1 before July 1, 1999, establishing the criteria for acceptable school readiness programs under IC 20-1-22, as added by this act, for the 2000-2001 school year. The emergency rules adopted under this SECTION expire on the earlier of:

(1) the date rules are adopted under IC 20-1-22-1, as added by this act; or

(2) July 1, 2000.

(d) This SECTION expires July 2, 2000.

SECTION 62. IC 20-10.1-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 21.5. Reading Diagnostic and Remediation Program

Sec. 1. As used in this chapter, "diagnostic grant" refers to a grant provided to a school corporation to perform reading diagnostic assessments under this chapter.

Sec. 2. As used in this chapter, "fund" refers to the reading diagnostic assessment and remediation fund established under section 5 of this chapter.

Sec. 3. As used in this chapter, "program" refers to the reading diagnostic and remediation program established under section 6 of this chapter.

Sec. 4. As used in this chapter, "remediation grant" refers to a grant provided to a school corporation to provide remediation for students who participate in a reading diagnostic assessment.

Sec. 5. (a) The reading diagnostic assessment and remediation fund is established to provide diagnostic grants and remediation grants under this chapter. The fund shall be administered by the department.

(b) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 6. (a) The reading diagnostic and remediation program is established to provide:

(1) early identification of; and

(2) remediation to;

grade one or grade two students who have difficulty reading.

(b) The department shall:

(1) administer the program; and

(2) coordinate training for grade 1 and grade 2 teachers in the administration and

interpretation of reading diagnostic instruments.

Sec. 7. (a) The board shall select and purchase a diagnostic instrument for the assessment portion of the program. The diagnostic instrument selected by the board must:

(1) measure both phonics and whole language ability and comprehension;

(2) assess phonemic awareness;

(3) test other appropriate reading skills and comprehension;

(4) detect physical and mental learning disabilities; and

(5) be suitable for administration and interpretation by grade 1 and grade 2 teachers.

(b) The governing body of a school corporation may select an alternate diagnostic instrument for use in the school corporation. An alternate diagnostic instrument selected under this subsection must:

(1) meet the selection criteria under subsection (a); and

(2) be approved by the board before it may be administered.

Sec. 8. (a) Not later than October 15, each school corporation shall administer the diagnostic instrument selected under section 7 of this chapter.

(b) The diagnostic instrument shall be administered to the following grade 1 or grade 2 students:

(1) A student identified by the student's teacher as having difficulty reading.

(2) A student whose parents request that the student be assessed, if the student's teacher and principal determine that the diagnostic instrument is an appropriate assessment tool for the student.

(c) A school is eligible to receive a diagnostic grant from the fund in an amount that does not exceed the amount determined in STEP FOUR of the following formula:

STEP ONE: Determine the Indiana academic standard for language arts scale score plus ten (10) scale score points as tested by the grade 3 ISTEP for the three (3) most recently administered tests.

STEP TWO: For the three (3) preceding years in which the ISTEP language arts test was administered to grade 3 students, determine the total number of grade 3 students in the school who did not meet the academic standard scale score determined under STEP ONE.

STEP THREE: Divide the number determined under STEP TWO by three (3).

STEP FOUR: Multiply the quotient determined under STEP THREE by two dollars ($2).

(d) A diagnostic grant must be used for the costs of:

(1) administering; and

(2) interpreting the results of;

the diagnostic instrument.

Sec. 9. (a) This section applies to a grade 1 or grade 2 student who:

(1) has been assessed by the diagnostic instrument selected under section 7 of this chapter; and

(2) based upon the results of the assessment, is determined to have a reading deficiency.

(b) The teacher of a student to whom this section applies shall:

(1) develop an individualized reading instruction plan for the student; and

(2) review the plan with the student's parent:

(A) in a meeting; or

(B) if a meeting cannot be arranged after a reasonable effort by the teacher, through sending the plan to the parent for the parent's signature.

(c) An individualized reading instruction plan:

(1) must specify appropriate remedial programs or activities for a student to address areas in which the student lacks skills, as identified by the diagnostic instrument; and

(2) may utilize existing remedial and tutoring programs offered by the school corporation through the department or through a federal program.

(d) A school is eligible to receive a remediation grant from the fund in an amount that does not

exceed the number of students in the school to whom this section applies multiplied by one hundred dollars ($100).

Sec. 10. A school shall:

(1) determine whether students who participated in an individualized reading plan in grade 1 or grade 2 meet the academic standard scale score tested by:

(A) the grade 3 ISTEP language arts test; or

(B) a comparable assessment or evaluation conducted by the school during the grade 3 school year; and

(2) report the school's findings to the department in a form prescribed by the department.

SECTION 63. [EFFECTIVE JULY 1, 1999] **(a) Notwithstanding IC 20-10.1-21.5-8(c), as added by this act, a school is eligible to receive a diagnostic grant for the 1999-2000 school year from the reading diagnostic assessment and remediation fund established by IC 20-10.1-21.5-5, as added by this act, in an amount that does not exceed the amount determined in STEP FOUR of the following formula:**

STEP ONE: Determine the Indiana academic standard for language arts scale score plus ten (10) scale score points as tested by the grade 3 ISTEP for the two (2) most recently administered tests.

STEP TWO: For the two (2) preceding years in which the ISTEP reading test was administered to grade 3 students, determine the total number of grade 3 students in the school who did not meet the academic standard scale score determined under STEP ONE.

STEP THREE: Divide the number determined under STEP TWO by two (2).

STEP FOUR: Multiply the quotient determined under STEP THREE by twelve dollars ($12).

(b) This SECTION expires June 30, 2001.

SECTION 64. IC 4-4-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 5.1. Indiana Twenty-First Century Growth Fund

Sec. 1. As used in this chapter, "board" refers to the Indiana twenty-first century growth fund board established by section 6 of this chapter.

Sec. 2. As used in this chapter, "fund" refers to the Indiana twenty-first century growth fund established by section 3 of this chapter.

Sec. 3. (a) The Indiana twenty-first century growth fund is established to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

(1) To increase the capacity of Indiana institutions of higher education, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal research and development financing.

(2) To stimulate the transfer of research and technology into marketable products.

(3) To assist with diversifying Indiana's economy so that high skill and high wage jobs are created.

(4) To encourage an environment of innovation and cooperation among universities and business to promote research activity, including operation of Internet 2.

(b) The fund shall be administered by the budget agency. The fund consists of appropriations from the general assembly and gifts and grants to the fund. The budget agency shall review and approve requests for operating funds and each grant and loan recommended by the board before allotting money from the fund. Except for operating funds, money in the fund must be used only to provide a matching incentive on a one-time basis and may not be used to provide a recurring source of revenue for any project.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund

but remains in the fund to be used exclusively for the purposes of this chapter.

Sec. 4. (a) A proposal requesting a grant or loan from the Indiana twenty-first century growth fund must be targeted to one (1) or more of the areas listed in section 3 of this chapter.

(b) An applicant must meet the requirements of this section and be approved by the board. A proposal shall be made on an application prescribed by the board. The applicant shall provide all information that the board finds necessary to make the determinations required by this chapter.

(c) All proposals must include the following:

(1) A detailed financial analysis that includes the commitment of resources by other entities that will be involved in the project.

(2) The economic development potential of the project.

(3) The obligations of the applicant.

(4) Any other information that the board considers appropriate.

(d) A proposal from an academic researcher must be made through the office of the president of the academic institution with the express endorsement of that institution's president. A proposal from a private researcher must be made through the office of the highest ranking officer of the researcher's institution with the express endorsement of the institution.

Sec. 5. (a) The board shall make final funding determinations for proposals that will be submitted to the budget agency for review and approval. In making these determinations, the board may use a peer review panel to assist it in making determinations.

(b) The board shall give priority to proposals that:

(1) have the greatest economic development potential; and

(2) require the lowest ratio of money from the fund compared to the combined financial commitments of the applicant and those cooperating on the project.

Sec. 6. (a) The Indiana twenty-first century growth fund board is established. The board consists of eight (8) voting members as follows:

(1) The lieutenant governor, or the lieutenant governor's designee, who shall serve as chairperson of the board.

(2) A representative of a public research institution of higher education to be appointed by the governor.

(3) A representative of a private research institution of higher education to be appointed by the governor.

(4) A representative from business or agriculture to be appointed by the governor.

(5) A representative from a business with high research and development expenditures in Indiana to be appointed by the governor.

(6) A representative from the venture or growth capital industry to be appointed by the governor.

(7) An economist to be appointed by the governor.

(8) The Indiana commissioner of higher education.

Members of the board appointed by the governor serve terms of two (2) years.

(b) A board member may not have a relationship with an applicant or cooperating entity if the relationship would constitute a conflict of interest for the board member on a particular proposal. A board member with a conflict of interest shall abstain from any discussion, consideration, or vote on the proposal.

Sec. 7. The governor shall fill a vacancy on the board for the remainder of the unexpired term. Except for the ex officio board members, the governor may replace a board member at any time.

Sec. 8. A quorum for a meeting of the board consists of five (5) voting members.

Sec. 9. Five (5) affirmative votes are required for the board to take action.

Sec. 10. Members of the board are not entitled to per diem allowances or reimbursement of expenses for their service on the board.

Sec. 11. The board may use money in the fund to cover administrative expenses incurred in

carrying out the requirements of this chapter.

SECTION 65. IC 4-30-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The commission shall transfer the surplus revenue in the administrative trust fund as follows:

(1) Before the last business day of January, April, July, and October, the commission shall transfer to the treasurer of state, for deposit in the Indiana state teachers' retirement fund (IC 21-6.1-2), an amount equal to the lesser of:

(A) seven million five hundred thousand dollars ($7,500,000); or

(B) the additional quarterly contribution needed so that the ratio of the unfunded liability of the Indiana state teachers' retirement fund compared to total active teacher payroll is as close as possible to but not greater than the ratio that existed on the preceding July 1.

On or before June 15 of each year, the board of trustees of the Indiana state teachers' retirement fund shall submit to the treasurer of state, each member of the pension management oversight commission, and the auditor of state its estimate of the quarterly amount needed to freeze the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) as a percent of payroll. The estimate shall be based on the most recent actuarial valuation of the fund. Notwithstanding any other law, including any appropriations law resulting from a budget bill (as defined in IC 4-12-1-2), the money transferred under this subdivision shall be set aside in a special account to be used as a credit against the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) of the Indiana state teachers' retirement fund. The money transferred is in addition to the appropriation needed to pay benefits for the state fiscal year.

(2) Before the last business day of January, April, July, and October, the commission shall transfer ~~two~~ **seven** million five hundred thousand dollars ~~($2,500,000)~~ **($7,500,000)** of the surplus revenue to the treasurer of state for deposit in the pension relief fund (IC 5-10.3-11).

(3) The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) and (2) shall be transferred by the commission to the treasurer of state for deposit on that day in the build Indiana fund.

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1) and (a)(2). Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1) and (a)(2) shall be transferred to the build Indiana fund.

SECTION 66. IC 6-1.1-18-3 (CURRENT VERSION) IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) one dollar and twenty-five cents ($1.25) on each one hundred dollars ($100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) two dollars ($2) on each one hundred dollars ($100) of assessed valuation in territory inside the corporate limits of a city or town.

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

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

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

(3) To pay the principal or interest upon:

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

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

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

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

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

~~(7)~~ **(6)** To meet the requirements of the county hospital care for the indigent fund.

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

SECTION 67. IC 6-1.1-18-3 (DELAYED VERSION) IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

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

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

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

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

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

(3) To pay the principal or interest upon:

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

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

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

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

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

~~(7)~~ **(6)** To meet the requirements of the county hospital care for the indigent fund.

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

SECTION 68. IC 6-1.1-18.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) For purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value growth quotient determined in the last STEP of the following STEPS:

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

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

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

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

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

(b) If the assessed values of taxable property used in determining a civil taxing unit's property taxes that are first due and payable in a particular calendar year are significantly increased over the assessed values used for the immediately preceding calendar year's property taxes due to the settlement of litigation concerning the general reassessment of that civil taxing unit's real property, then for purposes of determining that civil taxing unit's assessed value growth quotient for an ensuing calendar year, the state board of tax commissioners shall replace the quotient described in STEP TWO of subsection (a) for that particular calendar year. The state board of tax commissioners shall replace that quotient with one that as accurately as possible will reflect the actual growth in the civil taxing unit's assessed values of real property from the immediately preceding calendar year to that particular calendar year.

SECTION 69. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under any of the following:

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

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

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

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

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

~~(6)~~ **(2)** IC 12-20-24.

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

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

SECTION 70. IC 6-1.1-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 20.5. Inventory Tax Reduction Credits

Sec. 1. As used in this chapter, "inventory" has the meaning set forth in IC 6-1.1-3-11.

Sec. 2. As used in this chapter, "net property tax liability on inventory" means the property taxes attributable to inventory that are due and payable as shown on the property tax statement sent to a person after all deductions and credits have been applied under any other statute.

Sec. 3. A credit against a person's net property tax liability on inventory under IC 6-1.1-2 shall be provided under this chapter. The credit is equal to the net amount of ad valorem property taxes

that would be paid on inventory with an assessed value of twelve thousand five hundred dollars ($12,500).

Sec. 4. (a) The county assessor shall determine the amount of each property owner's assessed value that is attributable to inventory in the county. Before December 1 of each year the county assessor shall provide the county auditor with the amount of inventory assessed value for each owner that is eligible for the credit.

(b) The county auditor shall compute the amount of property taxes in the county that is attributable to inventory assessed value as reported by the county assessor using the same property tax liability that is used to calculate the property tax replacement credit under IC 6-1.1-21-5 but after deducting the property tax replacement credit.

(c) Before March 1 of each year, each county auditor shall certify to the state board of tax commissioners and provide electronically the federal taxpayer identification number of each inventory owner, the amount of assessed value for which the credit is claimed, and the amount of inventory credits allowed for each claimant in that county for that calendar year. Before March 10, the state board of tax commissioners shall determine if any person has claimed credits for more than the assessed value allowed under this chapter and deny the credits for any excess. Before March 15, the state board of tax commissioners shall certify the amount of credits allowed to the property tax replacement fund board. The credits shall be determined in the same manner as property tax replacement credits are determined under IC 6-1.1-21 but after deducting the property tax replacement credit.

Sec. 5. (a) Each year the property tax replacement fund board shall allocate to the department of state revenue from the targeted tax relief fund under IC 4-10-20 an amount equal to the total amount of inventory tax credits that are provided under this chapter for each county for that year in the same manner as the homestead credits are allocated from the property tax replacement fund under IC 6-1.1-21.

Sec. 6. The department of state revenue shall distribute to each county treasurer from only the targeted tax relief fund the estimated distribution for that year for the county at the same time and in the same manner as the homestead credit distributions are made under IC 6-1.1-21. The money in the fund is appropriated to make the distributions.

(b) All distributions provided in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state.

Sec. 8. To the extent it is consistent with this chapter, IC 6-1.1-21 applies with respect to the credit under this chapter.

Sec. 9. Subject to IC 4-10-20, there is appropriated from the targeted tax relief fund the amount necessary to provide credits under this chapter.

SECTION 71. IC 6-1.1-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. As used in this chapter:

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

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

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

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

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

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

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

(1) the remainder of:

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

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

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

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

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

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

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

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

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

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

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

(F) the remainder of:

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

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

(G) the amount of property taxes imposed in the county for the stated assessment year under:

(i) IC 21-2-15 for a capital projects fund; plus

(ii) IC 6-1.1-19-10 for a racial balance fund; plus

(iii) IC 20-14-13 for a library capital projects fund; plus

(iv) IC 20-5-17.5-3 for an art association fund; plus

(v) IC 21-2-17 for a special education preschool fund; plus

(vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school

corporation's maximum permissible general fund levy for certain transfer tuition costs; plus

(vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in ~~IC 6-1.1-19-1.5(a) STEP ONE or~~ any ~~other~~ law; minus

(I) for each township in the county, the lesser of:

(i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(5) filed after December 31, 1982; or

(ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; ~~minus~~

~~(K) for each county, the sum of:~~

~~(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and~~

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

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

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

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

(5) the difference between:

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

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

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

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

SECTION 72. IC 6-1.1-29-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) A county council may adopt an ordinance to abolish the county board of tax adjustment. This ordinance must be adopted by July 1 and may not be rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-19, ~~IC 12-19-3, IC 12-19-7,~~ IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11, IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted, this section governs the treatment of tax rates, tax levies, and budgets that would otherwise be reviewed by a county board of tax adjustment under IC 6-1.1-17.

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

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

SECTION 73. IC 6-3-1-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 3.5. When used in IC 6-3, the term "adjusted gross income" shall mean the following:

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

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

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States or for taxes on property levied by any subdivision of any state of the United States.

(3) Subtract one thousand **five hundred** dollars ~~($1,000),~~ **($1,500),** or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand **five hundred** dollars ~~($1,000).~~ **($1,500).**

(4) Subtract one thousand **five hundred** dollars ~~($1,000)~~ **($1,500)** for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer, and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

~~(5) Subtract five hundred dollars ($500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code for taxable years beginning after December 31, 1996, and before January 1, 2001. This amount is in addition to the amount subtracted under subdivision (4).~~

~~(6)~~ **(5)** Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

~~(7)~~ **(6)** Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code), if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

~~(8)~~ **(7)** Subtract any amounts included in federal adjusted gross income under Internal Revenue Code Section 111 as a recovery of items previously deducted as an itemized deduction from

adjusted gross income.

~~(9)~~ **(8)** Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

~~(10)~~ **(9)** Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

~~(11)~~ **(10)** Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code, if the taxable year began before January 1, 1985.

~~(12)~~ **(11)** Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

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

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

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

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

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

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

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

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

SECTION 74. IC 6-3.5-1.1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;

(2) declarations of estimated tax;

(3) filing of returns;

(4) remittances;

(5) incorporation of the provisions of the Internal Revenue Code;

(6) penalties and interest;

(7) exclusion of military pay credits for withholding; and

(8) exemptions and deductions;

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

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

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

SECTION 75. IC 6-3.5-6-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

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

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

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

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

Center Township	$1,898,145
Decatur Township	$ 164,103
Franklin Township	$ 173,934
Lawrence Township	$ 890,086
Perry Township	$ 854,544
Pike Township	$1,410,375
Warren Township	$1,027,721
Washington Township	$1,017,890
Wayne Township	$ 988,397
Lawrence-City	$ 648,848
Beech Grove	$ 639,017
Southport	$ 18,906
Speedway	$ 546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

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

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

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

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP

TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

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

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

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

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

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

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

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

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

SECTION 76. IC 6-3.5-6-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 22. (a) Except as otherwise provided in subsection (b) and the other provisions of this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

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

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

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

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

SECTION 77. IC 6-3.5-7-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;
(2) declarations of estimated tax;
(3) filing of returns;
(4) remittances;
(5) incorporation of the provisions of the Internal Revenue Code;
(6) penalties and interest;
(7) exclusion of military pay credits for withholding; and

(8) exemptions and deductions;

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

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

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

SECTION 78. IC 6-5.5-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) On or before February 1, May 1, August 1, and December 1 of each year the auditor of state shall transfer to each county auditor for distribution to the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount equal to one-fourth (1/4) of the sum of the guaranteed amounts for all the taxing units of the county. On or before August 1 of each year the auditor of state shall transfer to each county auditor the supplemental distribution for the county for the year. **For purposes of determining distributions under subsection (b), the state board of tax commissioners shall determine a state welfare allocation for each county calculated as follows:**

(1) For 2000, the state welfare allocation for each county equals the greater of zero (0) or the difference between:

(A) the amount that would be distributed to the taxing unit that is a county under subsection (b), if the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4 are considered in determining the county unit's distribution; minus

(B) the amount that would be distributed to the taxing unit that is a county under subsection (b) if the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4 are not considered in determining the county unit's distribution.

(2) For 2001 and each year thereafter, the state welfare allocation for each county equals the greater of zero (0) or the amount determined under the following formula:

STEP ONE: For 1997, 1998, and 1999, determine the result of:

(A) the property taxes collected by the county in the year for the county's county welfare fund, county welfare administration fund, and county family and children's fund; divided by

(B) the total property taxes collected by all the taxing units in the county in the year.

STEP TWO: Determine the sum of the results determined in STEP ONE.

STEP THREE: Divide the STEP TWO result by three (3).

STEP FOUR: Determine the amount that would otherwise be distributed to all the taxing units in the county under subsection (b) without regard to this subdivision.

STEP FIVE: Determine the result of:

(A) the STEP FOUR amount; multiplied by

(B) the STEP THREE result.

The state welfare allocation shall be deducted from the distributions otherwise payable under subsection (b) to the taxing unit that is a county and shall be deposited in the state general fund.

(b) A taxing unit's guaranteed distribution for a year is the greater of zero (0) or an amount equal to:

(1) the amount received by the taxing unit under IC 6-5-10 and IC 6-5-11 in 1989; minus

(2) the amount to be received by the taxing unit in the year of the distribution, as determined by the state board of tax commissioners, from property taxes attributable to the personal property of banks, exclusive of the property taxes attributable to personal property leased by banks as the lessor where the possession of the personal property is transferred to the lessee; **minus**

(3) in the case of a taxing unit that is a county, the amount that would have been received by the taxing unit in the year of the distribution, as determined by the state board of tax commissioners, from property taxes that:

(A) were calculated for the county's county welfare fund, county welfare administration fund, and county family and children's fund for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4; and

(B) would have been attributable to the personal property of banks, exclusive of the property taxes attributable to personal property leased by banks as the lessor where the possession of the personal property is transferred to the lessee.

(c) The amount of the supplemental distribution for a county for a year shall be determined using the following formula:

STEP ONE: Determine the greater of zero (0) or the difference between:

(A) one-half (1/2) of the taxes that the department estimates will be paid under this article during the year; minus

(B) the sum of all the guaranteed distributions, **before the subtraction of all state welfare allocations under subsection (a),** for all taxing units in all counties plus the bank personal property taxes to be received by all taxing units in all counties, as determined under subsection (b)(2) for the year.

STEP TWO: Determine the quotient of:

(A) the amount received under IC 6-5-10 and IC 6-5-11 in 1989 by all taxing units in the county; divided by

(B) the sum of the amounts received under IC 6-5-10 and IC 6-5-11 in 1989 by all taxing units in all counties.

STEP THREE: Determine the product of:

(A) the amount determined in STEP ONE; multiplied by

(B) the amount determined in STEP TWO.

STEP FOUR: Determine the greater of zero (0) or the difference between:

(A) the amount of supplemental distribution determined in STEP THREE for the county; minus

(B) the amount of refunds granted under IC 6-5-10-7 that have yet to be reimbursed to the state by the county treasurer under IC 6-5-10-13.

For the supplemental distribution made on or before August 1 of each year, the department shall adjust the amount of each county's supplemental distribution to reflect the actual taxes paid under this article for the preceding year.

(d) **Except as provided in subsection (f),** the amount of the supplemental distribution for each taxing unit shall be determined using the following formula:

STEP ONE: Determine the quotient of:

(A) the amount received by the taxing unit under IC 6-5-10 and IC 6-5-11 in 1989; divided by

(B) the sum of the amounts used in STEP ONE (A) for all taxing units located in the county.

STEP TWO: Determine the product of:

(A) the amount determined in STEP ONE; multiplied by

(B) the supplemental distribution for the county, as determined in subsection (c), STEP FOUR.

(e) The county auditor shall distribute the guaranteed and supplemental distributions received under subsection (a) to the taxing units in the county at the same time that the county auditor makes the semiannual distribution of real property taxes to the taxing units.

(f) The amount of a supplemental distribution paid to a taxing unit that is a county shall be reduced by an amount equal to:

(1) the amount the county would receive under subsection (d) without regard to this subsection; minus

(2) an amount equal to:

(A) the amount under subdivision (1); multiplied by

(B) the result determined as follows:

(i) For 2000, determine the sum of the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4. Divide that sum by the sum of the total property taxes that were imposed by the county for 2000 plus the sum of the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4.

(ii) For 2001 and each year thereafter, determine the result of the property taxes collected by the county in 1997, 1998, and 1999 for the county's county welfare fund, county welfare administration fund, and county family and children's fund, divided by the total property taxes collected by all the taxing units in the county in the year. Divide that sum by three (3).

SECTION 79. IC 6-6-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) The bureau shall establish procedures necessary for the collection of the tax imposed by this chapter and for the proper accounting for the same. The necessary forms and records shall be subject to approval by the state board of accounts.

(b) The county treasurer upon receiving the excise tax collections shall receipt such collections into a separate account for settlement thereof at the same time as property taxes are accounted for and settled in June and December of each year, with the right and duty of the treasurer and auditor to make advances prior to the time of final settlement of such property taxes in the same manner as provided in IC 5-13-6-3.

(c) The county auditor shall determine the total amount of excise taxes collected for each taxing unit in the county and the amount so collected **(and the distributions received under section 9.5 of this chapter)** shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed. **However, the following apply for purposes of determining distributions under this section:**

(1) For 2000, the state board of tax commissioners shall determine the distribution that would be made to the respective funds of each taxing unit in the county if the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4 are considered to have been distributed as property taxes. The state board of tax commissioners shall for 2000 determine a state welfare allocation for each county that equals the amount of excise tax that would otherwise be distributed to the county under this section based on the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4. The state welfare allocation shall be deducted from the distributions otherwise payable to the civil taxing unit that is a county. The county auditor shall remit the state welfare allocation to the treasurer of state for deposit in the state general fund.

(2) For 2001 and each year thereafter, the state welfare allocation for each county equals the greater of zero (0) or the amount determined under STEP FIVE of the following STEPS:

STEP ONE: For 1997, 1998, and 1999, determine the result of:

(i) the property taxes collected by the county in the year for the county's county welfare fund, county welfare administration fund, and county family and children's fund; divided by

(ii) the total property taxes collected by all the taxing units in the county in the year.

STEP TWO: Determine the sum of the results determined in STEP ONE.

STEP THREE: Divide the STEP TWO result by three (3).
STEP FOUR: Determine the amount that would otherwise be distributed to all the taxing units in the county under this subsection without regard to this subdivision.
STEP FIVE: Determine the result of:
(i) the STEP FOUR amount; multiplied by
(ii) the STEP THREE result.

The state welfare allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare allocation to the treasurer of state for deposit in the state general fund.

(d) Such determination shall be made from copies of vehicle registration forms furnished by the bureau of motor vehicles. Prior to such determination, the county assessor of each county shall, from copies of registration forms, cause information pertaining to legal residence of persons owning taxable vehicles to be verified from his records, to the extent such verification can be so made. He shall further identify and verify from his records the several taxing units within which such persons reside.

(e) Such verifications shall be done by not later than thirty (30) days after receipt of vehicle registration forms by the county assessor, and the assessor shall certify such information to the county auditor for his use as soon as it is checked and completed.

SECTION 80. IC 12-7-2-91 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.
(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.
(3) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.
(4) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.
(5) For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.
(6) For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.
~~(7) For purposes of IC 12-19-3, the meaning set forth in IC 12-19-3-1.~~
~~(8) For purposes of IC 12-19-4, the meaning set forth in IC 12-19-4-1.~~
~~(9)~~ **(7)** For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.
~~(10)~~ **(8)** For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.
~~(11)~~ **(9)** For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.
~~(12)~~ **(10)** For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.
~~(13)~~ **(11)** For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 81. IC 12-13-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. The part of the care and maintenance of the inmates of the Plainfield Juvenile Correctional Facility and the Indianapolis Juvenile Correctional Facility that under law is to be charged back to the counties shall be paid from the county general fund ~~and not the county welfare fund or the county family and children's fund,~~ unless otherwise provided by law.

SECTION 82. IC 12-19-1-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 21. Notwithstanding any other law, after December 31, 1999, a county may not impose any of the following:**

(1) A property tax levy for a county welfare fund.
(2) A property tax levy for a county welfare administration fund.
(3) A property tax levy for a county family and children's fund.

SECTION 83. IC 12-19-1-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 22. (a) All bonds issued and loans made under IC 12-1-11 (before its repeal) or this article before January 1, 2000:**

(1) are direct general obligations of the county issuing the bonds or making the loans; and
(2) are payable out of unlimited ad valorem taxes that shall be levied and collected on all

taxable property within the county.

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

SECTION 84. IC 12-19-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) A family and children's fund is established in each county. ~~The fund shall be raised by a separate tax levy (the county family and children property tax levy) that:~~

~~(1) is in addition to all other tax levies authorized; and~~

~~(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.~~

(b) ~~The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.~~ **Notwithstanding any other law, after December 31, 1999, a county may not impose a property tax levy for the family and children's fund.**

(c) The following shall be paid into the county treasury and constitute the family and children's fund:

~~(1) All receipts from the tax imposed under this section.~~

~~(2)~~ **(1)** All ~~grants-in-aid,~~ **money allocated by the division to the county** whether received from the federal government or state government.

~~(3)~~ **(2)** Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

SECTION 85. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 6-1.1-18.6; IC 6-1.1-17-18; IC 6-3-2.5-1; IC 6-3-2.5-10; IC 12-13-9-4; IC 12-19-3; IC 12-19-4; IC 12-19-5; IC 12-19-7-4; IC 12-19-7-5; IC 12-19-7-9; IC 12-19-7-10; IC 12-19-7-16; IC 12-19-7-17; IC 12-19-7-18; IC 12-19-7-19; IC 12-19-7-20; IC 12-19-7-21; IC 12-19-7-22; IC 12-19-7-23; IC 12-19-7-24; IC 12-19-7-25; IC 12-19-7-26; IC 12-19-7-27; IC 12-19-7-28; IC 12-19-7-29; IC 12-19-7-30; IC 12-19-7-31; IC 12-19-7-32; IC 12-19-7-33.

SECTION 86. [EFFECTIVE JULY 1, 1999] **(a) Notwithstanding the January 1, 2000, amendment of IC 12-19-7 by this act, each county:**

(1) shall in 1999 adopt a county family and children's budget for 2000;

(2) shall in 1999 determine the property tax levy under IC 12-19-7 that would have been imposed in 2000 if those provisions had not been repealed by this act;

(3) is responsible in 2000 for providing all family and children's services, programs, and activities that were funded in 1999 from the county family and children's fund (or from the county general fund if the county paid for family and children's services, programs, and activities from the county general fund in 1999); and

(4) is entitled to a reimbursement under this SECTION for expenses incurred in providing the services, programs, and activities described in subdivision (3).

(b) Notwithstanding any other law, after December 31, 1999, a county may not impose any of the following:

(1) A property tax levy for a county welfare fund.

(2) A property tax levy for a county welfare administration fund.

(3) A property tax levy for a county family and children's fund.

(c) Before January 1, 2000, the board of tax commissioners shall for each county certify to the budget agency an estimate of the gross tax levy that would have been imposed in 2000 in the county

under IC 12-19-7 if that provision had not been amended by this act. This amount is the county's estimated welfare property tax replacement distribution. The estimate under this subsection shall be made without regard to any homestead credits or property tax replacement credits that will applied to property taxes in the county in 2000.

(d) Before January 15, 2000, the auditor of state shall distribute to each county treasurer from the state general fund one-fourth (1/4) of the estimated welfare property tax replacement distribution for 2000 for that county. Before March 1, 2000, the state board of tax commissioners shall for each county certify to the budget agency a revised estimate of the tax levy that would have been collected in 2000 in the county under IC 12-19-7 if that provision had not been amended by this act. Before April 1, 2000, the auditor of state shall distribute to each county treasurer from the state general fund an amount equal to one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county adjusted as follows:

(1) If the difference between:

(A) the distribution made under this subsection to the county in January, 2000; minus

(B) one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county;

is positive, the auditor of state shall subtract the amount determined under this subdivision from the county's distribution.

(2) If the difference between:

(A) the distribution made under this subsection to the county in January, 2000; minus

(B) one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county;

is negative, the auditor of state shall add an amount equal to the absolute value of the amount determined under this subdivision to the county's distribution.

On July 1, 2000, and October 1, 2000, the auditor of state shall distribute to each county treasurer from the state general fund one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county.

(e) All distributions provided for in this SECTION shall be made on warrants issued by the auditor of state drawn on the treasurer of state.

(f) The amounts necessary to make the distributions of welfare property tax replacement credits required by this SECTION are appropriated from the state general fund.

(g) This SECTION expires January 1, 2002.

(h) There is annually appropriated to the division of family and children an amount sufficient to fulfill the requirements of this SECTION.

(I) Fund balances within each county's county welfare fund, county welfare administration fund, and county family and children's fund are available to the division of family and children beginning January 1, 2000, for use in fulfilling the requirements of this SECTION.

(j) With the approval of the state budget agency, any balance of unexpended funds appropriated to the division on July 1, 1999 does not revert at the end of FY 1999-2000 and is available to the division for expenditure in FY 2000-2001.".

SECTION 87. [EFFECTIVE JULY 1, 1999] **(a) The state board of tax commissioners shall adjust each county's maximum permissible property tax levy under IC 6-1.1-18.5 for property taxes payable in 2000 and thereafter to reflect the repeal of IC 12-19-4 by this act. The state board of tax commissioners shall decrease each county's maximum permissible property tax levy under IC 6-1.1-18.5 by the amount of property taxes imposed in the county under IC 12-19-4 in 1999. For each county that paid for family and children's services, programs, and activities from the county general fund in 1999, the state board of tax commissioners shall also decrease the county's maximum permissible property tax levy under IC 6-1.1-18.5 for property taxes payable in 2000 by the amount of property taxes imposed in 1999 in the county for the general fund to pay for family and children's services, programs, and activities.**

(b) This SECTION expires January 1, 2001.

SECTION 88. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: **IC 6-3-1-3.5, as amended by this act, applies to taxable years beginning after December 31, 1998.**

SECTION 89. [EFFECTIVE JULY 1, 1999] **IC 6-1.1-18.5-2, as amended by this act, applies to maximum property tax levies after 1999.**

SECTION 90. IC 6-1.1-19-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) ~~"Adjusted general fund property tax rate" means the school corporation's actual rate adjusted by the school corporation's assessment ratio as determined by the state board of tax commissioners.~~

~~(2) "Previous year adjusted general fund property tax rate" means a school corporation's previous year adjusted general fund property tax rate as determined under this section but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).~~

"Adjustment factor" means the adjustment factor determined by the state board of tax commissioners for a school corporation under IC 6-1.1-34.

(2) "Adjusted target property tax rate" means:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the school corporation's adjustment factor.

(3) "Previous year property tax rate" means the school corporation's previous year general fund property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).

(b) Except as otherwise provided in this chapter, a school corporation may not, for an ensuing calendar year, impose a general fund ad valorem property tax levy which exceeds the following:

~~STEP ONE: Determine the school corporation's target general fund property tax rate under IC 21-3-1.7-6.8.~~

~~STEP TWO: Subtract the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) from the school corporation's target general fund property tax rate determined under STEP ONE.~~

~~STEP THREE: Determine the levy resulting from the school corporation's previous year adjusted general fund property tax rate:~~

~~(A) plus the lesser of:~~

~~(i) in 1998 only, the STEP TWO result divided by two (2);~~

~~(ii) the STEP TWO result; or~~

~~(iii) fifteen cents ($0.15);~~

~~if the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) is not more than the school corporation's target general fund property tax rate determined under STEP ONE; or~~

~~(B) minus the lesser of:~~

~~(i) the absolute value of the STEP TWO result; or~~

~~(ii) twenty-five cents ($0.25);~~

~~if the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) exceeds the school corporation's target general fund property tax rate determined under STEP ONE.~~

~~STEP FOUR: Determine the sum of:~~

~~(A) the STEP THREE amount; plus~~

~~(B) an amount equal to the annual decrease in federal aid to impacted areas from the year~~

~~preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.~~

STEP ONE: Determine the result of:

(A) the school corporation's adjusted target property tax rate; minus

(B) the school corporation's previous year property tax rate.

STEP TWO: Determine the result of:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the quotient resulting from:

(i) the absolute value of the result of the school corporation's adjustment factor minus one (1); divided by

(ii) two (2).

STEP THREE: If the school corporation's adjusted target property tax rate:

(A) exceeds the school corporation's previous year property tax rate, perform the calculation under STEP FOUR and not under STEP FIVE;

(B) is less than the school corporation's previous year property tax rate, perform the calculation under STEP FIVE and not under STEP FOUR; or

(C) equals the school corporation's previous year property tax rate, determine the levy resulting from using the school corporation's adjusted target property tax rate and do not perform the calculation under STEP FOUR or STEP FIVE.

STEP FOUR: Determine the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by the lesser of:

(A) the STEP ONE result; or

(B) the sum of:

(i) fifteen cents ($0.15); plus

(ii) if the school corporation's adjustment factor is more than one (1), the STEP TWO result.

STEP FIVE: Determine the levy resulting from using the school corporation's previous year property tax rate after reducing the rate by the lesser of:

(A) the absolute value of the STEP ONE result; or

(B) the sum of:

(i) twenty-five cents ($0.25); plus

(ii) if the school corporation's adjustment factor is less than one (1), the STEP TWO result.

STEP SIX: Determine the result of:

(A) the STEP THREE (C), STEP FOUR, or STEP FIVE result, whichever applies; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

The maximum levy is to include the portion of any excessive levy and the levy for new facilities.

(c) For purposes of this section, "total assessed value", as adjusted under subsection (d), with respect to a school corporation means the total assessed value of all taxable property for ad valorem property taxes first due and payable during that year.

(d) The state board of tax commissioners may adjust the total assessed value of a school corporation to eliminate the effects of appeals and settlements arising from **a** statewide general reassessment of real property.

(e) The state board shall annually establish an assessment ratio **and adjustment factor** for each school corporation to be used upon the review and recommendation of the budget committee. The information compiled, including background documentation, may not be used in a:

(1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;

(2) petition for a correction of error under IC 6-1.1-15-12; or
(3) petition for refund under IC 6-1.1-26.

(f) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent ($0.0001). **All tax levies shall be computed by rounding the levy to the nearest dollar amount.**

SECTION 91. IC 6-1.1-34-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) After the state board of tax commissioners calculates a new assessment ratio for a school corporation and before publishing the new ratio, the board shall send a notice of the new assessment ratio to the county auditor, the county assessor, and the governing body of the school corporation. The state board of tax commissioners shall send these notices ~~on or~~ before ~~the second Tuesday in May~~ **March 2** of each year in which the board calculates a new assessment ratio for the school corporation.

(b) Within thirty (30) days after notification of a new assessment ratio, the county auditor, the county assessor, or the governing body of the school corporation may:
(1) examine and verify the state board of tax commissioners' data; and
(2) make suggestions concerning the values established by the board.

(c) Before April 15 of each year in which the board calculates a new assessment ratio for the school corporation, the state board of tax commissioners shall publish the new assessment ratio.

SECTION 92. IC 6-1.1-34-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. Each year in which the state board of tax commissioners computes a new assessment ratio for a school corporation, the board shall also compute a new adjustment factor for the school corporation. If the school corporation's assessment ratio for a year is more than ninety-nine percent (99%) but less than one hundred one percent (101%) of the state average assessment ratio for that year, the school corporation's adjustment factor is the number one (1). In all other cases, the school corporation's adjustment factor equals (1) the state average assessment ratio for a year, divided by (2) the school corporation's assessment ratio for that year. The state board of tax commissioners shall notify the school corporation of its new adjustment factor ~~on or~~ before ~~July 1st~~ **March 2** of the year in which the board calculates the new adjustment factor.

SECTION 93. IC 21-3-1.7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. As used in this chapter, "tuition support levy" means with respect to a school corporation for a year the maximum general fund ad valorem property tax levy for the school corporation determined under IC 6-1.1-19-1.5 reduced by the following:
(1) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.
(2) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under ~~IC 6-1.1-19-4(e)(1)(bb) or~~ IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.
(3) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

SECTION 94. IC 21-3-1.7-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.6. **(a)** For purposes of this chapter, a school corporation's "adjusted ~~current~~ ADM" **without a specified year** is the result determined under ~~STEP SEVEN of the following formula~~ **this section for funding for the current year. Whenever there is a reference to an adjusted ADM for a specified year, previous year, or following year, adjusted ADM is the ADM for the referenced year after the adjustments that were in effect for the referenced year under this section.**

~~STEP ONE: Determine the result of the school corporation's ADM for the previous year minus the school corporation's current ADM.~~

~~STEP TWO: Multiply the STEP ONE result by eight-tenths (0.8).~~

~~STEP THREE: Determine the greater of the following:~~

~~(A) The STEP TWO result.~~
~~(B) Zero (0).~~
~~STEP FOUR: Determine the greater of zero (0) or the result of the school corporation's ADM for the year preceding the current year by two (2) minus the school corporation's ADM for the previous year.~~
~~STEP FIVE: Multiply the STEP FOUR result by six-tenths (0.6).~~
~~STEP SIX: This STEP applies if the STEP TWO result is negative. Determine the greater of the following:~~
~~(A) The STEP FIVE result minus the absolute value of the STEP TWO result.~~
~~(B) Zero (0).~~
~~STEP SEVEN: Determine the sum of the following:~~
~~(A) The school corporation's current ADM.~~
~~(B) The result determined under STEP THREE.~~
~~(C) The result determined under:~~
~~(i) STEP SIX if applicable; or~~
~~(ii) STEP FIVE, if STEP SIX does not apply.~~

(b) This subsection applies only to a school corporation that has an ADM for the current year that is greater than the school corporation's ADM for 1999. The school corporation's adjusted ADM is its ADM for 1999 plus the result of the following:

STEP ONE: Determine the result of:
(A) the school corporation's ADM for the current year; minus
(B) the school corporation's ADM for 1999.

STEP TWO: If the STEP ONE result is:
(A) at least one hundred twenty (120), multiply the STEP ONE result by nine-tenths (0.9);
(B) at least twenty-five (25) and less than one hundred twenty (120), multiply the STEP ONE result by six-tenths (0.6); or
(C) less than twenty-five (25), multiply the STEP ONE result by one-tenth (0.1).

Round the result to the nearest five-tenths (0.5).

(c) This subsection does not apply to a school corporation that has had an increasing ADM every year since 1997. For purposes of this section, adjusted ADM for 2000 means the school corporation's ADM adjusted for any increases for 2000 under subsection (b). For 2000, a school corporation's adjusted ADM shall be increased using the following declining enrollment formula:

STEP ONE: Determine the greatest of the following:
(A) The school corporation's ADM for the year preceding the current year by two (2) years.
(B) The school corporation's ADM for the year preceding the current year by one (1) year.
(C) The school corporation's adjusted ADM for 2000.

STEP TWO: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by three (3) years; minus
(B) the STEP ONE amount.

STEP THREE: Determine the greater of the following:
(A) The school corporation's ADM for the year preceding the current year by one (1) year.
(B) The school corporation's adjusted ADM for 2000.

STEP FOUR: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by two (2) years; minus
(B) the STEP THREE amount.

STEP FIVE: Determine the greater of zero (0) or the result of:
(A) the school corporation's ADM for the year preceding the current year by one (1) year;

minus

(B) the school corporation's adjusted ADM for 2000.

STEP SIX: Determine the sum of the following:

(A) The STEP TWO result multiplied by four-tenths (0.4).

(B) The STEP FOUR result multiplied by six-tenths (0.6).

(C) The STEP FIVE result multiplied by eight-tenths (0.8).

STEP SEVEN: Determine the result of:

(A) the school corporation's adjusted ADM for 2000; plus

(B) the STEP SIX result.

Round the result to the nearest five-tenths (0.5).

(d) This subsection does not apply to a school corporation that has had an increasing ADM every year for the previous four (4) years. For purposes of this section, adjusted ADM means the ADM determined under subsection (b) if that subsection applies, otherwise, adjusted ADM is the school corporation's actual ADM. Beginning in 2001, a school corporation's adjusted ADM shall be increased using the following declining enrollment formula:

STEP ONE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by three (3) years.

(B) The school corporation's ADM for the year preceding the current year by two (2) years.

(C) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(D) The school corporation's adjusted ADM for the current year.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by four (4) years; minus

(B) the STEP ONE amount.

STEP THREE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by two (2) years.

(B) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(C) The school corporation's adjusted ADM for the current year.

STEP FOUR: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by three (3) years; minus

(B) the STEP THREE amount.

STEP FIVE: Determine the greater of the following:

(A) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(B) The school corporation's adjusted ADM for the current year.

STEP SIX: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by two (2) years; minus

(B) the STEP FIVE amount.

STEP SEVEN: Determine the greater of zero (0) or the result of:

(A) the school corporation's adjusted ADM for the year preceding the current year by one (1) year; minus

(B) the school corporation's adjusted ADM for the current year.

STEP EIGHT: Determine the sum of the following:

(A) The STEP TWO result multiplied by two-tenths (0.2).

(B) The STEP FOUR result multiplied by four-tenths (0.4).

(C) The STEP SIX result multiplied by six-tenths (0.6).

(D) The STEP SEVEN result multiplied by eight-tenths (0.8).

STEP NINE: Determine the result of:

(A) the school corporation's adjusted ADM for the current year; plus

(B) the STEP EIGHT result.

Round the result to the nearest five-tenths (0.5).

SECTION 95. IC 21-3-1.7-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.7. A school corporation's target revenue per ADM for a calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (D) of the following formula:

(A) Divide the school corporation's at-risk index determined under IC 21-3-1.8-1.1 by three (3).

(B) Add one (1) to the clause (A) result.

(C) Multiply the result determined under clause (B) by ~~three thousand six hundred seventy-five dollars ($3,675) in 1998 and three thousand eight hundred eighty-five dollars ($3,885) in 1999.~~ **four thousand one hundred fourteen dollars ($4,114) in 2000 and four thousand three hundred thirty-two dollars ($4,332) in 2001.**

(D) Multiply the clause (C) product by the school corporation's adjusted ~~current~~ ADM **for the current year.**

STEP TWO: Divide the school corporation's previous year revenue by the school corporation's **adjusted** ADM for the previous year.

STEP THREE: Multiply the sum of one (1) plus the school corporation's at-risk index by the following:

(A) ~~One hundred dollars ($100),~~ If the STEP TWO result is not more than:

(i) ~~three thousand seven hundred fifteen dollars ($3,715) in 1998;~~ **four thousand one hundred one dollars ($4,101) in 2000;** and

(ii) ~~three thousand eight hundred fifty-four dollars ($3,854) in 1999.~~ **four thousand three hundred three dollars ($4,303) in 2001;**

multiply by one hundred dollars ($100).

(B) ~~The result determined under item (iv),~~ If the STEP TWO result is: ~~more than three thousand seven hundred fifteen dollars ($3,715) in 1998 and three thousand eight hundred fifty-four dollars ($3,854) in 1999 and not more than four thousand four hundred seventy-eight dollars ($4,478) in 1998 and four thousand five hundred eight dollars ($4,508) in 1999:~~ (i) **more than four thousand one hundred one dollars ($4,101) and not more than four thousand eight hundred eighty-five dollars ($4,885) in 2000; or**

(ii) more than four thousand three hundred three dollars ($4,303) and not more than five thousand one hundred seventeen dollars ($5,117) in 2001;

multiply by the result under clause (C).

~~Subtract three thousand seven hundred fifteen dollars ($3,715) in 1998 and three thousand eight hundred fifty-four dollars ($3,854) in 1999 from~~

(C) Determine the result of:

(i) the STEP TWO result minus **four thousand one hundred one dollars ($4,101) in 2000 and four thousand three hundred three dollars ($4,303) in 2001.**

(ii) Divide the item (i) result by ~~seven hundred sixty-three dollars ($763) in 1998~~ **seven hundred eighty-four dollars ($784) in 2000** and ~~six hundred fifty-four dollars ($654) in 1999.~~ **eight hundred fourteen dollars ($814) in 2001.**

(iii) Multiply the item (ii) result by ~~in 1998, thirty dollars ($30) and, in 1999,~~ thirty dollars ($30).

(iv) Subtract the item (iii) result from one hundred dollars ($100).

~~(C) Seventy dollars ($70),~~ **(D)** If the STEP TWO result is more than:

(i) ~~four thousand four hundred seventy-eight dollars ($4,478) in 1998;~~ **four thousand eight hundred eighty-five dollars ($4,885) in 2000;** and

(ii) ~~four thousand five hundred eight dollars ($4,508) in 1999.~~ **five thousand one hundred seventeen dollars ($5,117) in 2001;**

multiply by seventy dollars ($70).

STEP FOUR: Add the STEP TWO result and the STEP THREE result.

STEP FIVE: Determine the ~~greater~~ **greatest** of the following:

(A) Multiply the STEP FOUR result by the school corporation's adjusted ~~current~~ ADM **for the current year.**

(B) **Multiply** the school corporation's previous year revenue **by one and three-hundredths (1.03).**

(C) The STEP ONE amount.

STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ~~current~~ ADM **for the current year.**

SECTION 96. IC 21-3-1.7-6.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.8. A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP THREE of the following formula:

STEP ONE: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter minus the result determined in STEP ONE of the formula in section 6.7 of this chapter is greater than zero (0). Determine the result under clause (E) of the following formula:

(A) Divide the school corporation's current assessed valuation by the school corporation's current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

(i) The clause (B) result.

(ii) ~~Ten dollars ($10) in 1998 and nine dollars and fifty cents ($9.50) in 1999.~~ **Nine dollars ($9).**

(D) Determine the result determined under item (ii) of the following formula:

(i) Subtract the result determined in STEP ONE of the formula in section 6.7 of this chapter from the amount determined in STEP FIVE of the formula in section 6.7 of this chapter.

(ii) Divide the item (i) result by the school corporation's current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

STEP TWO: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter is equal to STEP ONE of the formula in section 6.7 of this chapter and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.

(iii) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's current assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) ~~Ten dollars ($10) in 1998 and nine dollars and fifty cents ($9.50) in 1999.~~ **Nine dollars ($9).**

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide **the** clause (F) result by one hundred (100).

STEP THREE: Determine the sum of: ~~in:~~

(A) ~~1998, two dollars and sixty-four cents ($2.64);~~ **two dollars and sixty-eight and one-half cents ($2.685) in 2000;** and

(B) ~~1999, two dollars and sixty-five cents ($2.65);~~ two dollars and seventy-one **and one quarter** cents ~~($2.71)~~ **($2.7125)** in 2001;

if applicable, the STEP ONE or STEP TWO result.

SECTION 97. IC 21-3-1.7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. If a computation under this chapter results in a fraction **and a rounding rule is not specified,** the fraction shall be rounded ~~to~~ **as follows:**

(1) **If it is a tax rate calculation, to the nearest one-hundredth of a cent ($0.0001).**

(2) If it is a tuition support calculation, to the nearest cent ($0.01).

(3) If it is a calculation not covered by subdivision (1) or (2), to the nearest ten-thousandth (.0001). ~~or~~

~~(2) the nearest cent;~~

~~whichever is applicable.~~

SECTION 98. IC 21-3-1.7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:

STEP ONE: Determine the greater of the following:

(A) The product of:

(i) the school corporation's target revenue per ADM; multiplied by

(ii) the school corporation's adjusted ~~current~~ ADM **for the current year.**

~~(B) The product of:~~

~~(i) the school corporation's previous year revenue; multiplied by~~

~~(ii) one and three-hundredths (1.03).~~

(B) For a school corporation that has target revenue per ADM for a calendar year that is equal to the IC 21-3-1.7-6.7 STEP ONE (C) amount, determine the sum of:

(i) the school corporation's target revenue per ADM multiplied by the school corporation's adjusted ADM for the current year; plus

(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus

(iii) the original amount of an excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year; plus

(iv) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

STEP TWO: Determine the remainder of:

(A) the STEP ONE amount; minus

(B) the sum of:

(i) the school corporation's tuition support levy; plus

(ii) the school corporation's excise tax revenue for the year that precedes the current year by one (1) year.

If the state tuition support determined for a school corporation under this section is negative, the school corporation is not entitled to any state tuition support. In addition, the school corporation's maximum general fund levy under IC 6-1.1-19-1.5 shall be reduced by the amount of the negative result.

SECTION 99. IC 21-3-1.7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, and as special and vocational education grants under IC 21-3-1.8-3 or IC 21-3-10 for a particular year, exceeds:

~~(1) two billion six hundred fourteen million eight hundred thousand dollars ($2,614,800,000) for 1997;~~

~~(2) two billion seven hundred seventy-one million six hundred thousand dollars ($2,771,600,000) in 1998; and~~

~~(3)~~ **(1)** two billion nine hundred thirty-nine million two hundred thousand dollars ($2,939,200,000) in 1999;

(2) three billion one hundred fifty-nine million, eight hundred thousand dollars ($3,159,800,000) in 2000; and

(3) three billion three hundred forty-six million two hundred thousand dollars ($3,346,200,000) in 2001;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 100. IC 21-3-1.7-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 9.5. (a) In addition to the distribution under sections 8, 9.7, and 9.8 of this chapter, a school corporation is eligible for an enrollment adjustment grant if the school corporation's:

(1) current ADM minus the school corporation's previous year ADM is at least two hundred fifty (250); or

(2) current ADM divided by the school corporation's previous year ADM is at least one and five-hundredths (1.05).

(b) The amount of the enrollment adjustment grant is the amount determined in STEP THREE of the following formula:

STEP ONE: Determine the school corporation's target revenue per ADM divided by three (3).

STEP TWO: Determine the result of the school corporation's current ADM minus ~~in 1998,~~ the school corporation's previous year ADM.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

SECTION 101. IC 21-3-1.7-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9.7. In addition to the distributions under sections 8, 9.5, and 9.8 of this chapter for 1997 and thereafter, a school corporation is eligible for an amount for at-risk programs in the amount determined in STEP SIX of the following formula:

~~STEP~~ STEP ONE: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus two-tenths (0.2).

(ii) Multiply the item (i) result by seven-hundredths (0.07).

(B) Zero (0).

STEP TWO: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus fifteen-hundredths (0.15).

(ii) Multiply the item (i) result by eighteen-hundredths (0.18).

(B) Zero (0).

STEP THREE: Add the STEP ONE result and the STEP TWO result.

STEP FOUR: Multiply the STEP THREE sum by the school corporation's current ADM. Round the result to the nearest one-hundredth (0.01).

STEP FIVE: Multiply the STEP FOUR product by ~~two thousand nine hundred fifty dollars ($2,950) in 1998 and three thousand one hundred thirty-five dollars ($3,135) in 1999.~~ **three thousand six hundred seventy dollars ($3,670) in 2000 and three thousand nine hundred ninety dollars ($3,990) in 2001.**

SECTION 102. IC 21-3-1.7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. This chapter expires January 1, ~~2000.~~ **2002.**

SECTION 103. IC 21-3-1.8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. In addition to the amount a school corporation is entitled to receive in tuition support, each school corporation is entitled to receive a grant for vocational education programs. The amount of the vocational education grant is the product of:

(1) the school corporation's additional pupil count for the year for vocational education programs; multiplied by

(2) ~~for:~~ **the following:**

(A) ~~1998,~~ one thousand ~~five hundred seventy dollars ($1,570);~~ **six hundred sixteen dollars ($1,616) in 2000;** and

(B) ~~1999,~~ one thousand ~~six hundred dollars ($1,600).~~ **six hundred thirty-two dollars ($1,632) in 2001.**

SECTION 104. IC 21-3-1.8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6. This chapter expires January 1, ~~2000.~~ **2002.**

SECTION 105. IC 21-3-10-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

(1) the nonduplicated count of pupils in programs for severe disabilities multiplied by:

(A) ~~for 1998,~~ seven thousand ~~two hundred five dollars ($7,205);~~ **four hundred dollars ($7,400) in 2000;** and

(B) ~~for 1999,~~ seven thousand ~~two hundred eighty-five dollars ($7,285);~~ **five hundred fifty dollars ($7,550) in 2001;** plus

(2) the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by:

(A) ~~for 1998, one thousand nine hundred fifty-four dollars ($1,954);~~ **two thousand twenty-five dollars ($2,025) in 2000;** and

(B) ~~for 1999, one thousand nine hundred seventy-seven dollars ($1,977);~~ **two thousand sixty-five dollars ($2,065) in 2001;** plus

(3) the duplicated count of pupils in programs for communication disorders multiplied by:

(A) ~~for 1998,~~ four hundred ~~sixty-two dollars ($462);~~ **eighty dollars ($480) in 2000;** and

(B) ~~for 1999,~~ four hundred ~~sixty-nine dollars ($469);~~ **ninety dollars ($490) in 2001;** plus

(4) the cumulative count of pupils in homebound programs multiplied by:

(A) four hundred ~~sixty-two dollars ($462) in 1998~~ **eighty dollars ($480) in 2000;** and

(B) four hundred ~~sixty-nine dollars ($469) in 1999~~ **ninety dollars ($490) in 2001.**

SECTION 106. IC 21-3-10-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 11. This chapter expires January 1, ~~2000.~~ **2002.**

SECTION 107. IC 21-3-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. **(a)** A qualifying school corporation is eligible to receive a grant from the state for each full-time equivalent student who is enrolled in an alternative education program conducted for the school corporation. The maximum amount that may be granted to a qualifying school corporation in a school year is seven hundred fifty dollars ($750) per full-time equivalent student.

(b) To receive a grant under this chapter, the school corporation must expend **on alternative education programs** in the school year a matching amount of at least ~~two hundred fifty dollars ($250)~~ **one-third (1/3) of the amount of the state grant** per full-time equivalent student, ~~on alternative education programs,~~ as determined under the rules adopted by the Indiana state board of education.

SECTION 108.. IC 21-3-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. The number of full-time equivalent students enrolled in an alternative education program during a reporting period is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the number of alternative education program sessions that were conducted in a reporting period for a qualifying school corporation as follows:

(A) Determine the number of days on which an alternative education program was conducted for an entire morning, as determined under the rules adopted by the Indiana state board of education.

(B) Determine the number of days on which an alternative education program was conducted for an entire afternoon, as determined under the rules adopted by the Indiana state board of education.

(C) Determine the number of days on which an alternative education program was conducted for an entire evening, as determined under the rules adopted by the Indiana state board of education.

(D) Determine the sum of the clause (A), (B), and (C) amounts.

STEP TWO: For each morning, afternoon, and evening session of an alternative education program that is used to determine the STEP ONE result, determine the number of eligible students ~~attending~~ **enrolled in** the sessions.

STEP THREE: Determine the sum of the STEP TWO amounts.

STEP FOUR: Divide the STEP THREE result by the STEP ONE result.

STEP FIVE: Divide the STEP ONE result by three hundred sixty (360).

STEP SIX: Multiply the STEP FOUR result by the STEP FIVE result.

SECTION 109. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 21-3-1.7-6.3; P.L.6-1997, SECTION 86.

SECTION 110. P.L.50-1996, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: SECTION 18. (a) The department of education and the state board of tax commissioners shall select pilot school corporations under subsection (b). Beginning January 1, 1997, the school corporations selected under subsection (b) shall comply with SECTIONS 1 through 18 of this act as if those SECTIONS were effective January 1, 1997.

(b) Before October 1, 1996, the department of education and the state board of tax commissioners shall meet to select ten (10) pilot school corporations. The pilot school corporations shall be selected with the objective that the pilot school corporations collectively represent a broad range of the different types and sizes of school corporations that exist in Indiana. In order to achieve this objective, the department of education and the state board of tax commissioners shall select the pilot school corporations based on the following criteria:

(1) The size of the student population within the corporation.

(2) The size of the geographic territory served by the corporation.

(3) The average growth of the property tax assessed valuation within the corporation's district over the preceding three (3) years.

(4) The growth or decline of the ADM (as defined in IC 21-3-1.6-1.1) within the corporation over

the preceding three (3) years, excluding any year in which there is a general reassessment.

(5) The extent of urban development in the corporation.

(6) Any other factors the department of education and the state board of tax commissioners determine are necessary to distinguish a group or category of school corporations that deserve representation by a pilot school corporation.

(c) All state and local governmental officials whose official functions relate to this act shall cooperate with the department of education, the state board of tax commissioners, and the pilot school corporations to implement this act.

(d) This SECTION expires July 1, ~~1999.~~ **2001.**

SECTION 111. P.L.50-1996, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: SECTION 19. (a) The initial school year budget adopted by a pilot school corporation selected under SECTION 18 of this act and fixed by the state board of tax commissioners under this act is for the period beginning July 1, 1997, through June 30, 1998. The first six (6) months of the initial budget for a pilot school corporation must be consistent with the last six (6) months of the budget fixed by the state board of tax commissioners for calendar year 1997 under the procedures effective in 1996.

(b) **Notwithstanding any other law,** the initial school year budget adopted by a school corporation, other than a pilot school corporation selected under SECTION 18 of this act, and fixed by the state board of tax commissioners under this act, is for the period beginning July 1, ~~1999,~~ **2001,** through June 30, ~~2000.~~ **2002.** The first six (6) months of the initial budget must be consistent with the last six (6) months of the budget fixed by the state board of tax commissioners for calendar year ~~1999~~ **2001** under the procedures effective in ~~1998.~~ **2000.**

(c) This SECTION expires July 1, ~~2000.~~ **2002.**

SECTION 112. P.L.50-1996, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: SECTION 20. (a) The department of education, with the assistance of the state board of tax commissioners, shall submit to the budget committee the following concerning all pilot school corporations selected under SECTION 18 of this act:

(1) Before October 1, 1998, a written report that:

(A) specifies positive and negative aspects experienced in formulating a budget under this act;

(B) makes recommendations on how to remedy any perceived inadequacies in the provisions of this act; and

(C) analyzes the long term benefits of this act;

(2) Before October 1, 1999, a written report that:

(A) updates the report made under subdivision (1);

(B) outlines adjustments the school corporation made in the process of converting to formulating a budget under this act; and

(C) provides any other information related to the school corporation's experiences as a pilot school corporation under this act that the school corporation believes important to be made known to the general assembly or other school corporations before this act takes effect for all school corporations.

(3) Before October 1, 2000, a written report that updates the report made under subdivision (2).

(4) Before October 1, 2001, a written report that updates the report made under subdivision (3).

Each pilot school corporation shall provide the department of education with the information necessary for the department of education to complete the reports required under this subsection.

(b) The department of education shall send copies of the reports required by this SECTION to the following:

(1) The county auditor.

(2) The state board of tax commissioners.
(3) Each pilot school corporation.
(4) The Indiana School Boards Association.
(c) This SECTION expires July 1, ~~2000.~~ **2002.**

SECTION 113. IC 21-1-30-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. For purposes of computation under this chapter, the following shall be used:

(1) Kindergarten pupils shall be counted as five-tenths (0.5). All other pupils shall be counted as one (1).

(2) The number of pupils shall be the number of pupils used in determining ADM, as defined by IC 21-3-1.6, for the current year. However, students who are transferred under IC 20-8.1-6.1 or IC 20-8.1-6.5 shall be counted as students having legal settlement in the transferee corporation and not having legal settlement in the transferor corporation.

(3) Only a licensed teacher who is an actual classroom teacher in a regular instructional program shall be counted as a teacher, except as permitted under section 5 of this chapter.

(4) If a school corporation is granted approval under section 5 of this chapter, the school corporation may include as one-third (1/3) of a teacher in its computation for ~~funding~~ **determining the full-time primetime staff equivalents** under this chapter each classroom instructional aide who meets qualifications and performs duties prescribed by the Indiana state board of education.

(5) ~~Base year refers to the school year immediately preceding the year that the school corporation implemented IC 21-1-29 (before its repeal by P.L.278-1993(ss), SECTION 16) for a particular grade level. However, if the enrollment and staffing patterns that year for any reason did not fairly represent the normal enrollment and staffing patterns of a particular school corporation for that grade level, the department of education may adjust the base year so that the base year reflects the normal staffing and enrollment pattern for that school corporation.~~ **The staff cost for a school corporation is:**

(A) the result of:

(i) the number of full-time equivalent primetime teachers divided by the sum of the number of full-time equivalent primetime teachers plus the number of full-time equivalent primetime aides; multiplied by

(ii) fifty thousand dollars ($50,000); plus

(B) the result of:

(i) the number of full-time equivalent primetime aides divided by the sum of the number of full-time equivalent primetime teachers plus the number of full-time equivalent primetime aides; multiplied by

(ii) nine thousand dollars ($9,000).

SECTION 114. IC 21-1-30-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for kindergarten is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten for the current school year; divided by~~

~~(B) eighteen (18).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in kindergarten classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school corporation to~~

~~kindergarten classes for the respective base year; and~~

~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~

~~(4) Determine the remainder of:~~

~~(A) the amount determined under subdivision (2); minus~~

~~(B) the amount determined under subdivision (3).~~

~~(5) Determine the greater of:~~

~~(A) the amount determined under subdivision (4); or~~

~~(B) zero (0).~~

~~(6) Determine the product of:~~

~~(A) the amount determined under subdivision (5); and~~

~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of eighteen (18) or the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten for the current school year; divided by

(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in kindergarten classes.

STEP TWO: Determine the result of:

(A) the STEP ONE result; divided by

(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:

(A) one (1); minus

(B) the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the STEP ONE result.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten for the current school year.

The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 115. IC 21-1-30-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3.1. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for grade 1 is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 1 for the current school year; divided by~~

~~(B) eighteen (18).~~

~~(2) Determine the lesser of:~~
~~(A) the amount determined under subdivision (1); or~~
~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in grade 1 classes.~~
~~(3) Determine the sum of:~~
~~(A) the number of full-time teacher equivalents allocated by the school corporation to grade 1 classes for the respective base year; and~~
~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~
~~(4) Determine the remainder of:~~
~~(A) the amount determined under subdivision (2); minus~~
~~(B) the amount determined under subdivision (3).~~
~~(5) Determine the greater of:~~
~~(A) the amount determined under subdivision (4); or~~
~~(B) zero (0).~~
~~(6) Determine the product of:~~
~~(A) the amount determined under subdivision (5); and~~
~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~
STEP ONE: Determine the greater of eighteen (18) or the result of:
(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 1 for the current school year; divided by
(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in grade 1 classes.
STEP TWO: Determine the result of:
(A) the STEP ONE result; divided by
(B) twenty-three and five-tenths (23.5).
STEP THREE: Determine the greater of zero (0) or the result of:
(A) one (1); minus
(B) the STEP TWO result.
STEP FOUR: Determine the result of:
(A) the STEP THREE result; multiplied by
(B) the school corporation's staff cost.
STEP FIVE: Determine the result of:
(A) the STEP FOUR result; divided by
(B) the STEP ONE result.
STEP SIX: Determine the result of:
(A) the STEP FIVE result; multiplied by
(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 1 for the current school year.
The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 116. IC 21-1-30-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3.2. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school

corporation that implements this chapter for grade 2 is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 2 for the current school year; divided by~~

~~(B) twenty (20).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in grade 2 classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school corporation to grade 2 classes for the respective base year; and~~

~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~

~~(4) Determine the remainder of:~~

~~(A) the amount determined under subdivision (2); minus~~

~~(B) the amount determined under subdivision (3).~~

~~(5) Determine the greater of:~~

~~(A) the amount determined under subdivision (4); or~~

~~(B) zero (0).~~

~~(6) Determine the product of:~~

~~(A) the amount determined under subdivision (5); and~~

~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of twenty (20) or the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 2 for the current school year; divided by

(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in grade 2 classes.

STEP TWO: Determine the result of:

(A) the STEP ONE result; divided by

(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:

(A) one (1); minus

(B) the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the STEP ONE result.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 2 for the current school year.

The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 117. IC 21-1-30-3.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3.3. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for grade 3 is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 3 for the current school year; divided by~~

~~(B) twenty (20).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in grade 3 classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school corporation to grade 3 classes for the respective base year; and~~

~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~

~~(4) Determine the remainder of:~~

~~(A) the amount determined under subdivision (2); minus~~

~~(B) the amount determined under subdivision (3).~~

~~(5) Determine the greater of:~~

~~(A) the amount determined under subdivision (4); or~~

~~(B) zero (0).~~

~~(6) Determine the product of:~~

~~(A) the amount determined under subdivision (5); and~~

~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of twenty (20) or the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 3 for the current school year; divided by

(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in grade 3 classes.

STEP TWO: Determine the result of:

(A) the STEP ONE result; divided by

(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:

(A) one (1); minus

(B) the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by
(B) the STEP ONE result.
STEP SIX: Determine the result of:
(A) the STEP FIVE result; multiplied by
(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 3 for the current school year.
The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 118. IC 21-1-30-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 5. (a) The Indiana state board of education shall approve the counting of classroom instructional aides as teachers under section 2(4) of this chapter or the negotiation of transfer tuition agreements between school corporations under IC 20-8.1-6.1-8(i) if the school corporation can substantiate each year that providing adequate classroom space for the attainment of ~~the average~~ **a** pupil/teacher ratio ~~permitted~~ **of eighteen (18) to one (1) for kindergarten and grade one (1) and twenty (20) to one (1) for grades two (2) and three (3)** under section 3, 3.1, 3.2, or 3.3 of this chapter creates an unreasonable hardship for that school corporation.

~~(b) If a school corporation qualifies under subsection (a) for classroom instructional aides and the number determined under section 3(3)(B), 3.1(3)(B), 3.2(3)(B), or 3.3(3)(B) of this chapter, respectively, is greater than zero (0), that school corporation shall receive an additional amount for the hiring of classroom instructional aides equal to the number determined under the respective section 3(3)(B), 3.1(3)(B), 3.2(3)(B), or 3.3(3)(B) of this chapter, multiplied by six thousand dollars ($6,000).~~

~~(c)~~ **(b)** If a school corporation qualifies under subsection (a) for classroom instructional aides, the school corporation shall present to the Indiana state board of education a plan concerning that school corporation's instructional aides program.

SECTION 119. IC 21-1-30-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 7. **(a) In addition to state tuition support under IC 21-3-1.7, the amount to be distributed to a school corporation that implements this chapter in kindergarten, grade 1, grade 2, or grade 3 is the amount determined under the following formula:**
STEP ONE: Determine the result of:
(A) the kindergarten amount under section 3 of this chapter;
(B) the grade 1 amount under section 3.1 of this chapter;
(C) the grade 2 amount under section 3.2 of this chapter; plus
(D) the grade 3 amount under section 3.3 of this chapter.
STEP TWO: Determine the greater of:
(A) the lesser of:
(i) the STEP ONE result; or
(ii) the amount the school corporation received under this chapter for the preceding school year multiplied by one and one-tenth (1.1) less the penalties imposed under sections 3, 3.1, 3.2, and 3.3 of this chapter; or
(B) the amount the school corporation received under this chapter for the 1998-1999 school year less the penalties imposed under sections 3, 3.1, 3.2, and 3.3 of this chapter.

~~(a)~~ **(b)** School corporations shall apply for money under this chapter on a form prescribed by the Indiana state board of education on or before the date designated by the Indiana state board of education.

~~(b)~~ **(c)** The Indiana state board shall distribute the funds in twelve (12) monthly installments to the school corporations on or before the fifteenth day of each month.

~~(c)~~ **(d)** If the money appropriated in any fiscal year by the general assembly for the primetime program is insufficient to fund the state primetime distribution formula under this chapter, all claims shall be

reduced proportionately.

SECTION 120. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2001]: IC 21-1-30-4.

SECTION 121. [EFFECTIVE JANUARY 1, 2000] **Notwithstanding IC 21-1-30, as it existed on January 1, 2000, a school corporation's primetime distribution shall be determined on a calendar year basis and shall be combined with state tuition support. Beginning with distributions to be made in 2001, a school corporation's primetime distribution shall be determined on a calendar year basis under IC 21-1-30, as amended by this act.**

SECTION 122. IC 4-22-2-37.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

(1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.

(2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.

(3) An emergency temporary standard adopted by the occupational safety standards commission under IC 22-8-1.1-16.1.

(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.

(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule jointly adopted by the water pollution control board and the budget agency under IC 13-18-13-18.

(9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the alcoholic beverage commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

(19) An emergency rule adopted by the department of financial institutions under IC 28-15-11.

(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program

under IC 12-17.6-2-7.

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

(1) accept the rule for filing; and

(2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, and IC 22-8-1.1-16.1, a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. A rule adopted under subsection (a)(14) may be extended for two (2) extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or

(2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.

(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

SECTION 123. IC 4-23-26 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 26. Advisory Committee for Children With Special Health Needs

Sec. 1. As used in this chapter, "committee" refers to the advisory committee for children with special health needs established by section 2 of this chapter.

Sec. 2. The advisory committee for children with special health needs is established.

Sec. 3. (a) The committee consists of the following members:

(1) The director of the children's special health care services program.

(2) The director of the first steps program.

(3) The chair of the governor's interagency coordinating council for early intervention.

(4) The chair of the children's special health care services advisory council under 410 IAC 3.2-11.

(5) The director of the division of special education created under IC 20-1-6-2.1.
(6) One (1) representative of the Indiana chapter of the American Academy of Pediatrics.
(7) One (1) representative of a family advocacy group.
(8) Three (3) parents of children with special health needs.
(9) Three (3) parents of children who are enrolled in the:
(A) children's health insurance program under IC 12-17.6; or
(B) Medicaid managed care program for children.
(b) The members under subdivisions (1) and (2) are nonvoting members.
Sec. 4. (a) The governor shall appoint the committee members under section 3(6), 3(7), 3(8), and 3(9) of this chapter.
(b) The term of each member appointed under subsection (a) is three (3) years.
(c) A committee member identified in subsection (a) may be reappointed to serve consecutive terms.
Sec. 5. (a) The director of the children's special health care services program is chair of the committee during odd numbered years.
(b) The director of the first steps program is chair of the committee during even numbered years.
Sec. 6. The committee shall meet at least quarterly at the call of the chair.
Sec. 7. Eight (8) members of the committee constitute a quorum.
Sec. 8. (a) Each member of the committee who is not a state employee is entitled to receive both of the following:
(1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
(2) Reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
(b) Each member of the committee who is a state employee is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
Sec. 9. The committee shall advise and assist the children's health policy board established by IC 4-23-27-2 in the development, coordination, and evaluation of policies that have an impact on children, with a focus on children with special health needs, by doing the following:
(1) Seeking information from families, service providers, advocacy groups, and health care specialists about state or local policies that impede the provision of quality service.
(2) Taking steps to ensure that relevant health policy issues that have an impact on children are forwarded to the children's health policy board.
(3) Advising the children's health policy board with respect to the integration of services across:
(A) programs; and
(B) state agencies;
for children with special health needs.
SECTION 124. IC 4-23-27 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:
Chapter 27. Children's Health Policy Board
Sec. 1. As used in this chapter, "board" refers to the children's health policy board established by section 2 of this chapter.
Sec. 2. The children's health policy board is established.
Sec. 3. The board consists of the following members:
(1) The chair, appointed by the governor.
(2) The secretary of family and social services.

(3) The state health commissioner.
(4) The insurance commissioner of Indiana.
(5) The state personnel director.
(6) The budget director.
(7) The state superintendent of public instruction.

Sec. 4. The governor may appoint a member of the board listed under section 3(2) through 3(7) of this chapter as chair of the board.

Sec. 5. (a) Four (4) members of the board constitute a quorum.

(b) The affirmative vote of at least four (4) members of the board is required for the board to take any official action.

Sec. 6. (a) The board shall meet monthly at the call of the chair.

(b) The board shall hold public hearings in diverse locations throughout the state at least three (3) times each year.

Sec. 7. The board shall direct policy coordination of children's health programs by doing the following:

(1) Developing a comprehensive policy in the following areas:
(A) Appropriate delivery systems of care.
(B) Enhanced access to care.
(C) The use of various program funding for maximum efficiency.
(D) The optimal provider participation in various programs.
(E) The potential for expanding health insurance coverage to other populations.
(F) Technology needs, including technology to coordinate payment for services provided through the children's health insurance program under IC 12-17.6 with:
(i) services provided to children with special health needs; and
(ii) public health programs designed to protect all children.
(G) Appropriate organizational structure to implement health policy in the state.

(2) Coordinating aspects of existing children's health programs, including the children's health insurance program, Medicaid managed care for children, first steps, and children's special health care services, in order to achieve a more seamless system easily accessible by participants and providers, specifically in the following areas:
(A) Identification of potential enrollees.
(B) Outreach.
(C) Eligibility criteria.
(D) Enrollment.
(E) Benefits and coverage issues.
(F) Provider requirements.
(G) Evaluation.
(H) Procurement policies.
(I) Information technology systems.

(3) Reviewing, analyzing, disseminating, and using data when making policy decisions.

(4) Overseeing implementation of the children's health insurance program under IC 12-17.6, including:
(A) reviewing:
(i) benefits provided by;
(ii) eligibility requirements for; and
(iii) each evaluation of;
the children's health insurance program on an annual basis in light of available funding; and
(B) making recommendations for changes to the children's health insurance program to the office of the children's health insurance program established under IC 12-17.6-2-1.

Sec. 8. The board may draw upon the expertise of other boards, committees, and individuals whenever the board determines that such expertise is needed.

SECTION 125. IC 12-7-2-52.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 52.2. "Crowd out", for purposes of IC 12-17.6, has the meaning set forth in IC 12-17.6-1-2.**

SECTION 126. IC 12-7-2-91 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.

(3) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

(4) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

(5) For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-3.

~~(5)~~ **(6)** For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.

~~(6)~~ **(7)** For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.

~~(7)~~ **(8)** For purposes of IC 12-19-3, the meaning set forth in IC 12-19-3-1.

~~(8)~~ **(9)** For purposes of IC 12-19-4, the meaning set forth in IC 12-19-4-1.

~~(9)~~ **(10)** For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.

~~(10)~~ **(11)** For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(11)~~ **(12)** For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(12)~~ **(13)** For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(13)~~ **(14)** For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 127. IC 12-7-2-134 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 134. "Office" means the following:

(1) Except as provided in subdivisions (2) and (3), the office of Medicaid policy and planning established by IC 12-8-6-1.

(2) For purposes of IC 12-10-13, the meaning set forth in IC 12-10-13-4.

(3) For purposes of ~~IC 12-17-18,~~ **IC 12-17.6,** the meaning set forth in ~~IC 12-17-18-1.~~ **IC 12-17.6-1-4.**

SECTION 128. IC 12-7-2-146 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 146. "Program" refers to the following:

(1) For purposes of IC 12-10-7, the adult guardianship services program established by IC 12-10-7-5.

(2) For purposes of IC 12-10-10, the meaning set forth in IC 12-10-10-5.

(3) For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-5.

SECTION 129. IC 12-7-2-149 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 149. "Provider" means the following:

(1) For purposes of IC 12-10-7, the meaning set forth in IC 12-10-7-3.

(2) For purposes of the following statutes, an individual, a partnership, a corporation, or a governmental entity that is enrolled in the Medicaid program under rules adopted under IC 4-22-2 by the office of Medicaid policy and planning:

(A) IC 12-14-1 through IC 12-14-9.

(B) IC 12-15, except IC 12-15-32, IC 12-15-33, and IC 12-15-34.

(C) IC 12-17-10.

(D) IC 12-17-11.

(E) IC 12-17.6.

(3) For purposes of IC 12-17-9, the meaning set forth in IC 12-17-9-2.

(4) ~~For purposes of IC 12-17-18, the meaning set forth in IC 12-17-18-2.~~

~~(5)~~ For the purposes of IC 12-17.2, a person who operates a child care center or child care home under IC 12-17.2.

~~(6)~~ **(5)** For purposes of IC 12-17.4, a person who operates a child caring institution, foster family home, group home, or child placing agency under IC 12-17.4.

SECTION 130. IC 12-13-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. For taxes first due and payable in 1990, each county shall impose a medical assistance property tax levy equal to the amount determined using the following formula:

STEP ONE: Determine the sum of the amounts that were incurred by the county as determined by the state board of accounts for all medical care, including psychiatric care and institutional psychiatric care, for wards of the county office (described in ~~IC 12-15-2-15)~~ **IC 12-15-2-16)** that was provided in 1986, 1987, and 1988.

STEP TWO: Subtract from the amount determined in STEP ONE the sum of:

(A) the amount of bank taxes (IC 6-5-10);

(B) the amount of savings and loan association taxes (IC 6-5-11);

(C) the amount of production credit association taxes (IC 6-5-12); plus

(D) the amount of motor vehicle excise taxes (IC 6-6-5);

that were allocated to the county welfare fund and used to pay for the medical care for wards provided in 1986, 1987, and 1988.

STEP THREE: Divide the amount determined in STEP TWO by three (3).

STEP FOUR: Adjust the amount determined in STEP THREE by the amount determined by the state board of tax commissioners under section 6 of this chapter.

STEP FIVE: Multiply the amount determined in STEP FOUR by the greater of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 1990; or

(B) the statewide average assessed value growth quotient using the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for property taxes first due and payable in 1990.

STEP SIX: Multiply the amount determined in STEP FIVE by the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this section will be first due and payable.

SECTION 131. IC 12-15-1-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19. The office may, in administering managed care programs, contract with community entities, including private entities, to do the following:**

(1) Outreach for and enrollment in the managed care programs.

(2) Provision of services.

(3) Consumer education and public health education.

SECTION 132. IC 12-15-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. (a) An individual:

(1) who is less than ~~one (1) year~~ **nineteen (19) years** of age;

(2) who is not described in 42 U.S.C. 1396a(a)(10)(A)(i); and

(3) whose family income does not exceed the income level established in subsection (b);

is eligible to receive Medicaid.

(b) An individual described in this section is eligible to receive Medicaid, subject to 42 U.S.C. 1396a et seq., if the individual's family income does not exceed one hundred fifty percent (150%) of the federal income poverty level for the same size family.

(c) The office may apply a resource standard in determining the eligibility of an individual described in this section.

SECTION 133. IC 12-15-2-15.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15.7. ~~(a)~~ An individual who is less than nineteen (19) years of age and who is eligible for Medicaid under ~~sections~~ **section** 14 ~~through 15.6~~ of this chapter is eligible to receive Medicaid until the earlier of the following:

(1) The end of a period of twelve (12) consecutive months following a determination of the individual's eligibility for Medicaid.

(2) The individual becomes nineteen (19) years of age.

~~(b) This section expires August 31, 1999.~~

SECTION 134. IC 12-15-4-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. The office shall implement outreach strategies that build on community resources.**

SECTION 135. IC 12-15-20-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The Medicaid indigent care trust fund is established to pay the state's share of the following:

(1) Enhanced disproportionate share payments to providers under IC 12-15-19.

(2) Disproportionate share payments and significant disproportionate share payments for certain outpatient services under IC 12-15-17-3.

(3) Medicaid payments for pregnant women described in IC 12-15-2-13 and infants and children described in IC 12-15-2-14. ~~IC 12-15-2-15, and IC 12-15-2-15.5.~~

(4) Municipal disproportionate share payments to providers under IC 12-15-19-8.

SECTION 136. IC 12-15-33-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The Medicaid advisory committee is created to act in an advisory capacity to the **following:**

(1) The office in the administration of the Medicaid program.

(2) The children's health policy board established by IC 4-23-27-2 in the board's responsibility to direct policy coordination of children's health programs.

SECTION 137. IC 12-15-33-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The committee shall be appointed as follows:

(1) One (1) member shall be appointed by the administrator of the office to represent each of the following organizations:

(A) Indiana Council of Community Mental Health Centers.

(B) Indiana State Medical Association.

(C) Indiana State Chapter of the American Academy of Pediatrics.

(D) Indiana Hospital Association.

(E) Indiana Dental Association.

(F) Indiana State Psychiatric Association.

(G) Indiana State Osteopathic Association.

(H) Indiana State Nurses Association.

(I) Indiana State Licensed Practical Nurses Association.

(J) Indiana State Podiatry Association.

(K) Indiana Health Care Association.

(L) Indiana Optometric Association.

(M) Indiana Pharmaceutical Association.

(N) Indiana Psychological Association.

(O) Indiana State Chiropractic Association.

(P) Indiana Ambulance Association.

(Q) Indiana Association for Home Care.

(R) Indiana Academy of Ophthalmology.

(S) Indiana Speech and Hearing Association.

(2) ~~Eight (8)~~ **Ten (10)** members shall be appointed by the governor as follows:

(A) One (1) member who represents agricultural interests.

(B) One (1) member who represents business and industrial interests.

(C) One (1) member who represents labor interests.

(D) One (1) member who represents insurance interests.
(E) One (1) member who represents a statewide taxpayer association.
(F) **Two (2) members who are parent advocates.**
(G) Three (3) members who represent Indiana citizens.
(3) One (1) member shall be appointed by the president pro tempore of the senate acting in the capacity as president pro tempore of the senate to represent the senate.
(4) One (1) member shall be appointed by the speaker of the house of representatives to represent the house of representatives.

SECTION 138. IC 12-17.6 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 17.6. CHILDREN'S HEALTH INSURANCE PROGRAM

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Crowd out" means the extent to which:
(1) families substitute coverage offered under the program for employer sponsored health insurance coverage for children; or
(2) employers:
(A) reduce or eliminate health insurance benefits for children under an employer based health insurance plan; or
(B) increase the employee's share of the cost of benefits for children under an employer based health insurance plan relative to the total cost of the plan;
as a result of the program.

Sec. 3. "Fund" refers to the children's health insurance program fund established by IC 12-17.6-7-1.

Sec. 4. "Office" refers to the office of the children's health insurance program established by IC 12-17.6-2-1.

Sec. 5. "Program" refers to the children's health insurance program established by IC 12-17.6-2.

Sec. 6. "Provider" has the meaning set forth in IC 12-7-2-149(2).

Chapter 2. Program Administration

Sec. 1. The office of the children's health insurance program is established within the office of the secretary.

Sec. 2. The office shall design and administer a system to provide health benefits coverage for children eligible for the program.

Sec. 3. To the greatest extent possible, the office shall use the same:
(1) eligibility determination;
(2) enrollment;
(3) provider networks; and
(4) claims payment systems;
as are used by the Medicaid managed care program for children.

Sec. 4. The office shall evaluate the feasibility of the following:
(1) Establishing a program to subsidize employer sponsored coverage under the program.
(2) Expanding health insurance coverage under the program to other populations as provided under section 2105(c)(3) of the federal Social Security Act.

Sec. 5. Reviews of the program shall:
(1) be conducted in compliance with federal requirements; and
(2) include an analysis of the extent to which crowd out is occurring.

Sec. 6. The office shall do the following:
(1) Establish performance criteria and evaluation measures.
(2) Monitor program performance.
(3) Adopt a sliding scale formula that:

(A) specifies the premiums, if any, to be paid by the parent or guardian of a child enrolled in the program; and

(B) is based on the child's family income.

Sec. 7. (a) The office shall contract with an independent organization to evaluate the program.

(b) The office shall report the results of each evaluation to the children's health policy board established by IC 4-23-27-2.

(c) This section does not modify the requirements of other statutes relating to the confidentiality of medical records.

Sec. 8. The office may, in administering the program, contract with community entities, including private entities, to do the following:

(1) Outreach for and enrollment in the managed care program.

(2) Provision of services.

(3) Consumer education and public health education.

Sec. 9. (a) The office shall incorporate creative methods, reflective of community level objectives and input, to do the following:

(1) Encourage beneficial and appropriate use of health care services.

(2) Pursue efforts to enhance provider availability.

(b) In determining the best approach for each area, the office shall do the following:

(1) Evaluate distinct market areas.

(2) Weigh the advantages and disadvantages of alternative delivery models, including the following:

(A) Risk based managed care only.

(B) Primary care gatekeeper model only.

(C) A combination of clauses (A) and (B).

Sec. 10. (a) The office may establish a program to subsidize employer sponsored coverage for:

(1) eligible individuals; and

(2) the families of eligible individuals;

consistent with federal law.

(b) If the office establishes a program under subsection (a), the employer sponsored benefit package must comply with federal law.

Sec. 11. (a) The office shall adopt rules under IC 4-22-2 to implement the program.

(b) The office may adopt emergency rules under IC 4-22-2-37.1 to implement the program on an emergency basis.

Sec. 12. Not later than April 1, the office shall provide a report describing the program's activities during the preceding calendar year to the:

(1) budget committee;

(2) legislative council; and

(3) children's health policy board established by IC 4-23-27-2.

Chapter 3. Eligibility, Outreach, and Enrollment

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. (a) To be eligible to enroll in the program, a child must meet the following requirements:

(1) The child is less than nineteen (19) years of age.

(2) The child is a member of a family with an annual income of:

(A) more than one hundred fifty percent (150%); and

(B) not more than two hundred percent (200%);

of the federal income poverty level.

(3) The child is a resident of Indiana.

(4) The child meets all eligibility requirements under Title XXI of the federal Social Security Act.

(5) The child's family agrees to pay any cost sharing amounts required by the office.

(b) The office may adjust eligibility requirements based on available program resources under rules adopted under IC 4-22-2.

Sec. 3. (a) Subject to subsection (b), a child who is eligible for the program shall receive services from the program until the earlier of the following:

(1) The end of a period of twelve (12) consecutive months following the determination of the child's eligibility for the program.

(2) The child becomes nineteen (19) years of age.

(b) Subsection (a) applies only if the child and the child's family comply with enrollment requirements.

Sec. 4. The office shall implement outreach strategies that build on community resources.

Sec. 5. A child may apply at an enrollment center as provided in IC 12-15-4-1 to receive health care services from the program if the child meets the eligibility requirements of section 2 of this chapter.

Chapter 4. Benefits, Crowd Out, and Cost Sharing

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. The benefit package provided under the program shall:

(1) comply with federal law;

(2) focus on age appropriate preventive, primary, and acute care services; and

(3) include physician services (as defined in 42 U.S.C. 1395x(q)) provided by a physician (as defined in 42 U.S.C. 1395x(r)).

Sec. 3. If the state prohibits private individual and group health insurance plans from imposing:

(1) treatment limitations; or

(2) financial requirements;

on the coverage of services for a mental illness if similar limitations or requirements are not imposed on the coverage of services for other medical or surgical conditions, the program shall provide the same prohibitions beginning on the same date as the prohibition is implemented for private individual and group health insurance plans.

Sec. 4. Premium and cost sharing amounts established by the office are limited by the following:

(1) Deductibles, coinsurance, or other cost sharing are not permitted with respect to benefits for well-baby and well-child care, including age appropriate immunizations.

(2) Premiums and other cost sharing may be imposed based on family income. However, the total annual aggregate cost sharing with respect to all children in a family under this article may not exceed five percent (5%) of the family's income for the year.

Sec. 5. The office may do the following:

(1) Determine cost sharing amounts.

(2) Determine waiting periods which may not exceed three (3) months and exceptions to the requirement of waiting periods for potential enrollees in the program.

(3) Adopt additional methods for complying with federal requirements relating to crowd out.

Sec. 6. (a) It is a violation of IC 27-4-1-4 if an insurer, or an insurance agent or insurance broker compensated by the insurer, knowingly or intentionally refers an insured or the dependent of an insured to the program for health insurance coverage when the insured already receives health insurance coverage through an employer's health care plan that is underwritten by the insurer.

(b) The office shall coordinate with the children's health policy board under IC 4-23-27 to evaluate the need for mechanisms that minimize the incentive for an employer to eliminate or reduce health care coverage for an employee's dependents.

Sec. 7. Community health centers shall be utilized to provide health care services.

Chapter 5. Provider Contracts

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. A provider agreement must include information that the office finds necessary to facilitate carrying out IC 12-17.6.

Sec. 3. A provider who participates in the program, including a provider who is a member of a managed care organization, must comply with the enrollment requirements that are established under IC 12-15.

Sec. 4. (a) A provider that participates in the Medicaid program as provided in IC 12-15-12 is considered a provider for purposes of the program.

(b) A provider that enters into a provider agreement with the program under this chapter is considered a provider in the Medicaid program under IC 12-15.

(c) If an enrollee in the Medicaid managed care program for children has direct access to a provider who has entered into a provider agreement under IC 12-15-11, an enrollee in the program has direct access to the same provider.

Chapter 6. Provider Sanctions, Theft, Kickbacks, and Bribes

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. If after investigation the office finds that a provider has violated this article or rule adopted under this article, the office may impose at least one (1) of the following sanctions:

(1) Deny payment to the provider for program services provided during a specified time.

(2) Reject a prospective provider's application for participation in the program.

(3) Terminate a provider agreement allowing a provider's participation in the program.

(4) Assess a civil penalty against the provider in an amount not to exceed three (3) times the amount paid to the provider in excess of the amount that was legally due.

(5) Assess an interest charge, at a rate not to exceed the rate established by IC 24-4.6-1-101(2) for judgments on money, on the amount paid to the provider in excess of the amount that was legally due. The interest charge accrues from the date of the overpayment to the provider.

Sec. 3. In addition to any sanction imposed on a provider under section 2 of this chapter, a provider convicted of an offense under IC 35-43-5-7.2 is ineligible to participate in the program for ten (10) years after the conviction.

Sec. 4. A provider may appeal a sanction imposed under section 2 of this chapter under rules concerning Medicaid provider appeals that are adopted by the secretary under IC 4-22-2.

Sec. 5. After exhausting all administrative remedies, a provider may obtain judicial review of a sanction under IC 4-21.5-5.

Sec. 6. A final directive made by the office that:

(1) denies payment to a provider for medical services provided during a specified period of time; or

(2) terminates a provider agreement permitting a provider's participation in the program;

must direct the provider to inform each eligible recipient of services, before services are provided, that the office will not pay for those services if provided.

Sec. 7. Subject to section 8 of this chapter, a final directive:

(1) denying payment to a provider;

(2) rejecting a prospective provider's application for participation in the program; or

(3) terminating a provider agreement allowing a provider's participation in the program;

must be for a sufficient time, in the opinion of the office, to allow for the correction of all deficiencies or to prevent further abuses.

Sec. 8. Except as provided in section 10 of this chapter, a provider sanctioned under section 2 of this chapter may not be declared reinstated as a provider under this article until the office has received the following:

(1) Full repayment of the amount paid to the provider in excess of the proper and legal amount due, including any interest charge assessed by the office.

(2) Full payment of a civil penalty assessed under section 2(4) of this chapter.

Sec. 9. Except as provided in section 10 of this chapter, a provider sanctioned under section 2 of this chapter may file an agreement as provided in IC 12-17.6-5.

Sec. 10. A provider who has been:

(1) convicted of a crime relating to the provision of services under this chapter; or

(2) subjected to a sanction under section 2 of this chapter on three (3) separate occasions by directive of the office;

is ineligible to submit claims for the program.

Sec. 11. Evidence that a person or provider received money or other benefits as a result of a violation of:

(1) a provision of this article; or

(2) a rule established by the office under this article;

constitutes prima facie evidence, for purposes of IC 35-43-4-2, that the person or provider intended to deprive the state of a part of the value of the money or benefits.

Sec. 12. A person who furnishes items or services to an individual for which payment is or may be made under this chapter and who knowingly or intentionally solicits, offers, or receives a:

(1) kickback or bribe in connection with the furnishing of the items or services or the making or receipt of the payment; or

(2) rebate of a fee or charge for referring the individual to another person for the furnishing of items or services;

commits a Class A misdemeanor.

Chapter 7. Funding

Sec. 1. The children's health insurance program fund is established for the purpose of paying expenses relating to:

(1) the program;

(2) services offered through the program for children enrolled in the program; and

(3) services and administration eligible for reimbursement under Title XXI of the federal Social Security Act for children enrolled in Medicaid under IC 12-15-2-14.

Sec. 2. The office shall administer the fund.

Sec. 3. The fund consists of the following:

(1) Amounts appropriated by the general assembly.

(2) Amounts appropriated by the federal government.

(3) Fees, charges, gifts, grants, donations, money received from any other source, and other income funds as may become available.

Sec. 4. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

Sec. 5. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Chapter 8. Appeals and Hearings

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. An applicant for or a recipient of services under the program may appeal to the office if at least one (1) of the following occurs:

(1) An application or a request is not acted upon by the office within a reasonable time after the application or request is filed.

(2) The application is denied.

(3) The applicant or recipient is dissatisfied with the action of the office.

Sec. 3. The secretary shall conduct hearings and appeals concerning the program under IC 4-21.5.

Sec. 4. The office shall, upon receipt of notice of appeal under section 2 of this chapter, set the matter for hearing and give the applicant or recipient an opportunity for a fair hearing in the county in which the applicant or recipient resides.

Sec. 5. (a) At a hearing held under section 4 of this chapter, the applicant or recipient and the office may introduce additional evidence.

(b) A hearing held under section 4 of this chapter shall be conducted under rules adopted by the

secretary for applicants and recipients of Medicaid that are not inconsistent with IC 4-21.5 and the program.

Sec. 6. The office:

(1) may make necessary additional investigations; and

(2) shall make decisions concerning the:

(A) granting of program services; and

(B) amount of program services to be granted;

to an applicant or a recipient that the office believes are justified and in conformity with the program.

Chapter 9. Confidentiality and Release of Information

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. The following concerning a program applicant or recipient under the program are confidential, except as otherwise provided in this chapter:

(1) An application.

(2) An investigation report.

(3) An information.

(4) A record.

Sec. 3. The use and the disclosure of the information described in this chapter to persons authorized by law in connection with the official duties relating to:

(1) financial audits;

(2) legislative investigations; or

(3) other purposes directly connected with the administration of the program;

is authorized.

Sec. 4. (a) The release and use of information of a general nature shall be provided as needed for adequate interpretation or development of the program.

(b) The information described in subsection (a) includes the following:

(1) Total program expenditures.

(2) The number of recipients.

(3) Statistical and social data used in connection with studies.

(4) Reports or surveys on health and welfare problems.

Sec. 5. The office shall make available the following to providers for immediate access to information indicating whether an individual is eligible for the program:

(1) A twenty-four (24) hour telephone system.

(2) A computerized data retrieval system.

Sec. 6. Information released under section 5 of this chapter is limited to the following:

(1) Disclosure of whether an individual is eligible for the program.

(2) The date the individual became eligible for the program and the individual's program number.

(3) Restrictions, if any, on the scope of services to be reimbursed under the program for the individual.

Sec. 7. Information obtained by a provider under this chapter concerning an individual's eligibility for the program is confidential and may not be disclosed to any person.

Sec. 8. If it is established that a provision of this chapter causes the program to be ineligible for federal financial participation, the provision is limited or restricted to the extent that is essential to make the program eligible for federal financial participation.

SECTION 139. IC 16-41-40-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A program established under this chapter must include the distribution of readily understandable information and instructional materials regarding shaken baby syndrome, explaining its medical effects on infants and children and emphasizing preventive measures.

(b) The information and instructional materials described in subsection (a) must be provided without

cost by the following:

(1) Each hospital licensed under IC 16-21, to a parent or guardian of each newborn upon discharge from the hospital.

(2) The division of family and children to each provider (as defined in IC 12-7-2-149(4)) ~~or IC 12-7-2-149(5))~~ when:

(A) the provider applies for a license from the division under IC 12-17.2 or IC 12-17.4; or

(B) the division inspects a facility operated by a provider.

SECTION 140. IC 35-43-5-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 7.2. (a) Except as provided in subsection (b), a person who knowingly or intentionally:**

(1) files a children's health insurance program claim, including an electronic claim, in violation of IC 12-17.6;

(2) obtains payment from the children's health insurance program under IC 12-17.6 by means of a false or misleading oral or written statement or other fraudulent means;

(3) acquires a provider number under the children's health insurance program except as authorized by law;

(4) alters with intent to defraud or falsifies documents or records of a provider (as defined in 42 CFR 1002.301) that are required to be kept under the children's health insurance program; or

(5) conceals information for the purpose of applying for or receiving unauthorized payments from the children's health insurance program;

commits insurance fraud, a Class D felony.

(b) The offense described in subsection (a) is a Class C felony if the fair market value of the claim or payment is at least fifty thousand dollars ($50,000).

SECTION 141. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 12-7-2-139.1; IC 12-17-18.

SECTION 142. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1999]: IC 12-15-2-15; IC 12-15-2-15.5.

SECTION 143. [EFFECTIVE UPON PASSAGE] **(a) The office may apply to the Secretary of the United States Department of Health and Human Services for a waiver to provide family coverage from the children's health insurance program under IC 12-17.6 when it is economically efficient to provide family coverage.**

(b) This SECTION expires January 1, 2001.

SECTION 144. IC 4-34-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) ~~Two million dollars ($2,000,000) from~~ **Money in** the fund shall be allocated annually to libraries, including the INSPIRE project.

(b) The Indiana library and historical board established by IC 4-23-7-2 and the budget agency may jointly make rules necessary or appropriate to the administration of this chapter.

(c) Each library in Indiana is entitled in each calendar year to apply to the Indiana library and historical board for a grant for a technology project. From time to time, but not more often than semiannually, the Indiana library and historical board shall make recommendations to the budget agency as to grants from the Indiana technology fund. After review by the budget committee established by IC 4-12-1-3 and approval by the governor, the budget agency may allot money to the Indiana library and historical board for the grants.

SECTION 145. IC 4-34-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. ~~Three million dollars ($3,000,000) from~~ **Money in** the fund shall be allocated annually to the intelenet commission (IC 5-21-2-1) to make matching grants to school corporations for Internet connections for a school corporation. The intelenet commission shall develop a plan to implement grants under this section. The budget committee shall review the plan. The budget agency must approve of the

plan.

SECTION 146. IC 4-34-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. ~~The following amount from~~ **Money in** the fund shall be allocated annually to the technology grant plan program established under IC 20-10.1-25.3 for the following purpose: ~~Fifteen million dollars ($15,000,000)~~ For technology plan grants to school corporations under IC 20-10.1-25.3. The department of education shall develop a plan for funding all school corporations within a six (6) year cycle. The total technology grant amount to a qualifying school corporation is the amount determined by the department multiplied by the school corporation's ADM. The amount may ~~not exceed two~~ **is one** hundred dollars ~~($200).~~ **($100).**

SECTION 147. IC 20-8.1-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The department shall adopt procedures that must be followed by applicants in order for them to qualify for assistance under this chapter. The financial eligibility standard for an applicant under this chapter must be the same criteria used for determining eligibility for receiving free lunches **or reduced price lunches** under the national school lunch program.

SECTION 148. IC 4-10-20 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 20. Targeted Tax Relief Fund

Sec. 1. The targeted tax relief fund is established. The fund shall be administered by the treasurer of state.

Sec. 2. The interest earned on money in the fund shall be credited to the fund.

Sec. 3. Money in the fund at the end of a state fiscal year does not revert to the state general fund

Sec. 4. Money in the fund is appropriated to pay inventory tax credits under IC 6-1.1-20.5 and textbook credits under IC 21-3-12.

Sec. 5. (a) The state board of tax commissioners shall annually provide an estimate of the amount required to pay the inventory tax credits under IC 6-1.1-20.5 and the department of education shall annually provide an estimate of the amount required to pay the the textbook credits under IC 21-3-12 to the property tax replacement fund board. The property tax replacement fund board shall review the estimates and approve the credits.

(b) Notwithstanding IC 6-1.1-20.5 and IC 21-3-12, if the property tax replacement fund board determines that the amount remaining in the fund will be less than the amount required to pay the credits under section 4 of this chapter, the board shall estimate the maximum credits that may be provided under IC 21-3-12 with the balance in the fund. If there are sufficient revenues to pay the credits under IC 21-3-12, the property tax replacement fund board estimate the maximum credits that may be provided under IC 6-1.1-20.5 with the balance in the fund after the textbook credits are paid. The property tax replacement fund board shall make the final determination of the amount of credits that may be allocated from the fund.

SECTION 149. IC 21-3-12 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 12. Textbook Credits

Sec. 1. As used in this SECTION, "accredited nonpublic school" means a nonpublic school that:

(1) voluntarily seeks; and

(2) receives;

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

Sec. 2. Except as otherwise provided in this chapter, for each school year beginning in 1999 and thereafter, a student or the student's parent, guardian, or custodian is entitled to a credit against the first fifty dollars ($50) of charges imposed by a school corporation (as defined in IC 36-1-2-17) or an accredited nonpublic school for:

(1) rental fees; or

(2) other costs;

in a school year for each student's textbooks or materials.

Sec. 3. Each school corporation or accredited nonpublic school shall deduct the credit under this chapter from the charges imposed on a student or the student's parent, guardian, or custodian until the entire credit is used. A student or the student's parent, guardian, or custodian is not entitled to a refund if the credit exceeds the amount due.

Sec. 4. To qualify for a reimbursement under section 5 of this chapter, a school corporation or an accredited nonpublic school must provide to the payor a statement for rental fees or other costs for textbooks or materials. This statement must conspicuously include the following notice: "The 1999 Indiana General Assembly enacted a textbook fee reduction paid from state revenues. The credit is $50 for each student."

Sec. 5. (a) A school corporation or an accredited nonpublic school granting a credit to a student or the student's parent, guardian, or custodian under this chapter may submit a claim for reimbursement for the actual amount of the credits given under this chapter to the department of education. The department of education shall prescribe forms and establish procedures for the submission and payment of claims.

(b) A claim submitted under this chapter must be paid within ten (10) days after the claim is properly filed. The department of education may make a payment under this chapter by electronic funds transfer.

Sec. 6. This chapter does not apply to students who are eligible for free textbook rental under another state funded program.

Sec. 7. Subject to IC 4-10-20, there is appropriated from the targeted tax relief fund the amount necessary to pay claims submitted under this chapter.

SECTION 150. IC 4-13.5-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this article:

"Commission" refers to the state office building commission.

"Construction" means the erection, renovation, refurbishing, or alteration of all or any part of buildings, improvements, or other structures, including installation of fixtures or equipment, landscaping of grounds, site work, and providing for other ancillary facilities pertinent to the buildings or structures.

"Correctional facility" means a building, a structure, or an improvement for the custody, care, confinement, or treatment of committed persons under IC 11.

"Department" refers to the Indiana department of administration.

"Mental health facility" means a building, a structure, or an improvement for the care, maintenance, or treatment of persons with mental or addictive disorders.

"Facility" means all or any part of one (1) or more buildings, structures, or improvements (whether new or existing), or parking areas (whether surface or an above or below ground parking garage or garages), owned or leased by the commission or the state for the purpose of:

(1) housing the personnel or activities of state agencies or branches of state government;

(2) providing transportation or parking for state employees or persons having business with state government; ~~or~~

(3) providing a correctional facility; **or**

(4) providing a mental health facility.

"Person" means an individual, a partnership, a corporation, a limited liability company, an unincorporated association, or a governmental entity.

"State agency" means an authority, a board, a commission, a committee, a department, a division, or other instrumentality of state government but does not include a state educational institution (as defined in IC 20-12-0.5-1).

SECTION 151. [EFFECTIVE UPON PASSAGE] **If any provision of this act or its application to any person or circumstance is held invalid, the invalidity of that provision does not affect other provisions of this act that can be given effect without the invalid provision.**

SECTION 152. **An emergency is declared for this act.**

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1001, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 35, after "allowance" insert "**, meals and other usual and customary expenses associated with legislative affairs**".

Page 5, line 47, after "$3,000;" insert "**speaker emeritus, $1,500;**".

Page 7, line 27, delete "100,000" and insert "**366,000**".

Page 7, between lines 38 and 39, begin a new line and insert:

"**REAPPORTIONMENT SUPPORT AND SERVICES**

Total Operating Expense 250,000".

Page 8, line 49, delete "SPECIAL JUDGES - COUNTY COURTS".

Page 8, after line 49, begin a new line and insert:

"**SPECIAL JUDGES**

- COUNTY COURTS".

Page 9, line 11, delete "1,200,000" and insert "1,600,000".

Page 9, between lines 25 and 26, begin a new line and insert:

"**Public Defense Fund (IC 33-19-7-5(c))**".

Page 9, delete line 28.

Page 9, line 29, delete "9-13, instead of the appropriation made in IC 33-19-7-5(c).".

Page 9, line 36, delete "550,000 550,000" and insert "625,000 625,000".

Page 10, between lines 44 and 45, begin a new line and insert:

"**MILLENNIUM TASK FORCE**

Total Operating Expense 500,000".

Page 11, line 5, delete "GOVERNORS' AND GOVERNORS' SURVIVING".

Page 11, line 6, before "SPOUSES'" insert "**GOVERNORS' AND GOVERNORS' SURVIVING**".

Page 12, line 22, delete "3,548,344 3,548,344" and insert "**3,688,428 3,688,428**".

Page 12, line 23, delete "1,043,185 1,043,185" and insert "**1,066,197 1,180,947**".

Page 12, delete line 29, begin a new line and insert:

"**GOVERNOR ELECT**".

Page 12, line 43, delete "391,355" and insert "**390,355**".

Page 12, line 47, delete "75,000,000" and insert "**70,000,000**".

Page 13, line 29, delete "805,369" and insert "**805,370**".

Page 13, between lines 40 and 41, begin a new line and insert:

"**TARGETED TAX RELIEF FUND (4-10-20)**

Other Operating Expense 500,000,000

INDIANA 21st CENTURY GROWTH FUND

Total Operating Expense 25,000,000 25,000,000".

Page 14, between lines 10 and 11, begin a new line and insert:

"**From the Lottery Administrative Trust Fund**".

Page 14, line 13, after "fund" delete "." and insert "**, in compliance with the**

provisions of IC 4-30-16-3.".

Page 14, line 17, delete "- COLLECTION AND ADMINISTRATION".

Page 14, between lines 17 and 18, begin a new line and insert: "**COLLECTION AND ADMINISTRATION**".

Page 14, line 18, delete "33,161,040 33,161,040" and insert "**32,911,040 32,911,040**".

Page 14, line 19, delete "16,174,537 16,174,537" and insert "**15,924,537 15,924,537**".

Page 14, line 41, delete "1,669,366 1,669,366" and insert "**1,669,367 1,669,367**".

Page 14, line 49, delete "4,968,939" and insert "**4,968,839**".

Page 15, line 35, delete "account of the state general".

Page 16, line 17, delete "5,178,000" and insert "**5,718,000**".

Page 17, line 23, delete "33,624,730" and insert "**32,624,730**".

Page 17, line 26, delete "4,191,801 4,191,800" and insert "**4,091,801 4,091,801**".

Page 17, line 28, delete "10,439,126 18,628,368" and insert "**10,339,126 18,528,368**".

Page 17, line 30, delete "826,698 826,698" and insert "**819,793 819,793**".

Page 17, line 31, delete "350,500 350,500" and insert "**347,573 347,573**".

Page 17, line 33, delete "4,569,969 4,569,969" and insert "**4,531,800 4,531,800**".

Page 17, line 34, delete "706,625 746,625" and insert "**700,389 740,389**".

Page 17, line 36, delete "1,607,005 1,607,005" and insert "**1,593,583 1,593,583**".

Page 17, line 37, delete "477,575 477,575" and insert "**473,586 473,586**".

Page 17, line 39, delete "6,288,403 6,288,403" and insert "**6,235,881 6,235,881**".

Page 17, line 40, delete "3,072,874 3,102,874" and insert "**3,046,958 3,076,958**".

Page 17, line 42, delete "1,786,754 1,786,754" and insert "**1,771,831 1,771,831**".

Page 17, line 43, delete "2,035,640 2,035,640" and insert "**2,018,638 2,018,638**".

Page 17, line 46, delete "16,484,000 13,484,000" and insert "**16,384,000 13,384,000**".

Page 17, line 48, delete " 459,633 459,633" and insert "**455,794 455,794**".

Page 17, line 49, delete "39,500 39,500" and insert "**39,170 39,170**".

Page 18, line 8, delete "31,003,983 31,003,983" and insert "**30,745,033 30,745,033**".

Page 18, line 9, delete "8,788,157 8,788,157" and insert "**8,714,757 8,714,757**".

Page 18, line 11, delete "25,309,062 25,309,062" and insert "**25,097,677 25,097,677**".

Page 18, line 12, delete "7,565,591 7,565,591" and insert "**7,502,402 7,502,402**".

Page 18, line 14, delete "382,712 382,712" and insert "**379,516 379,516**".

Page 18, line 16, delete "24,471,995 24,471,995" and insert "**24,267,602 24,267,602**".

Page 18, line 17, delete "5,954,387 5,954,387" and insert "**5,904,655 5,904,655**".

Page 18, line 19, delete "18,395,994 18,395,994" and insert "**18,242,349 18,242,349**".

Page 18, line 20, delete "3,465,759 3,465,759" and insert "**3,436,812 3,436,812**".

Page 18, line 22, delete "10,315,739 10,315,739" and insert "**10,229,581 10,229,581**".

Page 18, line 23, delete "1,950,525 1,950,525" and insert "**1,934,234 1,934,234**".

Page 18, line 25, delete "24,945,572 24,945,572" and insert "**24,737,223 24,737,223**".

Page 18, line 26, delete "5,585,826 5,585,826" and insert "**5,539,172 5,539,172**".

Page 18, line 28, delete "12,433,899 12,433,899" and insert "**12,330,049 12,330,049**".

Page 18, line 29, delete "2,286,455 2,286,455" and insert "**2,267,358 2,267,358**".

Page 18, line 31, delete "8,436,290 8,436,290" and insert "**8,365,829 8,365,829**".

Page 18, line 32, delete "1,250,402 1,250,402" and insert "**1,239,958 1,239,958**".

Page 18, line 34, delete "3,380,954 11,677,780" and insert "**3,283,419 10,830,245**".

Page 18, line 35, delete "3,588,110 2,609,928" and insert "**3,566,311 2,388,129**".

Page 18, line 37, delete "2,219,219 2,219,219" and insert "**2,200,684 2,200,684**".

Page 18, line 38, delete "597,782 597,782" and insert "**592,789 592,789**".

Page 18, line 40, delete "1,887,487 1,887,487" and insert "**1,871,722 1,871,722**".

Page 18, line 41, delete "348,416 348,416" and insert "**345,506 345,506**".

Page 18, line 43, delete "15,040,869 15,040,869" and insert "**14,915,245 14,915,245**".

Page 18, line 44, delete "3,478,908 3,303,908" and insert "**3,451,313 3,276,313**".

Page 18, line 46, delete "38,247,475 38,247,475" and insert "**37,928,026**

37,928,026".

Page 18, line 47, delete "8,885,388 8,885,388" and insert "**8,811,176 8,811,176**".

Page 18, line 49, delete "4,331,695 4,331,695" and insert "**4,295,516 4,295,516**".

Page 19, line 1, delete "647,850 647,850" and insert "**642,439 642,439**".

Page 19, line 3, delete "3,116,495 3,116,495" and insert "**3,090,466 3,090,466**".

Page 19, line 4, delete "322,850 322,850" and insert "**320,154 320,154**".

Page 19, line 6, delete "10,981,790 10,981,790" and insert "**10,890,068 10,890,068**".

Page 19, line 7, delete "2,495,082 2,495,082" and insert "**2,474,243 2,474,243**".

Page 19, line 9, delete "21,916,712 21,916,712" and insert "**21,733,660 21,733,660**".

Page 19, line 10, delete "6,160,436 6,160,436" and insert "**6,108,983 6,108,983**".

Page 19, line 12, delete "9,123,409 9,123,409" and insert "**9,047,209 9,047,209**".

Page 19, line 13, delete "980,385 980,385" and insert "**972,197 972,197**".

Page 19, line 15, delete "14,627,810 17,527,810" and insert "**14,481,415 16,681,415**".

Page 19, line 16, delete "8,158,550 6,658,550" and insert "**8,102,937 6,452,937**".

Page 19, line 18, delete "7,221,620" and insert "**6,621,620**".

Page 19, line 19, delete "3,556,000" and insert "**3,056,000**".

Page 19, line 21, delete "1,569,452 1,569,452" and insert "**1,556,344 1,556,344**".

Page 19, line 22, delete "396,227 396,227" and insert "**392,918 392,918**".

Page 19, line 24, delete "1,317,695 1,317,695" and insert "**1,306,689 1,306,689**".

Page 19, line 25, delete "421,463 421,463" and insert "**417,943 417,943**".

Page 19, line 27, delete "1,412,059 1,412,059" and insert "**1,400,265 1,400,265**".

Page 19, line 28, delete "335,417 335,417" and insert "**332,616 332,616**".

Page 19, line 30, delete "3,988,339 3,988,339" and insert "**3,955,028 3,955,028**".

Page 19, line 31, delete "780,018 780,018" and insert "**773,503 773,503**".

Page 19, line 33, delete "1,633,476 1,633,476" and insert "**1,619,833 1,619,833**".

Page 19, line 34, delete "388,685 388,685" and insert "**385,439 385,439**".

Page 19, line 36, delete "2,534,314 2,534,314" and insert "**2,513,147 2,513,147**".

Page 19, line 37, delete "582,750 582,750" and insert "**577,883 577,883**".

Page 19, line 39, delete "2,230,393 2,230,393" and insert "**2,211,764 2,211,764**".

Page 19, line 40, delete "404,189 404,189" and insert "**400,813 400,813**".

Page 19, line 42, delete "1,038,073 1,038,073" and insert "**1,029,403 1,029,403**".

Page 19, line 43, delete "440,147 440,147" and insert "**436,471 436,471**".

Page 19, line 45, delete "1,600,960 1,600,960" and insert "**1,587,589 1,587,589**".

Page 19, line 46, delete "403,223 403,223" and insert "**399,855 399,855**".

Page 19, line 48, delete "6,635,521 6,635,521" and insert "**6,580,100 6,580,100**".

Page 19, line 49, delete "1,395,000 1,395,000" and insert "**1,383,349 1,383,349**".

Page 20, line 3, delete "5,631,137 5,631,137" and insert "**5,584,104 5,584,104**".

Page 20, line 49, delete "283,561 283,561" and insert "**358,561 358,561**".

Page 21, line 26, delete "FUND".

Page 21, line 28, delete "3,000,000 3,000,000" and insert "**6,838,000 6,250,000**".

Page 21, between lines 28 and 29, begin a new line and insert:

"**Of the above appropriations for the Indiana safe schools program, $5,500,000 is appropriated annually to provide grants to school corporations for school safe haven programs, emergency preparedness programs, and school safety programs, and $750,000 is appropriated annually for use in providing training to school safety specialists. Additionally, $2,000 is appropriated to each school corporation to be used for participation in a county school safety commission in fiscal year 1999-2000.**".

Page 21, line 33, delete "FUND (IC 5-12-13-4)".

Page 21, between lines 33 and 34, begin a new line and insert:

"**General Fund**".

Page 21, between lines 34 and 35, begin a new line and insert:

"**Law Enforcement Assistance Fund (IC 5-2-13-4)**

Total Operating Expense 2,500,000 2,500,000".

Page 21, line 35, after "allowed" delete "." and insert "**from the Law Enforcement Assistance Fund.**".

Page 22, line 11, delete "CORONERS TRAINING BOARD", begin a new line and insert:

"**FOR THE CORONERS TRAINING BOARD.**".

Page 22, between lines 16 and 17, begin a new line and insert:
"**Project IMPACT**
Total Operating Expense 200,000 200,000".
Page 22, line 32, delete "51,522,379 51,522,379" and insert "**50,522,379 50,522,379**".
Page 22, line 34, delete "51,522,379 51,522,379" and insert "**50,522,379 50,522,379**".
Page 22, line 43, delete "87,122,029 87,122,029" and insert "**85,802,029 85,802,029**".
Page 22, line 44, delete "20,795,640 20,795,640" and insert "**20,115,640 20,115,640**".
Page 26, line 49, delete "PATIENT'S" and insert "**PATIENTS'**".
Page 27, line 1, delete "Patient's" and insert "**Patients'**".
Page 29, line 11, delete "3,794,809 3,794,809" and insert "**3,714,809 3,714,809**".
Page 29, line 12, delete "1,529,921 1,529,921" and insert "**1,489,921 1,489,921**".
Page 29, delete lines 14 through 15.
Page 29, line 18, delete "132,558 132,558" and insert "**128,558 128,558**".
Page 29, line 19, delete "104,279 104,279" and insert "**102,279 102,279**".
Page 29, line 21, delete "578,373 578,373" and insert "**568,373 568,373**".
Page 29, line 22, delete "95,408 95,408" and insert "**90,408 90,408**".
Page 29, line 29, delete "1,292,244 1,292,244" and insert "**1,268,244 1,268,244**".
Page 29, line 30, delete "115,404 115,404" and insert "**107,404 107,404**".
Page 29, line 32, delete "1,826,930 2,165,472" and insert "**1,781,930 2,119,472**".
Page 29, line 33, delete "610,500 910,500" and insert "**600,500 887,500**".
Page 29, line 35, delete "1,897,541 1,897,541" and insert "**2,006,541 2,006,541**".
Page 29, line 36, delete "446,499 446,499" and insert "**428,499 428,499**".
Page 29, between lines 36 and 37, begin a new and insert:
"**From the above appropriation, $75,000 in each state fiscal year shall be used for the Grissom Museum.**".
Page 29, line 38, delete "613,145 613,145" and insert "**603,145 603,145**".
Page 29, line 39, delete "65,820 65,820" and insert "**60,820 60,820**".
Page 29, line 41, delete "800,655 800,655" and insert "**785,655 785,655**".

Page 29, line 42, delete "160,313 160,313" and insert "**153,313 153,313**".

Page 29, line 49, delete "678,942 678,942" and insert "**668,942 668,942**".

Page 30, line 1, delete “62,299 62,299" and insert “**55,299 55,299**".

Page 30, line 3, delete “4,363,677 4,365,099" and insert “**4,274,677 4,276,099**".

Page 30, line 4, delete “1,614,414 1,663,664" and insert “**1,567,414 1,616,664**".

Page 30, line 27, delete “500,000 500,000" and insert “**489,000 489,000**".

Page 30, line 37, delete “500,000 500,000 and insert “**1,068,912 1,069,270**".

Page 30, line 38, delete “839,248 839,248" and insert “**259,336 258,978**".

Page 30, line 42, delete “8,186,506 8,200,856" and insert “**8,001,506 8,015,856**".

Page 31, line 1, delete “13,930,701 13,986,828" and insert “**13,808,701 13,864,828**".

Page 31, line 2, delete “3,988,276 3,993,776" and insert “**3,925,276 3,930,776**".

Page 31, line 6, delete “9,700,000 9,700,000" and insert “**9,480,000 9,480,000**".

Page 31, line 14, delete “14,420,712 14,420,712" and insert “**14,275,712 14,275,712**".

Page 31, line 15, delete “4,426,065 4,357,165" and insert “**4,351,065 4,282,165**".

Page 31, line 31, delete “2,000,000 2,000,000" and insert “**1,954,000 1,954,000**".

Page 31, line 39, delete "140,000 140,000" and insert "**7,173,718 7,173,718**".

Page 31, line 40, delete "8,731,498 8,731,498" and insert "**1,651,780 1,651,780**".

Page 32, line 1, delete “3,000,000 3,000,000" and insert “**2,932,000 2,932,000**".

Page 32, line 9, delete “6,344,889 6,344,889" and insert “**6,299,889 6,299,889**".

Page 32, line 10, delete “1,888,298 1,888,298" and insert “**1,865,298 1,865,298**".

Page 32, delete lines 13 through 16, begin a new line and insert:

"**From the General Fund**

350,000 350,000

From the Natural Resources Reclamation Fund (IC 14-34-14-2)

4,504,040 4,504,040

Augmentation allowed from the Natural Resources Reclamation Fund. The amounts specified from the General Fund and the Natural Resources

Reclamation Fund are for the following purposes:

Personal Services 4,118,060 4,108,384

Other Operating Expense 735,980 745,656".

Page 32, line 27 delete "34,472" and insert "**33,692**"

Page 33, line 1, delete "4,209,590 4,209,590" and insert "**4,138,208 4,138,208**".

Page 33, line 5, delete "91,606 91,606" and insert "**126,004 126,004**".

Page 33, line 7, delete "1,284,660 1,284,660" and insert "**994,372 994,372**".

Page 33, line 9, delete "973,057 973,057" and insert "**951,636 951,636**".

Page 33, line 11, delete "618,889 618,889" and insert "**274,204 274,204**".

Page 33, line 13, delete "539,513 539,513" and insert "**619,935 619,935**".

Page 33, line 15, delete "87,934 87,934" and insert "**69,565 69,565**".

Page 33, line 17, delete "135,101 135,101" and insert "**63,668 63,668"**.

Page 33, line 19, delete "2,196,864 2,196,864" and insert "**2,899,622 2,899,622**".

Page 38, line 3, delete "1,580,687 1,580,687" and insert "**3,164,840 3,164,840**".

Page 38, delete lines 6 through 7.

Page 38, line 9, delete "482,386 482,386" and insert "**386,561 386,561**".

Page 38, line 11, delete "365,380 365,380" and insert "**171,401 171,401**".

Page 38, line 13, delete "232,391 232,391" and insert "**56,739 56,739**".

Page 38, delete lines 14 through 15.

Page 38, line 17, delete "33,019 33,019" and insert "**26,955 26,955**".

Page 38, delete lines 18 through 21.

Page 38, line 22, delete "Waste".

Page 38, line 23, delete "Tire Management Fund,".

Page 38, line 24, after "Special Fund" insert "**and**".

Page 38, line 25, delete "Hazardous Substances Response Trust Fund,".

Page 38, line 25, delete ", Underground" and insert "**.**".

Page 38, line 30, delete "the Waste Tire Management Fund,".

Page 38, line 31, after "Management Permit Operation Fund," insert "**the**".

Page 38, line 31, after "Environmental" insert "**Management**".

Page 38, line 31, delete "the Hazardous Substances".

Page 38, line 32, delete "Response Trust Fund,".

Page 38, line 32, insert "**and**".

Page 38, line 32, delete "the Underground Petroleum Storage Tank".

Page 38, line 33, delete "Trust Fund, and the Underground Petroleum Storage Tank Excess Liability Fund".

Page 38, delete lines 40 through 41, begin a new line and insert:

"**Personal Services** **387,148**
Other Operating Expenses **10,063,478**".

Page 41, line 8, delete "198,533" and insert "**198,553**".

Page 42, line 16, delete "750,000" and insert "**4,750,000**".

Page 42, between lines 16 and 17, begin a new line and insert:

"**Of the above appropriation for the project guaranty fund, $4,000,000 shall be used to create a debt service reserve fund for the purpose of allowing the authority to issue pooled bonds, either tax exempt or taxable, for the construction or renovation of licensed child care facilities under the authority's industrial development project section for the federal capital access program.**".

Page 42, line 20, delete "2,000,000" and insert "**7,800,000**".

Page 42, delete lines 21 through 24, begin a new line and insert:

"**Of the above appropriation for the capital access program, $5,800,000 shall be used for licensed child care facilities, no more than $500,000 may be used for multi-bank community development corporation start-up grants, and the balance may be used as the state match requirement for the federal capital access program.**".

Page 42, between lines 25 and 26, begin a new line and insert:

"**ENVIRONMENTAL REMEDIATION REVOLVING LOAN FUND SUBACCOUNT**
Total Operating Expense **5,000,000**".

Page 42, line 27, delete "400,000 400,000" and insert "**380,000 380,000**".

Page 43, between lines 18 and 19, begin a new line and insert:

"**Total Operating Expense 1,178,195 1,178,195**".

Page 43, delete line 46.

Page 49, line 33, delete "101,533 101,533" and insert "**111,533 111,533**".

Page 50, line 2, delete "986,869,478 1,071,694,729" and insert "**970,400,000 1,018,900,000**".

Page 50, line 28, delete "23,688,172 24,570,322" and insert "**17,000,000 25,290,000**".

Page 50, line 30, delete "2,632,019 2,730,036" and insert "**1,800,000 2,810,000**".

Page 50, between lines 30 and 31, begin a new line and insert:

"**The foregoing appropriation for CHIP Assistance and CHIP Administration are made from funds accruing to the state from the tobacco settlement.**".

Page 51, line 1, delete "81,693,491 81,693,491" and insert "**84,693,491 87,693,491**".

Page 51, line 21, delete "4,500,000 4,500,000" and insert "**5,500,000 5,500,000**".

Page 51, line 33, delete “104,666,146 103,998,487" and insert “**103,160,146 102,498,487**".

Page 51, line 40, delete “106,124,700 106,124,700" and insert “**105,124,700 105,124,700**".

page 51, line 41, delete “21,568,532 21,332,295" and insert “**21,068,532 20,832,295**".

Page 53, between lines 9 and 10, begin a new line and insert:

"**COMMUNITY MOBILIZATION GRANTS**

Total Operating Expense 2,500,000 2,500,000

EARLY CHILDHOOD DEVELOPMENT INSTITUTE

Total Operating Expense 500,000 500,000

CHILD DEVELOPMENT ASSOCIATE CREDENTIAL AND PROFESSIONAL SCHOLARSHIP FUND

Total Operating Expense 500,000 500,000".

Page 53, line 20, delete "7,583,433 7,583,433" and insert "**6,583,433 6,583,433**".

Page 53, between lines 20 and 21, begin a new line and insert:

"**YOUTH SERVICE BUREAU**

Total Operating Expense 1,250,000 1,250,000".

Page 54, line 25, delete "37,623,785 37,623,785" and insert "**42,623,785 42,623,785**".

Page 55, line 19, delete "64,659,067 64,659,067" and insert "**69,659,067 74,659,067**".

Page 56, line 17, delete "58,482,707 58,482,707" and insert "**58,475,757 58,475,757**".

Page 56, line 21, delete "8,006,354 8,006,354" and insert "**7,999,404 7,999,404**".

Page 56, line 44, delete “9,497,573 8,935,576" and insert "**8,897,573 8,335,576**"

Page 57, line 26, delete "2,500,000 2,500,000" and insert "**3,500,000 3,500,000**".

Page 59, line 1, delete "90,000 90,000" and insert "**190,000 190,000**".

Page 59, between lines 1 and 2, begin a new line and insert:

"**MATERNAL AND CHILD HEALTH SUPPLEMENT**

Total Operating Expense 190,000 190,000".

Page 59, line 4, after "supplement" insert "**and maternal and child health supplement**".

Page 60, between lines 25 and 26, begin a new line and insert:

"**FOR THE WOMEN'S HEALTH COMMISSION**

Total Operating Expense 175,000 175,000".

Page 61, line 13 delete "259,301 267,080" and insert "**262,624 272,131**".

Page 61, line 15, delete "55,182 56,837" and insert "**131,457 133,936**".

Page 61, line 17, delete "172,453,453 176,744,614" and insert "**179,183,585 184,949,512**".

Page 61, line 21, delete "6,778,774 6,932,821" and insert "**6,990,056 7,199,363**".

Page 61, line 24, delete "9,263,695 9,537,066" and insert "**9,556,153 9,907,976**".

Page 61, line 27, delete "16,642,469 16,999,085" and insert "**17,153,409 17,628,386**".

Page 61, line 30, delete "19,259,282 19,814,336" and insert "**19,930,235 20,650,186**".

Page 61, between lines 30 and 31, begin a new line and insert:

"**Equity Funding 0 176,151**".

Page 61, line 33, delete "14,221,698 14,773,636" and insert "**14,787,520 15,469,654**".

Page 61, between lines 33 and 34, begin a new line and insert:

"**Equity Funding 0 518,685**".

Page 61, line 37, delete "79,867,494 82,222,760" and insert "**82,118,949 85,716,217**".

Page 61, line 42, delete "81,263,015 83,024,519" and insert "**83,509,432 86,043,294**".

Page 61, line 47, delete "1,372,153 1,401,897" and insert "**1,410,085 1,452,870**".

Page 61, line 49, delete "1,262,294 1,289,656" and insert "**1,297,188 1,336,548**".

Page 62, line 2, delete "1,793,261 1,832,133" and insert "**1,842,834 1,898,749**".

Page 62, line 4, delete "1,600,738 1,635,437" and insert "**1,644,989 1,694,901**".

Page 62, line 6, delete "1,439,323 1,470,523" and insert "**1,479,111 1,523,991**".

Page 62, line 8, delete "1,334,801 1,363,735" and insert "**1,371,700 1,413,320**".

Page 62, line 10, delete "1,591,372 1,625,867" and insert "**1,635,363 1,684,984**".

Page 62, line 18, delete "75,689,577 78,827,468" and insert "**78,223,974 81,858,343**".

Page 62, line 22, delete "183,866,038 189,645,109" and insert "**188,934,180 196,080,874**".

Page 62, line 33, delete "649,195 668,671" and insert "**656,716 680,956**".

Page 62, line 35, delete "2,500,208 2,575,214" and insert "**2,549,070 2,654,386**".

Page 62, line 37, delete "3,062,895 3,154,782" and insert "**3,102,203 3,220,638**".

Page 62, between lines 38 and 39, begin a new line and insert:

"**Spinal Cord and Head Injury Research Center 500,000 500,000**".

Page 62, line 40, delete "211,087,165 215,989,521" and insert "**219,508,331 226,591,017**".

Page 62, line 45, delete "23,674,475 24,231,424 and insert "**24,623,951 25,418,546**".

Page 62, between lines 45 and 46, begin a new line and insert:

"**Equity Funding 0 635,758**".

Page 62, line 48, delete "8,249,506 8,477,205" and insert "**8,561,635 8,889,391**".

Page 62, between lines 48 and 49, begin a new line and insert:

"**Equity Funding 0 195,906**".

Page 63, line 3, delete "36,666,465 37,459,585" and insert "**37,928,070 39,890,557**".

Page 63, line 7, delete "26,676,323 27,176,994" and insert "**27,781,281 28,713,429**".

Page 63, between lines 7, begin a new line block indented and insert:

"**Equity Funding 0 243,187**".

Page 63, line 16, delete "4,442,312 4,575,581" and insert "**5,507,322 5,687,614**".

Page 63, line 29, delete "7,229,484 7,446,368" and insert "**7,298,008 7,551,724**".

Page 63, line 31, delete "5,420,039 5,582,640" and insert "**5,506,127 5,901,529**".

Page 63, line 33, delete "103,178 106,273" and insert "**103,266 105,940**".

Page 63, line 35, delete "1,108,640 1,141,899" and insert "**1,122,200 1,164,358**".

Page 63, between lines 35 and 36, begin a new line block indented and insert:

"**Center for Paralysis Research**

Total Operating Expense 500,000 500,000".

Page 63, line 38, delete "73,310,364 74,961,579" and insert "**75,372,652 77,639,127**".

Page 63, line 42, delete "79,955 82,354" and insert "**81,195 84,335**".

Page 63, line 45, delete "26,773,755 27,683,842" and insert "**27,704,561 28,877,094**".

Page 63, between lines 45 and 46, begin a new line block indented and insert:

"**Equity Funding 0 631,373**".

Page 63, between lines 46 and 47, begin a new line and insert:

"**HISTORIC NEW HARMONY**

Total Operating Expense 0 400,000".

Page 63, line 49, delete "255,349 263,010" and insert "**257,692 265,643**".

Page 64, line 3, delete "111,421,761 114,294,660" and insert "**115,008,522 118,931,199**".

Page 64, line 7, delete "4,297,623 4,426,552" and insert "**4,345,504 4,499,382**".

Page 64, line 10, delete "27,596,391 28,901,026" and insert "**27,984,356 29,031,486**".

Page 64, between lines 10 and 11, begin a new line and insert:

"**Tuition Freeze Funding 540,820 1,100,569**".

Page 64, line 14, delete "84,106,171 88,487,578" and insert "**85,208,073 89,040,033**".

Page 64, between lines 14 and 15, begin a new line and insert:

"**Tuition Freeze Funding 1,510,763 3,074,402**".

Page 64, line 18, delete "7,139,247 7,254,469" and insert "**7,181,286 7,322,476**".

Page 66, line 7, delete "2,418,946" and insert "**2,418,743**".

Page 66, line 17, delete "1,493,730 1,538,542" and insert "**1,512,052 1,568,558**".

Page 66, line 23, delete "954,566 983,203" and insert "**931,284 931,284**".

Page 66, line 35, delete "824,250 824,250" and insert "**500,000 500,000**".

Page 66, line 44, delete "512,500 527,875" and insert "**518,168 537,016**".

Page 67, between lines 2 and 3, begin a new line and insert:

"**QUALITY IMPROVEMENT**

Total Operating Expense 17,381,754 18,320,258

Allocations and transfers of the preceding appropriations for quality improvement shall be made to the respective institutions' operating accounts for one (1) time technology investments by the auditor of state with the approval of the budget agency, based on recommendations made by the commision for higher education.".

Page 67, line 4, delete "761,499 784,651" and insert "**765,934 790,352**".

Page 67, line 12, delete "284,437 293,172" and insert "**287,335 297,735**".

Page 67, line 31, after "Augmentation" insert "**for 21st Century Scholar Awards**".

Page 68, line 19, delete "5,000,000" and insert "**2,000,000**".

Page 68, line 27, delete "400,898 401,675" and insert "**401,259 402,291**".

Page 68, line 29, delete "382,036 431,114" and insert "**382,036 431,102**".

Page 68, line 31, delete "805,488 808,653" and insert "**806,662 810,550**".

Page 68, line 33, delete "2,362,630 2,530,509" and insert "**2,392,520 2,580,919**".

Page 68, line 43, delete "1,254,593 1,254,593" and insert "**1,254,593 1,454,593**".

Page 68, between lines 43 and 44, begin a new line and insert:

"**The foregoing appropriations for the superintendent's office include $200,000 in fiscal year 2000-2001 for staff training to be directed by the superintendent of public instruction and approved by the Indiana state board of education.**

STATE BOARD OF EDUCATION

Total Operating Expense 1,100,000 300,000

The foregoing appropriations for the state board of education are for the evaluation of all state education programs and policies and for the education roundtable created by IC 20-1-20.5. However, the foregoing

appropriations may be allotted only with the approval of the governor, the superintendent of public instruction, and the budget agency.".

Page 68, between lines 46 and 47, begin a new line and insert:

"**Of the foregoing appropriations for Research and Development Programs, $100,000 each year shall be used for the Indiana University Education Policy Center.**".

Page 68, line 48, delete "2,215,000 2,215,000" and insert "**2,715,000 2,715,000**".

Page 69, line 32, delete "60,000 60,000" and insert "**260,000 260,000**".

Page 70, line 39, before "EDUCATION", begin a new line block indented.

Page 71, line 31, delete "1,658,212,850 1,702,162,850" and insert "**1,754,353,046 1,869,803,046**".

Page 71, line 33, delete "1,271,687,150 1,315,637,150" and insert "**1,267,476,954 1,383,196,954**".

Page 72, line 35, delete "4,000,000" and insert "**6,000,000**".

Page 72, line 43, delete "13,500,000 13,500,000" and insert "**14,000,000 14,000,000**".

Page 73, line 20, delete "13,218,598 13,469,134" and insert "**16,500,000 16,800,000**".

Page 73, between lines 26 and 27, begin a new line and insert:

"**READING ASSESSMENT AND REMEDIATION**

Other Operating Expense "4,524,000 3,754,000".

Page 73, before line 27, insert:

"**If the expected distributions are anticipated to exceed the total appropriation for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.**".

Page 74, between lines 10 and 11, begin a new line and insert:

"**ENGLISH AS A SECOND LANGUAGE**

Other Operating Expense "700,000 700,000".

The above appropriations for English as a second language are for pupils who have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is seventy-five dollars ($75) per pupil. It is the intent of the 1999 general assembly that the above appropriations for English as a second language shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.".

Page 74, between lines 20 and 21, begin a new line and insert:

"**OPTIONAL FULL DAY KINDERGARTEN**

Other Operating Expense "15,000,000 96,000,000

If the expected distributions are anticipated to exceed the total appropriation for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately."

Page 74, line 23, delete "113,762,015 120,393,515" and insert

"**50,167,521 0**".

Page 74, between lines 23 and 24, begin a new line and insert:

"**The primetime distribution for each local school for the period of June 30, 1999, to December 31, 1999, shall be equal to one half (1/2) of the primetime distribution before any penalty assessed under the provisions of IC 21-1-30 that the school would have received during fiscal year 1998-1999. The distribution shall be made monthly in six (6) approximately equal payments to be made before the 15th day of each month.**".

Page 75, line 22, delete "334,500,000 373,000,000" and insert "**325,430,000 360,446,424**".

Page 75, line 24, delete "41,900,000 41,500,000" and insert "**96,900,000 101,500,000**".

Page 76, line 39, delete "2,722,563 2,722,563" and insert "**3,472,563 3,472,563**".

Page 77, line 25, begin a new line and insert:

"**(a) There is allocated out of funds made available to Indiana under Section 903 of the Social Security Act, as amended, three hundred fifty-five thousand three hundred fifty dollars ($355,350) to the department of workforce development.**

(b) Money allocated under this SECTION is subject to the requirements of IC 22-4-37-1.

(c) Money allocated under this SECTION may be used for the following purposes:

(1) The administration of the Indiana unemployment insurance program, including the public employment offices.

(2) Acquiring land and erecting buildings for the use of the department of workforce development.

(3) Improvements, facilities, paving, landscaping, and fixed equipment as may be required by the department of workforce development.".

Page 82, between lines 7 and 8, begin a new paragraph and insert:

"**(a) The following appropriation is made in addition to those found in P.L.260-1997(ss), SECTION 8, Part A.**

TEMPORARY ASSISTANCE TO
NEEDY FAMILIES (TANF)
Total Operating Expense 25,000,000

The foregoing appropriation is for the state fiscal year beginning July 1, 1998, and is made to enable the state to meet the maintenance of effort requirement for the federal temporary assistance to needy families block grant.".

Page 82, line 8, before "welfare" insert "**(b)**".

Page 82, line 22, delete "192,000,802" and insert "**169,380,252**".

Page 90, delete lines 10 through 30, begin a new line and insert:

"**INDIANA UNIVERSITY - TOTAL SYSTEM**
General Repair and Rehab
32,650,747
PURDUE UNIVERSITY - TOTAL SYSTEM

General Repair and Rehab
25,195,607
INDIANA STATE UNIVERSITY
General Repair and Rehab
6,982,429
UNIVERSITY OF SOUTHERN INDIANA
General Repair and Rehab
1,061,673
BALL STATE UNIVERSITY
General Repair and Rehab
9,290,349
VINCENNES UNIVERSITY
General Repair and Rehab
3,228,920
IVY TECH STATE COLLEGE
General Repair and Rehab
2,979,214".

Page 90, delete lines 32 through 48.

Page 91, delete lines 1 through 6.

Page 91, line 31, delete "Upgrade Roadway".

Page 91, line 32, delete "2,460,000" and insert "**Repair and Rehabilitation 4,060,000**".

Page 91, line 33, delete "Rail Loop and Interior Road".

Page 91, line 34, delete "690,000" and insert "**Repair and Rehabilitation 1,740,000**".

Page 91, line 35, delete "Road and Rail Infrastructure".

Page 91, line 36, delete "1,210,000" and insert "**Repair and Rehabilitation 2,710,000**".

Page 91, between lines 39 and 40, begin a new line and insert:

"**Public Safety Institute Search and Rescue Facility Renovation**
300,000".

Page 93, between lines 3 and 4, begin a new line and insert:

"**Lanier Mansion**
450,000".

Page 93, between lines 8 and 9, begin a new line and insert:

"**Prophetstown Development**
1,000,000".

Page 93, line 12, delete "6,053,800" and insert "7,053,800".

Page 93, between lines 16 and 17, begin a new line and insert:

"**Shakamak State Park Cabin**
175,000".

Page 93, line 49, delete "Renovate".

Page 94, between lines 1 and 2, begin a new line and insert:

"**FOR THE STATE BUDGET AGENCY**
Indiana University Columbus Campus Planning 750,000
PURDUE UNIVERSITY
North Central Campus Technology Building 3,555,000
UNIVERSITY OF SOUTHERN INDIANA

Science Education Building 12,600,000
VINCENNES UNIVERSITY
Technology Building Phase I 6,000,000
Performing Arts Center (A&E) 868,000
IVY TECH STATE COLLEGE
Richmond Classroom Building (A&E) 1,708,000
Evansville Building (A&E) 1,000,000
Terre Haute Building (A&E) 1,000,000
INDIANA UNIVERSITY
Proton Therapy 10,000,000
IU Southeast University Center Library (A&E) 1,000,000
BALL STATE UNIVERSITY
Music Building (A&E) 1,500,000
IHETS
Equipment Reserve 450,000
The above sums appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Vincennes University, and Ivy Tech State College are in addition to all income of said institutions from all permanent fees and endowments, and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.".

Page 94, delete line 47.

Page 94, line 48, delete "44,000,000" and insert "**66,000,000**".

Page 94, between lines 48 and 49, begin a new line and insert:

"**Libraries (IC 4-34-3-3) 3,000,000**
3,000,000
Intelenet (IC 4-34-3-4) 6,500,000
6,500,000
Department of education/technology grants (IC 4-34-3-5)
20,000,000 20,000,000
Department of education/scientific instrument project
1,250,000 1,250,000
For the scientific instrument project, the department of education shall develop a plan which must be approved by the budget agency after review by the budget committee.
Professional Development in Technology 2,500,000
IHETS for state backbone 2,000,000
DIGITAL TELEVISION CONVERSION FOR INDIANA PUBLIC TELEVISION STATIONS 20,000,000
The above appropriation is for grants for digital conversion of public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the education television stations that must be approved by the budget agency after review by the budget committee.".

Page 94, line 49, after "GRANTS" insert "**AND LOANS**".

Page 94, line 49, delete "30,000,000" and insert "**40,000,000**".

Page 95, line 2, after "supplemental" insert "**drinking water and**".

Page 95, line 3, delete "IC 13-18-13-21." and insert "**IC 13-18-21-21.**".

Page 95, between lines 4 and 5, begin a new line and insert:

"**THE DEPARTMENT OF TRANSPORTATION**

State airport improvement grant program	**2,000,000**
NICTD East Chicago Station	**3,500,000**
Monroe County Airport	**50,000**
TRANSPO Amtrak Station	**1,500,000**

THE DEPARTMENT OF NATURAL RESOURCES

Lake Shafer Enhancement	**2,000,000**
Lake George Dredging (Lake County)	**500,000**
Heritage Trust	**5,000,000**
Lake Michigan Marina Development Com.	**500,000**
Hometown Indiana	**2,200,000**

Of the above appropriations for Hometown Indiana, $1,000,000 is for West Baden Springs and $200,000 for the City of Vincennes old post office. Each Hometown Indiana project shall be reviewed by the budget committee.

FOR THE STATE BUDGET AGENCY LOCAL PROJECTS

Abington Twp. FD	**5,000**
Acuff Road Business Park	**125,000**
African American Achievers	**25,000**
African American Achievers Theater	**150,000**
African American Achievers Youth Corporation., Inc.	**25,000**
African Americans United, Inc.	**50,000**
Allen Co. Central City Trust Fund	**50,000**
Allen County/Ft. Wayne Historical Society	**50,000**
Allen County Local Education Fund	**25,000**
Anderson - Memorial Field renovation	**25,000**
Anderson - Meridian Street revitalization	**100,000**
Anderson Twp. VFD at St. Marks	**25,000**
Anderson - Wilson Boys and Girls Club	**50,000**
Argos Community Ambulance Service equipment	**18,500**
Argos VFD equipment	**18,500**
Austin - parks	**30,000**
Avilla - flood prevention	**80,000**
Beanblossom-Patricksburg Water Cor.-Spencerwater system	**50,000**
Beech Grove Fire Department	**50,000**
Beech Grove Senior Citizens Center	**100,000**
Benton Co. Fowler/Center Twp. VFD	**62,500**
Benton Co. Hickory Grove VFD	**62,500**
Benton Co. Otterbein Community Center	**25,000**
Benton Co. Richland Twp. VFD	**42,850**
Benton Co. Town of Oxford Park Board	**12,000**
Benton Twp. (Monroe Co.) FD	**7,500**
Bessie Owens Community Center - East Chicago	**25,000**
Beverly Shores Walking Path	**50,000**
Birdseye VFD	**10,000**
Black Expo Economic Development Corporation.	**25,000**

Bloomington Community Ice Rink	**100,000**
Bloomington Twp. FD equipment and construction	**150,000**
Boonville - codification system	**15,000**
Boonville Demolition/Paving project	**5,000**
Boonville FD project	**20,000**
Boonville - parking meter project	**30,000**
Bowling Green Old Settlers Reunion, Inc. -community center building	**50,000**
Bowman Park/School 79 playground	**45,000**
Brazil YMCA	**30,000**
Brazil YMCA - building and equipment	**25,000**
Bread of Life Ministry	**10,000**
Bread of Life Ministry	**10,000**
Bread of Life Ministry - freezer	**9,000**
Bridgeton VFD equipment	**10,000**
Brother's Keeper	**25,000**
Brothers Keepers	**100,000**
Brothers Keepers Inc.	**200,000**
Brownstown VFD	**25,000**
Bryant Community Center	**35,000**
Butler Tarkington Neighborhood Assn.	**50,000**
Byrd Gibson Sports Complex	**15,000**
Cambridge City FD	**5,000**
Cambridge City infrastructure	**100,000**
Cardinal Ritter HS Computer networking project	**15,000**
Celestine VFD	**10,000**
Center for the Homeless	**50,000**
Center Twp. FD - smoke hood and defibrillator	**30,000**
Centerville FD	**5,000**
Centerville infrastructure	**100,000**
Centerville Sr. Center - building improvements	**25,000**
Central City Housing Trust Fund - Fort Wayne	**100,000**
Central Perry VFD	**10,000**
Chrisney - Paving Project	**15,000**
City of Charlestown Fire Department	**25,000**
City of Charlestown Street Equipment	**50,000**
City of Hammond - Martin Luther King Park	**20,000**
City of Hammond - Safety Village	**40,000**
City of Hammond - Soccer Fields	**75,000**
City of Scottsburg Fire Department	**50,000**
City of Scottsburg Youth and Family Services Project	**50,000**
City of Seymour Fire Department	**50,000**
City of Seymour Refuse Transfer Station	**50,000**
Civil Rights Hall of Fame	**25,000**
Clark Co. - Roke Road Project	**150,000**
Clark Co. - Wood Twp. VFD	**50,000**
Clay Co., Lewis Twp. - fire truck	**50,000**
Clay Co., Town of Clay City - water system	

renovation	**25,000**
Clay Co., Town of Centerpoint - infrastructure	**25,000**
Clay Co., Town of Clay City - fire-police building	**25,000**
Clay Township Trustee for maintenance of township park	**70,000**
Clinton City FD equipment	**20,000**
Clinton - Crown Hill Sewer Extension	**90,000**
Colfax Campus/SB Heritage Found.	**50,000**
Colfax Campus/South Bend Heritage Foundation	**50,000**
College Branch Library	**50,000**
Columbia Park Zoo	**10,000**
Community Action of Greater Indpls.	**50,000**
Coolspring Twp. VFD - engine/equipment	**100,000**
Covington - sewer and storm drains	**80,000**
Crawford Co. Auditor - building	**40,000**
Crooked Creek Multi Service Center	**100,000**
Crossroad - Ft. Wayne Children's Home	**50,000**
Crown Point FD - ambulance and equipment	**100,250**
Curry Twp. FD (Sullivan Co.) - equipment/repairs	**25,000**
Dale - Community Center Project	**35,000**
Dalman Road Project (Allen Co.)	**50,000**
Dalman Road Project - Allen Co.	**200,000**
Dana sewer	**20,000**
Daviess Co. Fairgrounds - improvements	**15,000**
Daviess County Museum - restrooms	**10,000**
Delaware Co. Albany FD	**45,000**
Devington CDC	**500,000**
Dick Johnson Twp. VFD	**25,000**
Dubois Co. Museum, Inc. - building	**50,000**
Eagle Creek Little League relocation	**70,000**
East Chicago - EMS Ambulance	**100,000**
East Chicago - Little League (Parks) improvement	**100,000**
East Chicago Parks and Recreation Department	**50,000**
East Chicago Childrens Museum	**1,000,000**
Eastbrook Elementary Computer Lab	**15,000**
Eastern Greene County VFD	**34,000**
Eastside Community Investments, Inc.	**200,000**
Elberfeld VFD - turnout gear	**20,000**
Elkhart Chapter of the Indiana Black Expo -computers, equipment	**20,000**
Elkhart Chapter of the Indiana Black Expo - van	**10,000**
Elkhart Co. Baugo Twp. VFD - safety equipment	**15,000**
Elkhart - Ullery Homeownership district infrastructure	**100,000**
Elm Heights School - playground and ramp for disabled persons	**59,500**
English VFD	**10,000**
Enrichment Center - Children's Museum	**25,000**

Evansville Coalition for the Homeless - copier	**5,000**
Evansville-Vanderburgh School Corp. - Bosse Field Sound System	**24,000**
Fairbanks Twp. (Sullivan Co.) - rescue vehicle	**25,000**
Fairview VFD equipment	**20,000**
Family Services of Elkhart Co. - women's shelter	**50,000**
Ferdinand - Park Project	**35,000**
Fillmore VFD	**11,000**
Finley Twp. VFD	**10,000**
Flanner House	**100,000**
Floyd Co. - Georgetown Twp. VFD	**30,000**
Floyd Co. - Greenville Twp. VFD	**100,000**
Folsomville Owen Twp. VFD	**20,000**
Food Finders Food Bank - warehouse facility construction	**20,000**
Fort Wayne Art Museum	**50,000**
Fort Wayne - street resurfacing	**100,000**
Fort Wayne Urban Enterprise Zones	**50,000**
Fountain Co. 4-H ground imrpovements	**20,000**
Fountain Co. Clerk - computer systems/upgrade	**5,000**
Fountain Co. War Museum - Veedersburg	**10,000**
Fountainet VFD	**25,000**
Franklin County Roads	**500,000**
Franklin Twp. VFD	**10,000**
Friends of the Archives - State House Guidebook Printing	**75,000**
Ft. Wayne Neighborhood Housing Partnership	**90,000**
Ft. Wayne Sexual Assault Treatment Center	**25,000**
Gary Delinquent Tax Acquisition Fund	**100,000**
Gary YWCA	**100,000**
Gentryville - Lake Project	**8,000**
Gentryville - Town Hall Project	**7,000**
Gentryville VFD	**5,000**
German Township Trustee for maintenance of township park	**65,000**
Gibson Co. Ambulance Service - upgrade fleet & equipment	**30,000**
Gibson Co. Fairboard - fairgrounds pavilion	**250,000**
Gibson Co. Sheriff Department - video/audio systems	**10,000**
Gibson Twp-Little York FD	**10,000**
Grassy Fork Twp. VFD	**25,000**
Greater Lafayette Purdue University Airport - hangar space expansion	**15,000**
Greenbriar Elementary - outdoor learning	**25,000**
Greencastle City Hall	**84,000**
Greene Co. Center Twp. - fire station/EMT building	**80,000**
Greene Co. Lyons - city park	**10,000**
Greene Co. Switz City - sidewalks	**10,000**

Greene Co. Taylor Twp. - cemetery paving	**8,000**
Greene County Emergency Management	**10,000**
Greene County Firefighters Assn.	**5,000**
Greene County Highland Twp. VFD	**46,000**
Griffith - intersection of Colfax Ave and Main St. project	**150,000**
Hamlet - Davis FD	**50,000**
Hammond - Challenger Space Learning Ctr -bldg. construction	**110,000**
Hammond - Martin Luther King Park - bandshell	**20,000**
Hammond - Ophelia Steen Community Center - building	**40,000**
Hammond - Woodland Child Development Center - building	**15,000**
Hammond YMCA - building repairs	**25,000**
Hanover - park improvements	**40,000**
Harcourt Elementary - outdoor learning	**25,000**
Harmony Wastewater	**50,000**
Harris Twp. Trustee for purchase of land and development of park	**250,000**
Harrison Co. - Corydon VFD	**20,000**
Harrison Co. - Franklin Twp. VFD	**100,000**
Harrison Co. - Ramsey VFD	**50,000**
Haubstadt VFD - turnout gear	**10,000**
Haubstadt Wastewater Project	**35,000**
Haven Hollow Park pave parking lot	**43,000**
Haven House, Inc.	**108,400**
Haysville - Harbison Twp. VFD - building	**10,000**
Health Net	**25,000**
Health Net Foundation	**50,000**
Health Net Foundation	**50,000**
Heritage Hall Community Center - East Chicago	**25,000**
Highland - downtown redevelopment	**100,000**
Highland FD - Hurst tool set	**37,000**
Highland FD - radio eqiupment	**40,000**
Highland Girls' Youth Basketball, Inc.	**1,000**
Highland Police Dept. - storage facility	**40,000**
Hillsdale VFD equipment	**10,000**
Holland - Cass Twp. Fire Department	**10,000**
Hoosier Boys Town	**25,000**
Howard Co., Taylor Twp., park water fountains	**1,500**
Howard Co., Taylor Twp., ball diamond	**4,000**
Howard Co.,Taylor Twp., fire station repairs	**38,000**
Huntingburg Parks Dept. - Trails program	**50,000**
Imagination Station - renovation, expansion	**24,000**
Indian Heights Elem. School sign	**4,000**
Indian Heights Elem. School outdoor lab	**30,000**
Indiana Black Expo EDC	**25,000**
Indiana Black Expo, Inc.	**340,000**

Indianapolis Parks Department	**50,000**
Indianapolis Public Schools	**75,000**
Ingalls - Fire Department improvements	**85,000**
Intersection Improvements and Signalization - Clarksville	**235,000**
IPFW - sports infrastructure	**50,000**
Jackson Co. Reddington VFD	**12,500**
Jackson Twp. VFD	**25,000**
Jackson Twp. VFD	**10,000**
Jackson/Washington Twp. VFD	**25,000**
Jasper VFD	**10,000**
Jasper - walking paths along the Patoka River	**50,000**
Jay Co. Historical Society building repair	**40,000**
Jay County Fair	**100,000**
Jay County Fire Departments - radios and pagers	**75,000**
Jefferson Co. 4-H Fair Board	**20,000**
Jefferson Co. Canaan VFD	**12,500**
Jefferson Co. Clifty Fire Co. #6	**2,000**
Jefferson Co. Deputy VFD	**12,500**
Jefferson Co. Dupont VFD	**12,500**
Jefferson Co. Fairplay Fire Co. #1	**2,000**
Jefferson Co. Hanover VFD	**12,500**
Jefferson Co. Heritage Trails	**40,000**
Jefferson Co. Kent VFD	**12,500**
Jefferson Co. Madison - Pearl Park	**25,000**
Jefferson Co. Madison VFD	**12,500**
Jefferson Co. Milton VFD	**12,500**
Jefferson Co. North Madison Fire Co. #5	**2,000**
Jefferson Co. road improvements	**19,000**
Jefferson Co. Ryker's Ridge VFD	**12,500**
Jefferson Co. Walnut Street Fire Co. #4	**2,000**
Jefferson Co. Washington Fire Co. #2	**2,000**
Jefferson Co. Western Fire Co. #3	**2,000**
Jeffersonville - Charleston Road overpass	**100,000**
Jeffersonville - Spring Hill Community Building	**135,000**
Jennings Co. 4-H Fair Board	**20,000**
Jennings Co. Campbell VFD	**12,500**
Jennings Co. Center VFD	**12,500**
Jennings Co. Geneva VFD	**12,500**
Jennings Co. Lovett VFD	**12,500**
Jennings Co. Montgomery VFD	**12,500**
Jennings Co. Park Theatre Project	**45,000**
Jennings Co. Spencer VFD	**12,500**
Jennings Co. Vernon downtown revitalization	**10,000**
Jennings Co. Vernon VFD	**12,500**
Jennings County - road improvements	**19,000**
Jennings Twp. VFD	**10,000**
Johanning Civic Center	**108,500**

Johnson Twp. FD	**75,000**
Johnson Twp. VFD	**25,000**
Jonathan Jennings-School 109 technology	**15,000**
Kingman VFD equipment	**10,000**
Knox Co. Fairgrounds - improvements	**50,000**
Knox Co. Johnson Twp. VFD - truck	**100,000**
Knox Co. Monument Fund - Civil War Monument restoration	**10,000**
Knox Co. ARC - Civitan Center	**100,000**
Kokomo FD - breathing masks	**50,000**
Kokomo, West Side Bambino League parkinglot & lights	**14,000**
Ladoga Normal College Building	**50,000**
Ladoga Wastewater	**50,000**
Lafayette FD - equipment	**7,000**
Lafayette Square Area beautification	**150,000**
LaGrange Co. Sewer District	**250,000**
LaGrange - waterworks project	**50,000**
Lake County Fairgrounds	**100,250**
Lake Dale FD - equipment	**33,000**
Lake Station Civic Center	**100,000**
Lakes of Four Seasons FD - truck and EMS equipment	**100,250**
Lapel - Local water project	**115,000**
LaPorte Co. Harmony House Inc. building improvements	**15,000**
LaPorte Co. Parks Dept. - Creek Ridge Co. Park Handicap Access Trail	**20,000**
Lawrence Co. Indian Creek Twp. - fire station	**40,000**
Lawrence Co. Marion Twp. - fire department	**10,000**
Lawrence Co. Perry Twp. VFA	**134,000**
Lawrence Co. Shawswick Twp. - East Oolitic community building	**45,000**
Lawrence Co. Spice Valley Twp. - Williams Fire Department	**10,000**
Lawrence Co. Spice Valley Twp. - Huron Fire Department	**10,000**
Leadership Perry Co. Playground Project	**15,000**
Leavenworth VFD	**10,000**
Lexington Twp. VFD	**25,000**
Life Spring	**100,000**
Long Center for the Performing Arts	**150,000**
Lowell Fire Department	**100,250**
Madison - Millennium Project	**50,000**
Madison Twp. VFD (Odon) - fire truck	**50,000**
Mansfield Mill	**50,000**
Mapleton Fall Creek CDC	**100,000**
Marengo-Liberty Twp. VFD	**10,000**
Mariah Hill Park	**5,000**

Marion Twp. fire equip and twp. park	**25,000**
Marshall Co. Humane Society equipment	**30,000**
Marshall Co. Sheriff Dept. computers andequipment	**70,000**
Martin Co. Lost River Twp. - truck	**75,000**
Martin Luther King Jr. Community Center -East Chicago	**25,000**
Martin Luther King, Jr. CDC	**25,000**
Martindale Brightwood CDC	**60,000**
Maumee Valley River Basin Committee	**50,000**
MCD - Community Utility Rehab.	**500,000**
Mecca VFD equipment	**10,000**
Michigan City - North Central Community ActionAgencies - neighborhood center	**20,000**
Michigan City - beautification of MichiganBlvd/US 35	**250,000**
Michigan City Police Dept. - Community Policing Program	**20,000**
Middleway House Transitional Housing	**100,000**
Millenium Project-Wildcat Creek Greenway	**250,000**
Milltown VFD	**10,000**
Milton infrastructure	**50,000**
Mishawaka - sidewalks, curbs, sewers, intersection improvements	**100,000**
Monroe Co. "Blue Jeans" Center - community center	**30,000**
Monroe Co. Convention & Visitors Bureau beautification project	**15,000**
Monroe Co. Courthouse structural repair	**50,000**
Monroe Co. Ellettsville - Recreational Family Park	**37,000**
Monroe Co. Humane Association	**25,000**
Monroe County Emergency Management	**60,000**
Monroe County Fair Board	**54,000**
Monroe County Firefighters Assn.	**40,000**
Monroe County Indian Creek Firefighters Assn.	**80,000**
Morris Civic Center	**200,000**
Mt. Pleasant UMC (Vigo Co.)- water line extension	**20,000**
Muncie Community Schools - modular classroom	**20,000**
Muncie - Downtown redevelopment	**250,000**
Muncie Public Library - land	**100,000**
National Civil Rights Museum and Hall of Fame Inc.	**100,000**
New Albany Twp. VFD (Floyd Co.)	**100,000**
New Chicago - Road Grates	**50,000**
New Goshen VFD	**30,000**
New Goshen VFD equipment	**10,000**
New Washington VFD	**25,000**
Newport - old jail restoration	**10,000**
Newport - VC library	**20,000**
Newport VFD equipment	**10,000**
Newton Co. American Legion Post #364	**2,150**
Newton Co. Beaver Twp. Fire Station/Community	

Center	**27,500**
Newton Co. Emergency Mgt. Agy.	**30,000**
Newton Co. Goodland-Grant Twp. Library	**40,000**
Newton Co. Mount Ayr Town Hall and Community Center	**40,000**
Newton Co. Sumava Resorts Park	**8,000**
Northern Indiana Arts Assn - computer equipment	**34,000**
Northern Indiana Arts Assn - facade improvements	**4,600**
Northwest Family Services - Ophelia Steen Center	**50,000**
NWHS Kindergarten/Daycare - playground	**45,000**
Oakland City - Emer. street repairs from storm damage	**50,000**
Oasis of Hope Shelter for Battered Women	**50,000**
Orange Co. - Community Building	**116,000**
Orange Co. - Emergency System	**56,000**
Orange Co. Northeast Twp. - Community Center	**5,000**
Orange Co. Orangeville Twp. - Community Center	**5,000**
Orange Co. Southeast Twp. - Fire Department	**10,000**
Oregon Twp.-Koontz Lake FD firetruck	**50,000**
Osceola - dry well installations	**50,000**
Osceola - road repairs	**15,000**
Osceola VFD - safety equipment	**15,000**
Otwell - Jefferson Twp. Park improvements	**20,000**
Owen Co., Clay Twp. - fire pumper truck	**50,000**
Owen Co., Town of Gosport - water system renovation	**25,000**
Owen Co., Town of Gosport - fire truck	**50,000**
Owen Co., Washington Twp. fire station	**15,000**
Parke Co. 4-H Fairgounds	**15,000**
Parke Co. 4-H ground improvements	**10,000**
Parke Co. Clerk - computer systems/upgrade	**5,000**
Parke Co. JUGA VFD	**25,000**
Parker City Community Park	**35,000**
Pathway Homeless Shelter	**50,000**
Patoka Twp. VFD - North District building expansion	**25,000**
Pendleton - Falls Park Sports Complex project	**125,000**
Pennsylvania Community Center - East Chicago	**25,000**
Perry County Airport Authority	**100,000**
Perry Twp. (Monroe Co.) FD	**25,000**
Perrysville VFD equipment	**10,000**
Phillips Temple/ICEE	**50,000**
Pierce-Polk Twp. VFD	**10,000**
Pike High School soccer facilities	**45,000**
Plymouth Jr. League Baseball - concession,restrooms, booth, equip	**68,000**
Plymouth Public Library	**50,000**
Portage Detective Bureau Cameras	**8,567**
Portage Exchange Club Freedom Shrine Memorial	**10,158**
Portage, Olson Park surveillance camera	**4,595**
Portage Park Dept. repairs and improvements	**30,270**

Portage radio room/cell block cameras	**7,824**
Portage street lights	**2,400**
Portage Twp. Community Health Care Clinic	**18,186**
Portage Twp. VFD - equipment	**50,000**
Posey Co. Mars Twp. VFD - truck	**30,000**
Posey Co. Mt. Vernon - Senior Citizen's Center expansion	**90,000**
Posey Co. New Harmony - capital	**150,000**
Posey Co. Poseyville - renovation Community/Senior Citizen's Center	**35,000**
Posey Co. Smith Twp. VFD - equipment	**10,000**
Posey Twp. VF Co., Inc.	**10,000**
Project Renew (Ft. Wayne)	**50,000**
Providence Home	**250,000**
Putnam County EMS	**20,000**
R. Ross CDC	**50,000**
Randolph Co. 4-H pavilion & HVAC for Husted Hall	**100,000**
Randolph Co. Farmland VFD, Inc.	**50,000**
Reo-French Island Water Project	**20,000**
Richmond FD	**5,000**
Richmond infrastructure	**200,000**
Riverside Park Ball Field Improvements	**50,000**
Roachdale water wells project	**25,000**
Roberto Clemente Community Center - East Chicago	**25,000**
Robertson Village Replatting & Parks	**50,000**
Rockport - Lincoln Pioneer Village Project	**15,000**
Rockport - Park Project	**15,000**
Rocky Ripple Town Board	**25,000**
Roke Road Project (Clark Co.)	**150,000**
Rome VFD	**10,000**
Rosedale water tower	**20,000**
Sandcut - Otter Creek VFD Sandcut Station	**80,000**
Santa Claus - Park Project	**20,000**
Scenic Gateway Project	**15,000**
Schererville - Fire Station construction/addition	**120,000**
Schererville - Hoosier Boys Town - building construction	**25,000**
Schererville - Joliet Street improvements	**30,000**
Schererville - Lake County Surveyor - Hartsdale Pond Flood Control	**125,000**
Schnellville VFD	**10,000**
Science Lab relocation - Indianapolis	**15,000**
Shelby FD - equipment	**33,000**
Shepherdsville VFD equipment	**10,000**
Skelton Twp. VFD project	**5,000**
Sneider FD - equipment	**33,000**
South Haven VFD fire engine	**250,000**
South Milford VFD	**45,000**

Southeast Neighborhood Development	**300,000**
Southwest Indiana Law Enforcement Training Council	**10,000**
Sports & Hobby Develop. Group of Muncie - SportsPlex	**90,000**
Spurgeon - street improvements	**30,000**
St. Anthony VFD	**10,000**
St. Bernice VFD equipment	**10,000**
St. Joseph Co. Center Twp. VFD - equipment	**100,000**
St. Joseph Co. general fund for capital improvements	**100,000**
St. Joseph Co. Penn Twp. South VFD - safety equipment	**10,000**
St. Joseph Co. Penn Twp. North VFD - safetyequipment	**15,000**
St. Joseph Co. Portage Twp. VFD - equipment	**50,000**
St. Joseph Co. road/drainage projects	**300,000**
St. Joseph Co. South Gilmer Park	**400,000**
St. Mary-of-the-Woods Day Care/Pre School	**25,000**
St. Mary-of-the-Woods Village Trustee - sidewalk construction	**15,000**
Star Point Program of the Children's Museum	**25,000**
Starke Co. Sheriff Dept. computers and equipment	**50,000**
State Line VFD equipment	**10,000**
Steele Twp. VFD (Plainville)	**25,000**
Stendal - Lockhart Twp VFD - truck	**110,000**
Studebaker Museum	**200,000**
Sullivan Co. YMCA (Sullivan) - land acquisition/chartering	**30,000**
Tell City - Hoosier RR Project	**100,000**
Tell City - Port Project	**25,000**
Terre Haute - Byrd Gibson Recreation Center	**150,000**
Terre Haute City Hall exterior restoration and rehab project	**50,000**
Terre Haute Family YMCA	**42,000**
Terre Haute - McMillan Adult Day Care Center	**28,000**
Terre Haute Miss Softball America - indoor softball complex	**15,000**
Terre Haute - Ryves Hall Youth Center	**100,000**
Terre Haute - Woodlawn Cemetery - fence	**50,000**
The Learning Disability Center	**10,000**
The Museums at Prophetstown - infrastructure	**100,000**
The Respect Academy - Computer Lab	**50,000**
Tippecanoe Co. Historical Society	**7,000**
Town of Argos	**70,000**
Town of Dugger - fire station project	**50,000**
Town of Fulda	**5,000**
Town of Grandview Project	**5,000**
Town of Hamlet - well head protection system	**25,000**
Town of Porter - Baseball Field Reconstruction at Hawthorn Park	**75,000**
Town of Porter - Hike/Bike Trail Connection	**50,000**
Town of Sandborn - Community Center	**100,000**

Turkey Run High School tennis courts	**20,000**
Turman Township Advisory Board (Graysville) - firehouse	**50,000**
Unified Dispatch Signal Enhancement	**50,000**
Union Twp./Ft. Branch VFD - truck	**100,000**
United Northeast CDC	**50,000**
United Way of Delaware Co., Inc. - directories	**40,000**
UNWA CDC	**35,000**
UNWA Senior Citizens Assisted Living	**50,000**
Utica - drainage and sidewalk improvements	**30,000**
Vanderburgh Co. ARC - improvements	**250,000**
Vanderburgh Co. Armstrong Twp. Recreation Center fire hydrant	**4,000**
Vanderburgh Co. Armstrong Twp. Recreation Center - improvements	**46,000**
Vanderburgh Co. CAP of Evansville	**60,000**
Vanderburgh Co. Emporia Project	**400,000**
Vanderburgh Co. Fair Assn. drainage	**72,000**
Vanderburgh Co. German Twp. VFD - remodeling	**63,000**
Vanderburgh Co. Knight Twp. VFD - defibrillators	**3,000**
Vanderburgh Co. Old Courthouse Preservation Society - improvements	**60,000**
Vanderburgh Co. Perry Twp. VFD - equipment	**10,000**
Vanderburgh Co. Private Industry Council of Southwestern IN	**50,000**
Vanderburgh Co. Rivers Bend Playhouse -renovation	**50,000**
Vanderburgh Co. St. Vincent's Day Care Center	**25,000**
Vanderburgh Co. Tri-State Food Bank - racking for warehouses	**25,000**
Vanderburgh Co. United Caring Shelters - renovations	**75,000**
Veedersburg - civic center repair, HUB	**20,000**
Vermillion Co. Clerk - equipment upgrade	**5,000**
Vernon Twp. VFD	**25,000**
Vienna Twp. VFD	**25,000**
Vigo Co., Pierson Twp. - community center restoration	**25,000**
Vigo Co., Pimento School, Inc. - community center restoration	**20,000**
Vigo Co., Riley Twp. Fire District - land acquisition	**10,000**
Vigo Co., Town of Riley - community center renovation	**20,000**
Vigo Twp. Public Library (Bicknell)	**25,000**
Wabash River Parkway Commission	**10,000**
Warren Co. 4-H ground improvements	**10,000**
Warren Co. 4-H Fair	**10,000**
Warren Co. Clerk - computer systems/upgrade	**5,000**
Warren Township Trustee for maintenance of	

township park	**65,000**
Washington Co. Campbellsburg - sidewalks	**10,000**
Washington Co. Landfill - lift station	**25,000**
Washington - sidewalk, curb and street repairs	**75,000**
Washington Twp. FD	**5,000**
Washington Twp. FD (Knox Co.) - equipment/repairs	**15,000**
Wayfinder Tourism Project	**15,000**
WEA Twp. Community FD - equipment	**7,000**
West Boggs Park - Daviess-Martin Park Dist. - improvements	**50,000**
West Lafayette - redevelopment of Sears and Roebuck Site	**150,000**
Westville - water project	**45,000**
White Co. Brookston Heart to Heart Park	**20,000**
White Co. Monon VFD	**62,500**
White Co. Town of Reynolds Park Board	**15,000**
White Co. Wolcott Park Community Building	**40,000**
White River State Park - Washington Street Bridge	**100,000**
Whiting - Parks/Street Department	**75,000**
Why, Inc.	**25,000**
Widner Twp. (Knox Co., Freelandville) fire department	**100,000**
Williamsport VFD equipment	**10,000**
Winchester FD Rescue	**20,000**
Winslow Community Center - improvements	**25,000**
Winslow - Patoka VFD - equipment	**25,000**
YMCA - Hammond - repairs	**40,000**
YWCA building construction	**100,000**
YWCA - renovations	**25,000**
Youth Science Lab	**60,000**
Zion Missionary Baptist Church, Inc. Development Fund	**25,000**
TOTAL LOCAL PROJECTS	**28,633,000**".

Page 95, between lines 27 and 28, begin a new paragraph and insert:

"**(c) The general assembly finds that the state needs the construction, equipping, renovation, refurbishing or alteration of one (1) additional mental health facility.**

(d) The general assembly finds that the state will have a continuing need for use and occupancy of the mental health facility described in subsection (c). The general assembly authorizes the state office building commission to provide the mental health facility described in subsection (c) under IC 4-13.5-1 and IC 4-13.5-4.

SECTION 39. [EFFECTIVE UPON PASSAGE] **(a) The Trustees of Purdue University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5, for the purpose of constructing, remodeling, renovating, furnishing, and equipping the Purdue Memorial Union project at the West Lafayette campus. However, the Trustees of Purdue University may not issue and sell bonds under IC 20-12-6 if the**

cost of the Purdue Memorial Union project exceeds nine million five hundred thousand dollars ($9,500,000).

(b) Bonding authority granted by this SECTION is not eligible for fee replacement appropriations.

(c) The construction and operation by Purdue University of the following facilities is authorized and approved:

(1) Fort Wayne campus parking garage number one (1) - $4,870,000.

(2) Fort Wayne campus parking garage number two (2) - $7,200,000.

The projects approved under this subsection are financed through lease-purchase arrangements. No bonding authority is approved and the projects are not eligible for fee replacement.

SECTION 40. IC 4-33-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The commission shall do the following:

(1) Adopt rules that the commission determines necessary to protect or enhance the following:

(A) The credibility and integrity of gambling operations authorized by this article.

(B) The regulatory process provided in this article.

(C) The natural environment and scenic beauty of Patoka Lake.

(2) Conduct all hearings concerning civil violations of this article.

(3) Provide for the establishment and collection of license fees and taxes imposed under this article.

(4) Deposit the license fees and taxes in the state gaming ~~account~~ **fund** established by IC 4-33-13.

(5) Levy and collect penalties for noncriminal violations of this article.

(6) Deposit the penalties in the state gaming ~~account~~ **fund** established by IC 4-33-13.

(7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:

(A) Certify the revenue received by a riverboat.

(B) Receive complaints from the public.

(C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.

(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:

(i) IC 14-26-2-6.

(ii) IC 14-26-2-7.

(iii) IC 14-28-1.

(8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:

(A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and

(B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13

through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 41. IC 4-33-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The state gaming ~~account~~ **fund** is established**.** ~~in the state general fund.~~ **Money in the fund does not revert at the end of the state fiscal year.**

SECTION 42. IC 4-33-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The department shall deposit tax revenue collected under this chapter in the state gaming ~~account.~~ **fund.**

SECTION 43. IC 4-33-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. Sufficient funds are annually appropriated to the commission from the state gaming ~~account~~ **fund** to administer this article.

SECTION 44. IC 4-33-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming ~~account~~ **fund** under this chapter to the following:

(1) Twenty-five percent (25%) of the tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a city described in IC 4-33-12-6(b)(1)(A);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B); and

(2) Seventy-five percent (75%) of the tax revenue remitted by each licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.".

Page 96, delete lines 35 through 49.

Delete pages 97 through 98.

Page 99, delete lines 1 through 7, begin a new paragraph and insert:

"SECTION 43. IC 13-18-21-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 21. The supplemental drinking water **and wastewater** assistance program is established.

SECTION 45. IC 13-18-21-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 22. (a) The supplemental drinking water **and wastewater** assistance fund is established to provide money for grants, loans, and other financial assistance **to or** for the benefit of: ~~political subdivisions or public water systems that serve economically disadvantaged municipalities~~

(1) participants for the purposes described in section 23(1) of this chapter; and

(2) political subdivisions for the purposes described in section 23(2)

of this chapter.

(b) The general assembly may appropriate money to the supplemental fund. Grants or gifts of money to the supplemental fund and proceeds of the sale of:

(1) gifts to the supplemental fund; and

(2) loans and other financial assistance, as provided in sections 25 through 29 of this chapter;

shall be deposited in the supplemental fund.

(c) Repayments of loans and other financial assistance from the supplemental fund, including interest, premiums, and penalties, shall be deposited in the supplemental fund.

(d) The treasurer of state shall invest the money in the supplemental fund that is:

(1) not currently needed to meet the obligations of the supplemental fund; and

(2) not invested under subsection (e);

in the same manner as other public money may be invested. Earnings that accrue from the investments shall be deposited in the supplemental fund.

(e) As an alternative to the investment provided for in subsection (d), the budget agency may invest or cause to be invested all or a part of the supplemental fund in a fiduciary account or accounts with a trustee that is a financial institution. Notwithstanding any other law, any investment may be made by the trustee in accordance with one (1) or more trust agreements or indentures. A trust agreement or indenture may permit disbursements by the trustee to the department, the budget agency, a ~~political subdivision, a public water system that serves an economically disadvantaged municipality,~~ **participant,** the Indiana bond bank, or any other person as provided in the trust agreement or indenture. The state board of finance must approve the form of any trust agreement or indenture before execution.

(f) The cost of administering the supplemental fund may be paid from money in the supplemental fund.

(g) All money accruing to the supplemental fund is appropriated continuously for the purposes specified in this chapter.

(h) Money in the supplemental fund does not revert to the state general fund at the end of a state fiscal year.

SECTION 46. IC 13-18-21-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 23. Money in the supplemental fund may be used to do the following:

(1) Provide grants, loans, or other financial assistance to or for the benefit of ~~political subdivisions or public water systems that serve economically disadvantaged municipalities~~ **participants** for the planning, designing, acquisition, construction, renovation, improvement, or expansion of ~~drinking water treatment systems and~~ **public** water ~~supply~~ systems and other activities necessary or convenient to complete these tasks, whether or not those other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(2) **Provide grants, loans, or other financial assistance to or for the benefit of political subdivisions for the planning, designing, acquisition, construction, renovation, improvement, or expansion of**

wastewater or stormwater collection and treatment systems and other activities necessary or convenient to complete these tasks, whether or not those other activities are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

(3) Pay the cost of administering the supplemental fund and the supplemental program.

~~(3)~~ **(4)** Conduct all other activities that are permitted by the federal Clean Water Act or the federal Safe Drinking Water Act.

SECTION 47. IC 13-18-21-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 24. ~~(a)~~ The budget agency shall develop ~~a supplemental priority ranking system~~ **criteria** to recommend grants, loans, or other financial assistance from the supplemental fund.

~~(b) The supplemental priority ranking system shall be designed to establish funding for each category of projects consistent with the environmental, public health, and financial objectives of the state.~~

~~(c) The:~~

~~(1) budget agency shall consult with the department in establishing; and~~

~~(2) budget committee shall review~~

~~the supplemental priority ranking system.~~

SECTION 48. IC 13-18-21-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 25. **(a)** The budget agency may make grants or loans or provide other financial assistance from the supplemental fund for the benefit of a ~~political subdivision or public water system that serves an economically disadvantaged municipality~~ **participant** under the following conditions:

(1) A grant, loan, or other financial assistance ~~must~~ **may** be used:

(A) for planning, designing, acquiring, constructing, renovating, improving, or expanding ~~drinking water treatment systems or~~ **public** water ~~supply~~ systems, and other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) The budget agency must establish the terms and conditions that the budget agency considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

(b) In addition to its powers under subsection (a), the budget agency may also make grants or loans or provide other financial assistance from the supplemental fund to or for the benefit of a political subdivision under the following conditions:

(1) A grant, loan, or other financial assistance may be used:

(A) for planning, designing, acquiring, constructing, renovating, improving, or expanding wastewater or stormwater collection and treatment systems, and other activities necessary or convenient to complete these tasks;

(B) to:

(i) establish reserves or sinking funds; or

(ii) provide interest subsidies;

(C) to pay financing charges, including interest on the loan during construction and for a reasonable period after the completion of construction; or

(D) to pay the following:

(i) Consultant, advisory, and legal fees.

(ii) Other costs or expenses necessary or incident to the grant, loan, or other financial assistance or the administration of the supplemental fund or the supplemental program.

(2) The budget agency must establish the terms and conditions that the budget agency considers necessary or convenient to make grants or loans or provide other financial assistance under this chapter.

SECTION 49. IC 13-18-21-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 26. (a) A grant, loan, or other financial assistance from the supplemental fund must be accompanied by all papers and opinions required by the budget agency.

(b) Unless otherwise provided by rule, a loan or other financial assistance must be accompanied by the following:

~~(1) An approving opinion of nationally recognized bond counsel.~~

~~(2)~~ **(1)** A certification and guarantee of signatures.

~~(3)~~ **(2)** A certification that, as of the date of the loan or other financial assistance, no litigation is pending challenging the validity of or entry into:

(A) the grant, loan, or other financial assistance; or

(B) any security for the loan or other financial assistance.

(c) The budget agency may require an approving opinion of nationally recognized bond counsel.

SECTION 50. IC 13-18-21-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 27. A ~~political subdivision or public water system~~ **participant** receiving a grant, loan, or other financial assistance from the supplemental fund shall enter into a financial assistance agreement. A financial assistance agreement under this section is a valid, binding, and enforceable agreement of the ~~political subdivision or public water system.~~ **participant.**

SECTION 51. IC 13-18-21-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 28. (a) The budget agency may sell loans or evidences of other financial assistance and other obligations evidencing the loans or other financial assistance from the supplemental fund:

(1) periodically;

(2) at any price; and

(3) on terms acceptable to the budget agency.

(b) Proceeds of sales under this section shall be deposited in the supplemental fund, **the wastewater revolving loan fund,** or the fund at the direction of the budget director.

SECTION 52. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1999]: IC 13-18-13-21; IC 13-18-13-22; IC 13-18-13-23; IC 13-18-13-24; IC 13-18-13-25; IC 13-18-13-26; IC 13-18-13-27; IC 13-18-13-28; IC 13-18-13-29.

SECTION 53. [EFFECTIVE JULY 1, 1999] **(a) On July 1, 1999, the treasurer of state shall transfer the balance remaining in the supplemental wastewater assistance fund on June 30, 1999, to the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22, as amended by this act.**

(b) On July 1, 1999, all liabilities of the supplemental wastewater assistance fund become liabilities of the supplemental drinking water and wastewater assistance fund established by IC 13-18-21-22, as amended by this act.

SECTION 54. IC 20-1-22 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 22. School Readiness Program Plan

Sec. 1. The Indiana state board of education shall adopt rules under IC 4-22-2 establishing the criteria for acceptable school readiness programs that may be approved under this chapter. The rules must provide that programs similar to the following are approved:

(1) Head Start under 42 U.S.C. 9831 et seq.

(2) Even Start.

(3) Transitional kindergarten.

(4) Other nationally accepted programs that improve school readiness.

The criteria must be based on national studies and research on school readiness programs.

Sec. 2. Each school corporation may adopt a plan to provide a full day kindergarten or school readiness program, or both. The plan must comply with the rules adopted under this chapter and must include the following:

(1) Goals, objectives, and expectations of the program that are consistent with the school corporation goals and state student achievement or performance goals.

(2) Anticipated or estimated participation in each program.

(3) Physical space needs, specifically identifying the potential need for more classrooms or facilities or expansion of existing rooms and including the estimated cost for additional space that would be attributable to having a program.

(4) Transportation needs, including necessary additional bus routes and buses and the estimated cost for necessary expansion of transportation.

(5) Personnel needs, including necessary additional teachers, aides, and other staff that would be required to maintain an eighteen to one (18:1) student to teacher ratio in full day kindergarten and the estimated cost for necessary additional personnel.

(6) Professional development plans for program teachers, including a description of the types and amount of training that teachers in the program will be asked or required to complete before implementing a program.

(7) Academic structure of the program, including the mix of subject areas and activities that will be provided in the program.

(8) Evaluation methods that will be used to monitor progress toward meeting or exceeding the program goals, objectives, and expectations.

A school corporation that has a full day kindergarten program that allows any kindergarten age child to participate may submit a plan that describes what the school corporation is doing to satisfy subdivisions (1), (2), (7), and (8).

Sec. 3. (a) A governing body shall conduct a public hearing for the purpose of giving all interested parties an opportunity to review and comment on the plan. Notice of the hearing must be given at least fourteen (14) days before the hearing in accordance with IC 5-14-1.5-5(b). After the public hearing, the governing body may revise the plan and hold another public hearing on the revised plan.

(b) The approved plan must be submitted to the department of education for review and approval before January 1, 2000, to receive a grant for the 2000-2001 school year. A school corporation that does not submit a plan in 1999 must submit a plan to the department of education for review and approval before January 1 of a year to receive a grant in subsequent school years.

(c) The plan must then be submitted to the Indiana state board of education for approval.

(d) A school corporation is not entitled to program funding under IC 21-3-12 until a plan is approved by the Indiana state board of education.

SECTION 55. IC 21-3-12 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]:

Chapter 12. Full Day Kindergarten and School Readiness Grants

Sec. 1. The definitions set forth in IC 21-3-1.6 apply throughout this chapter.

Sec. 2. As used in this chapter, "full day kindergarten enrollment" means the number of eligible pupils enrolled in full day kindergarten in the school corporation or in a transferee corporation on the day fixed by the superintendent to determine the average daily membership or ADM of the corporation.

Sec. 3. As used in this chapter, "school readiness program enrollment" means the number of children enrolled of eligible kindergarten age in the school corporation's school readiness program even though the child may also be enrolled in the school corporation's half day kindergarten. It does not include children who are enrolled in the school corporation's full day kindergarten.

Sec. 4. In addition to the amount a school corporation is entitled to receive under this article, each school corporation is entitled to receive a grant for its full day kindergarten program that is implemented under a

plan approved under IC 20-1-22. The amount of the kindergarten grant for a school year is the product of:

(1) the school corporation's full day kindergarten enrollment; multiplied by

(2) one thousand five hundred dollars ($1,500).

A school corporation shall use the grant for its full day kindergarten program under the plan approved under IC 20-1-22.

Sec. 5. In addition to the amount a school corporation is entitled to receive under this article, each school corporation is entitled to receive a grant for pupils attending a school readiness program other than full day kindergarten that is implemented under a plan approved under IC 20-1-22. The amount of the school readiness program grant for a school year is the product of:

(1) the school corporation's school readiness program enrollment; multiplied by

(2) one thousand two hundred dollars ($1,200).

A school corporation shall use the grant for its school readiness programs as set forth in its plan approved under IC 20-1-22.

Sec. 6. This chapter expires January 1, 2002.

SECTION 56. [EFFECTIVE UPON PASSAGE] **(a) Each school corporation is entitled to a school readiness program planning grant during December 1999 for planning and implementing a school readiness program as permitted by IC 20-1-22, as added by this act. The amount of each school corporation's grant is the school corporation's average daily membership for kindergarten, as defined in IC 21-3-1.6-1.1 multiplied by three hundred seventy dollars ($370).**

(b) School readiness program planning grants must be used only to pay for one (1) or more of the following:

(1) Developing and submitting the school corporation's school readiness program plan.

(2) Professional development of kindergarten teachers under the rules established by the professional standards board under IC 20-1-1.4.

(3) Implementing full day kindergarten or school readiness programs, as defined in IC 20-1-22, as added by this act.

(4) Operating full day kindergarten programs in existence on January 1, 1999.

(c) The Indiana state board of education shall adopt emergency rules under IC 4-22-2-37.1 before July 1, 1999, establishing the criteria for acceptable school readiness programs under IC 20-1-22, as added by this act, for the 2000-2001 school year. The emergency rules adopted under this SECTION expire on the earlier of:

(1) the date rules are adopted under IC 20-1-22-1, as added by this act; or

(2) July 1, 2000.

(d) This SECTION expires July 2, 2000.

SECTION 57. IC 20-10.1-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 21.5. Reading Diagnostic and Remediation Program

Sec. 1. As used in this chapter, "diagnostic grant" refers to a grant provided to a school corporation to perform reading diagnostic assessments under this chapter.

Sec. 2. As used in this chapter, "fund" refers to the reading diagnostic assessment and remediation fund established under section 5 of this chapter.

Sec. 3. As used in this chapter, "program" refers to the reading diagnostic and remediation program established under section 6 of this chapter.

Sec. 4. As used in this chapter, "remediation grant" refers to a grant provided to a school corporation to provide remediation for students who participate in a reading diagnostic assessment.

Sec. 5. (a) The reading diagnostic assessment and remediation fund is established to provide diagnostic grants and remediation grants under this chapter. The fund shall be administered by the department.

(b) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 6. (a) The reading diagnostic and remediation program is established to provide:

(1) early identification of; and

(2) remediation to;

grade one or grade two students who have difficulty reading.

(b) The department shall:

(1) administer the program; and

(2) coordinate training for grade 1 and grade 2 teachers in the administration and interpretation of reading diagnostic instruments.

Sec. 7. (a) The board shall select and purchase a diagnostic instrument for the assessment portion of the program. The diagnostic instrument selected by the board must:

(1) measure both phonics and whole language ability and comprehension;

(2) assess phonemic awareness;

(3) test other appropriate reading skills and comprehension;

(4) detect physical and mental learning disabilities; and

(5) be suitable for administration and interpretation by grade 1 and grade 2 teachers.

(b) The governing body of a school corporation may select an alternate diagnostic instrument for use in the school corporation. An alternate diagnostic instrument selected under this subsection must:

(1) meet the selection criteria under subsection (a); and

(2) be approved by the board before it may be administered.

Sec. 8. (a) Not later than October 15, each school corporation shall administer the diagnostic instrument selected under section 7 of this chapter.

(b) The diagnostic instrument shall be administered to the following grade 1 or grade 2 students:

(1) A student identified by the student's teacher as having difficulty

reading.

(2) A student whose parents request that the student be assessed, if the student's teacher and principal determine that the diagnostic instrument is an appropriate assessment tool for the student.

(c) A school is eligible to receive a diagnostic grant from the fund in an amount that does not exceed the amount determined in STEP FOUR of the following formula:

STEP ONE: Determine the Indiana academic standard for language arts scale score plus ten (10) scale score points as tested by the grade 3 ISTEP for the three (3) most recently administered tests.

STEP TWO: For the three (3) preceding years in which the ISTEP language arts test was administered to grade 3 students, determine the total number of grade 3 students in the school who did not meet the academic standard scale score determined under STEP ONE.

STEP THREE: Divide the number determined under STEP TWO by three (3).

STEP FOUR: Multiply the quotient determined under STEP THREE by two dollars ($2).

(d) A diagnostic grant must be used for the costs of:

(1) administering; and

(2) interpreting the results of;

the diagnostic instrument.

Sec. 9. (a) This section applies to a grade 1 or grade 2 student who:

(1) has been assessed by the diagnostic instrument selected under section 7 of this chapter; and

(2) based upon the results of the assessment, is determined to have a reading deficiency.

(b) The teacher of a student to whom this section applies shall:

(1) develop an individualized reading instruction plan for the student; and

(2) review the plan with the student's parent:

(A) in a meeting; or

(B) if a meeting cannot be arranged after a reasonable effort by the teacher, through sending the plan to the parent for the parent's signature.

(c) An individualized reading instruction plan:

(1) must specify appropriate remedial programs or activities for a student to address areas in which the student lacks skills, as identified by the diagnostic instrument; and

(2) may utilize existing remedial and tutoring programs offered by the school corporation through the department or through a federal program.

(d) A school is eligible to receive a remediation grant from the fund in an amount that does not exceed the number of students in the school to whom this section applies multiplied by one hundred dollars ($100).

Sec. 10. A school shall:

(1) determine whether students who participated in an individualized reading plan in grade 1 or grade 2 meet the academic standard scale

score tested by:

(A) the grade 3 ISTEP language arts test; or

(B) a comparable assessment or evaluation conducted by the school during the grade 3 school year; and

(2) report the school's findings to the department in a form prescribed by the department.

SECTION 58. [EFFECTIVE JULY 1, 1999] **(a) Notwithstanding IC 20-10.1-21.5-8(c), as added by this act, a school is eligible to receive a diagnostic grant for the 1999-2000 school year from the reading diagnostic assessment and remediation fund established by IC 20-10.1-21.5-5, as added by this act, in an amount that does not exceed the amount determined in STEP FOUR of the following formula:**

STEP ONE: Determine the Indiana academic standard for language arts scale score plus ten (10) scale score points as tested by the grade 3 ISTEP for the two (2) most recently administered tests.

STEP TWO: For the two (2) preceding years in which the ISTEP reading test was administered to grade 3 students, determine the total number of grade 3 students in the school who did not meet the academic standard scale score determined under STEP ONE.

STEP THREE: Divide the number determined under STEP TWO by two (2).

STEP FOUR: Multiply the quotient determined under STEP THREE by twelve dollars ($12).

(b) This SECTION expires June 30, 2001.

SECTION 59. IC 4-4-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 5.1. Indiana Twenty-First Century Growth Fund

Sec. 1. As used in this chapter, "board" refers to the Indiana twenty-first century growth fund board established by section 6 of this chapter.

Sec. 2. As used in this chapter, "fund" refers to the Indiana twenty-first century growth fund established by section 3 of this chapter.

Sec. 3. (a) The Indiana twenty-first century growth fund is established to provide grants or loans to support proposals for economic development in one (1) or more of the following areas:

(1) To increase the capacity of Indiana institutions of higher education, Indiana businesses, and Indiana nonprofit corporations and organizations to compete successfully for federal research and development financing.

(2) To stimulate the transfer of research and technology into marketable products.

(3) To assist with diversifying Indiana's economy so that high skill and high wage jobs are created.

(4) To encourage an environment of innovation and cooperation among universities and business to promote research activity, including operation of Internet 2.

(b) The fund shall be administered by the budget agency. The fund consists of appropriations from the general assembly and gifts and grants

to the fund. The budget agency shall review and approve requests for operating funds and each grant and loan recommended by the board before allotting money from the fund. Except for operating funds, money in the fund must be used only to provide a matching incentive on a one-time basis and may not be used to provide a recurring source of revenue for any project.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for the purposes of this chapter.

Sec. 4. (a) A proposal requesting a grant or loan from the Indiana twenty-first century growth fund must be targeted to one (1) or more of the areas listed in section 3 of this chapter.

(b) An applicant must meet the requirements of this section and be approved by the board. A proposal shall be made on an application prescribed by the board. The applicant shall provide all information that the board finds necessary to make the determinations required by this chapter.

(c) All proposals must include the following:

(1) A detailed financial analysis that includes the commitment of resources by other entities that will be involved in the project.

(2) The economic development potential of the project.

(3) The obligations of the applicant.

(4) Any other information that the board considers appropriate.

(d) A proposal from an academic researcher must be made through the office of the president of the academic institution with the express endorsement of that institution's president. A proposal from a private researcher must be made through the office of the highest ranking officer of the researcher's institution with the express endorsement of the institution.

Sec. 5. (a) The board shall make final funding determinations for proposals that will be submitted to the budget agency for review and approval. In making these determinations, the board may use a peer review panel to assist it in making determinations.

(b) The board shall give priority to proposals that:

(1) have the greatest economic development potential; and

(2) require the lowest ratio of money from the fund compared to the combined financial commitments of the applicant and those cooperating on the project.

Sec. 6. (a) The Indiana twenty-first century growth fund board is established. The board consists of eight (8) voting members as follows:

(1) The lieutenant governor, or the lieutenant governor's designee, who shall serve as chairperson of the board.

(2) A representative of a public research institution of higher education to be appointed by the governor.

(3) A representative of a private research institution of higher

education to be appointed by the governor.

(4) A representative from business or agriculture to be appointed by the governor.

(5) A representative from a business with high research and development expenditures in Indiana to be appointed by the governor.

(6) A representative from the venture or growth capital industry to be appointed by the governor.

(7) An economist to be appointed by the governor.

(8) The Indiana commissioner of higher education.

Members of the board appointed by the governor serve terms of two (2) years.

(b) A board member may not have a relationship with an applicant or cooperating entity if the relationship would constitute a conflict of interest for the board member on a particular proposal. A board member with a conflict of interest shall abstain from any discussion, consideration, or vote on the proposal.

Sec. 7. The governor shall fill a vacancy on the board for the remainder of the unexpired term. Except for the ex officio board members, the governor may replace a board member at any time.

Sec. 8. A quorum for a meeting of the board consists of five (5) voting members.

Sec. 9. Five (5) affirmative votes are required for the board to take action.

Sec. 10. Members of the board are not entitled to per diem allowances or reimbursement of expenses for their service on the board.

Sec. 11. The board may use money in the fund to cover administrative expenses incurred in carrying out the requirements of this chapter.

SECTION 60. IC 4-30-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The commission shall transfer the surplus revenue in the administrative trust fund as follows:

(1) Before the last business day of January, April, July, and October, the commission shall transfer to the treasurer of state, for deposit in the Indiana state teachers' retirement fund (IC 21-6.1-2), an amount equal to the lesser of:

(A) seven million five hundred thousand dollars ($7,500,000); or

(B) the additional quarterly contribution needed so that the ratio of the unfunded liability of the Indiana state teachers' retirement fund compared to total active teacher payroll is as close as possible to but not greater than the ratio that existed on the preceding July 1.

On or before June 15 of each year, the board of trustees of the Indiana state teachers' retirement fund shall submit to the treasurer of state, each member of the pension management oversight commission, and the auditor of state its estimate of the quarterly amount needed to freeze the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) as a percent of payroll. The estimate shall be based on the most recent actuarial valuation of the fund. Notwithstanding any other law, including any appropriations law resulting from a budget bill (as

defined in IC 4-12-1-2), the money transferred under this subdivision shall be set aside in a special account to be used as a credit against the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) of the Indiana state teachers' retirement fund. The money transferred is in addition to the appropriation needed to pay benefits for the state fiscal year.

(2) Before the last business day of January, April, July, and October, the commission shall transfer ~~two~~ **seven** million five hundred thousand dollars ~~($2,500,000)~~ **($7,500,000)** of the surplus revenue to the treasurer of state for deposit in the pension relief fund (IC 5-10.3-11).

(3) The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) and (2) shall be transferred by the commission to the treasurer of state for deposit on that day in the build Indiana fund.

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1) and (a)(2). Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1) and (a)(2) shall be transferred to the build Indiana fund.

SECTION 58. IC 6-1.1-18-3 (CURRENT VERSION) IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) one dollar and twenty-five cents ($1.25) on each one hundred dollars ($100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) two dollars ($2) on each one hundred dollars ($100) of assessed valuation in territory inside the corporate limits of a city or town.

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

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

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

(3) To pay the principal or interest upon:

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

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

(4) To pay the principal or interest upon an obligation issued in the

manner provided in IC 6-1.1-20-3 (before its repeal) or IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.

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

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

~~(7)~~ **(6)** To meet the requirements of the county hospital care for the indigent fund.

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

SECTION 59. IC 6-1.1-18-3 (DELAYED VERSION) IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

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

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

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

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

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

(3) To pay the principal or interest upon:

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

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

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

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

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

~~(7)~~ **(6)** To meet the requirements of the county hospital care for the

indigent fund.

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

SECTION 60. IC 6-1.1-18.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) For purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value growth quotient determined in the last STEP of the following STEPS:

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

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

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

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

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

(b) If the assessed values of taxable property used in determining a civil taxing unit's property taxes that are first due and payable in a particular calendar year are significantly increased over the assessed values used for the immediately preceding calendar year's property taxes due to the settlement of litigation concerning the general reassessment of that civil taxing unit's real property, then for purposes of determining that civil taxing unit's assessed value growth quotient for an ensuing calendar year, the state board of tax commissioners shall replace the quotient described in STEP TWO of subsection (a) for that particular calendar year. The state board of tax commissioners shall replace that quotient with one that as accurately as possible will reflect the actual growth in the civil taxing unit's assessed values of real property from the immediately preceding calendar year to that particular calendar year.

SECTION 61. IC 6-1.1-18.5-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under any of the following:

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

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

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

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

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

~~(6)~~ **(2)** IC 12-20-24.

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

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

SECTION 62. IC 6-1.1-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 20.5. Inventory Tax Reduction Credits

Sec. 1. As used in this chapter, "inventory" has the meaning set forth in IC 6-1.1-3-11.

Sec. 2. As used in this chapter, "net property tax liability on inventory" means the property taxes attributable to inventory that are due and payable as shown on the property tax statement sent to a person after all deductions and credits have been applied under any other statute.

Sec. 3. A credit against a person's net property tax liability on inventory under IC 6-1.1-2 shall be provided under this chapter. The credit is equal to the net amount of ad valorem property taxes that would be paid on inventory with an assessed value of twelve thousand five hundred dollars ($12,500).

Sec. 4. (a) The county assessor shall determine the amount of each property owner's assessed value that is attributable to inventory in the county. Before December 1 of each year the county assessor shall provide the county auditor with the amount of inventory assessed value for each owner that is eligible for the credit.

(b) The county auditor shall compute the amount of property taxes in the county that is attributable to inventory assessed value as reported by the county assessor using the same property tax liability that is used to calculate the property tax replacement credit under IC 6-1.1-21-5 but after deducting the property tax replacement credit.

(c) Before March 1 of each year, each county auditor shall certify to the state board of tax commissioners and provide electronically the federal taxpayer identification number of each inventory owner, the amount of assessed value for which the credit is claimed, and the amount of inventory credits allowed for each claimant in that county for that calendar year. Before March 10, the state board of tax commissioners shall determine if any person has claimed credits for more than the assessed value allowed under this chapter and deny the credits for any excess. Before March 15, the state board of tax commissioners shall certify the amount of credits allowed to the property tax replacement fund board. The credits shall be determined in the same manner as property tax replacement credits are determined under IC 6-1.1-21 but after deducting the property tax replacement credit.

Sec. 5. (a) Each year the property tax replacement fund board shall allocate to the department of state revenue from the targeted tax relief fund under IC 4-10-20 an amount equal to the total amount of inventory

tax credits that are provided under this chapter for each county for that year in the same manner as the homestead credits are allocated from the property tax replacement fund under IC 6-1.1-21.

Sec. 6. The department of state revenue shall distribute to each county treasurer from only the targeted tax relief fund the estimated distribution for that year for the county at the same time and in the same manner as the homestead credit distributions are made under IC 6-1.1-21. The money in the fund is appropriated to make the distributions.

(b) All distributions provided in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state.

Sec. 8. To the extent it is consistent with this chapter, IC 6-1.1-21 applies with respect to the credit under this chapter.

Sec. 9. Subject to IC 4-10-20, there is appropriated from the targeted tax relief fund the amount necessary to provide credits under this chapter.

SECTION 63. IC 6-1.1-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. As used in this chapter:

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

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

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

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

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

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

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

(1) the remainder of:

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

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

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

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

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

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

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

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

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

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

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

(F) the remainder of:

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

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

(G) the amount of property taxes imposed in the county for the stated assessment year under:

(i) IC 21-2-15 for a capital projects fund; plus

(ii) IC 6-1.1-19-10 for a racial balance fund; plus

(iii) IC 20-14-13 for a library capital projects fund; plus

(iv) IC 20-5-17.5-3 for an art association fund; plus

(v) IC 21-2-17 for a special education preschool fund; plus

(vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus

(vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in

~~IC 6-1.1-19-1.5(a) STEP ONE or~~ any ~~other~~ law; minus

(I) for each township in the county, the lesser of:

(i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(5) filed after December 31, 1982; or

(ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; ~~minus~~

~~(K) for each county, the sum of:~~

~~(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and~~

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

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

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

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

(5) the difference between:

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

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

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

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

SECTION 64. IC 6-1.1-29-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) A county council may adopt an ordinance to abolish the county board of tax adjustment. This ordinance must be adopted by July 1 and may not be rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-19, ~~IC 12-19-3, IC 12-19-7,~~ IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11, IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted, this section governs the treatment of tax rates, tax levies, and budgets that would otherwise be reviewed by a county board of tax adjustment under IC 6-1.1-17.

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

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

SECTION 65. IC 6-3-1-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 3.5. When used in IC 6-3, the term "adjusted gross income" shall mean the following:

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

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

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States or for taxes on property levied by any subdivision of any state of the United States.

(3) Subtract one thousand **five hundred** dollars ~~($1,000),~~ **($1,500),** or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand **five hundred** dollars ~~($1,000).~~ **($1,500).**

(4) Subtract one thousand **five hundred** dollars ~~($1,000)~~ **($1,500)** for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer, and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

~~(5) Subtract five hundred dollars ($500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code for taxable years beginning after December 31, 1996, and before January 1, 2001. This amount is in addition to the amount subtracted under subdivision (4).~~

~~(6)~~ **(5)** Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is

subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

~~(7)~~ **(6)** Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code), if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

~~(8)~~ **(7)** Subtract any amounts included in federal adjusted gross income under Internal Revenue Code Section 111 as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

~~(9)~~ **(8)** Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

~~(10)~~ **(9)** Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

~~(11)~~ **(10)** Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code, if the taxable year began before January 1, 1985.

~~(12)~~ **(11)** Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

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

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

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

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

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

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

(4) Subtract an amount equal to the amount included in the corporation's

taxable income under Section 78 of the Internal Revenue Code.

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

SECTION 66. IC 6-3.5-1.1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

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

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

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

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

SECTION 67. IC 6-3.5-6-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

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

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

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

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

Center Township	$1,898,145
Decatur Township	$ 164,103
Franklin Township	$ 173,934
Lawrence Township	$ 890,086
Perry Township	$ 854,544
Pike Township	$1,410,375
Warren Township	$1,027,721
Washington Township	$1,017,890
Wayne Township	$ 988,397
Lawrence-City	$ 648,848
Beech Grove	$ 639,017
Southport	$ 18,906
Speedway	$ 546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

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

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

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

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

STEP FIVE: Determine the ratio of:

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

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

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

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

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

STEP NINE: For the civil taxing units qualifying for a distribution

under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

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

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

SECTION 68. IC 6-3.5-6-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 22. (a) Except as otherwise provided in subsection (b) and the other provisions of this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

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

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

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

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

SECTION 69. IC 6-3.5-7-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 18. (a) Except as otherwise provided in this chapter, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

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

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

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

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

SECTION 70. IC 6-5.5-8-2 IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) On or before February 1, May 1, August 1, and December 1 of each year the auditor of state shall transfer to each county auditor for distribution to the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount equal to one-fourth (1/4) of the sum of the guaranteed amounts for all the taxing units of the county. On or before August 1 of each year the auditor of state shall transfer to each county auditor the supplemental distribution for the county for the year. **For purposes of determining distributions under subsection (b), the state board of tax commissioners shall determine a state welfare allocation for each county calculated as follows:**

(1) For 2000, the state welfare allocation for each county equals the greater of zero (0) or the difference between:

(A) the amount that would be distributed to the taxing unit that is a county under subsection (b), if the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4 are considered in determining the county unit's distribution; minus

(B) the amount that would be distributed to the taxing unit that is a county under subsection (b) if the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4 are not considered in determining the county unit's distribution.

(2) For 2001 and each year thereafter, the state welfare allocation for each county equals the greater of zero (0) or the amount determined under the following formula:

STEP ONE: For 1997, 1998, and 1999, determine the result of:

(A) the property taxes collected by the county in the year for the county's county welfare fund, county welfare administration fund, and county family and children's fund; divided by

(B) the total property taxes collected by all the taxing units in the county in the year.

STEP TWO: Determine the sum of the results determined in STEP ONE.

STEP THREE: Divide the STEP TWO result by three (3).

STEP FOUR: Determine the amount that would otherwise be distributed to all the taxing units in the county under subsection (b) without regard to this subdivision.

STEP FIVE: Determine the result of:

(A) the STEP FOUR amount; multiplied by

(B) the STEP THREE result.

The state welfare allocation shall be deducted from the distributions otherwise payable under subsection (b) to the taxing unit that is a county and shall be deposited in the state general fund.

(b) A taxing unit's guaranteed distribution for a year is the greater of zero

(0) or an amount equal to:

(1) the amount received by the taxing unit under IC 6-5-10 and IC 6-5-11 in 1989; minus

(2) the amount to be received by the taxing unit in the year of the distribution, as determined by the state board of tax commissioners, from property taxes attributable to the personal property of banks, exclusive of the property taxes attributable to personal property leased by banks as the lessor where the possession of the personal property is transferred to the lessee; **minus**

(3) in the case of a taxing unit that is a county, the amount that would have been received by the taxing unit in the year of the distribution, as determined by the state board of tax commissioners, from property taxes that:

(A) were calculated for the county's county welfare fund, county welfare administration fund, and county family and children's fund for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4; and

(B) would have been attributable to the personal property of banks, exclusive of the property taxes attributable to personal property leased by banks as the lessor where the possession of the personal property is transferred to the lessee.

(c) The amount of the supplemental distribution for a county for a year shall be determined using the following formula:

STEP ONE: Determine the greater of zero (0) or the difference between:

(A) one-half (1/2) of the taxes that the department estimates will be paid under this article during the year; minus

(B) the sum of all the guaranteed distributions, **before the subtraction of all state welfare allocations under subsection (a),** for all taxing units in all counties plus the bank personal property taxes to be received by all taxing units in all counties, as determined under subsection (b)(2) for the year.

STEP TWO: Determine the quotient of:

(A) the amount received under IC 6-5-10 and IC 6-5-11 in 1989 by all taxing units in the county; divided by

(B) the sum of the amounts received under IC 6-5-10 and IC 6-5-11 in 1989 by all taxing units in all counties.

STEP THREE: Determine the product of:

(A) the amount determined in STEP ONE; multiplied by

(B) the amount determined in STEP TWO.

STEP FOUR: Determine the greater of zero (0) or the difference between:

(A) the amount of supplemental distribution determined in STEP THREE for the county; minus

(B) the amount of refunds granted under IC 6-5-10-7 that have yet to be reimbursed to the state by the county treasurer under IC 6-5-10-13.

For the supplemental distribution made on or before August 1 of each year, the department shall adjust the amount of each county's supplemental distribution to reflect the actual taxes paid under this article for the preceding year.

(d) **Except as provided in subsection (f),** the amount of the supplemental

distribution for each taxing unit shall be determined using the following formula:

STEP ONE: Determine the quotient of:

(A) the amount received by the taxing unit under IC 6-5-10 and IC 6-5-11 in 1989; divided by

(B) the sum of the amounts used in STEP ONE (A) for all taxing units located in the county.

STEP TWO: Determine the product of:

(A) the amount determined in STEP ONE; multiplied by

(B) the supplemental distribution for the county, as determined in subsection (c), STEP FOUR.

(e) The county auditor shall distribute the guaranteed and supplemental distributions received under subsection (a) to the taxing units in the county at the same time that the county auditor makes the semiannual distribution of real property taxes to the taxing units.

(f) The amount of a supplemental distribution paid to a taxing unit that is a county shall be reduced by an amount equal to:

(1) the amount the county would receive under subsection (d) without regard to this subsection; minus

(2) an amount equal to:

(A) the amount under subdivision (1); multiplied by

(B) the result determined as follows:

(i) For 2000, determine the sum of the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4. Divide that sum by the sum of the total property taxes that were imposed by the county for 2000 plus the sum of the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4.

(ii) For 2001 and each year thereafter, determine the result of the property taxes collected by the county in 1997, 1998, and 1999 for the county's county welfare fund, county welfare administration fund, and county family and children's fund, divided by the total property taxes collected by all the taxing units in the county in the year. Divide that sum by three (3).

SECTION 71. IC 6-6-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) The bureau shall establish procedures necessary for the collection of the tax imposed by this chapter and for the proper accounting for the same. The necessary forms and records shall be subject to approval by the state board of accounts.

(b) The county treasurer upon receiving the excise tax collections shall receipt such collections into a separate account for settlement thereof at the same time as property taxes are accounted for and settled in June and December of each year, with the right and duty of the treasurer and auditor to

make advances prior to the time of final settlement of such property taxes in the same manner as provided in IC 5-13-6-3.

(c) The county auditor shall determine the total amount of excise taxes collected for each taxing unit in the county and the amount so collected **(and the distributions received under section 9.5 of this chapter)** shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed. **However, the following apply for purposes of determining distributions under this section:**

(1) For 2000, the state board of tax commissioners shall determine the distribution that would be made to the respective funds of each taxing unit in the county if the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4 are considered to have been distributed as property taxes. The state board of tax commissioners shall for 2000 determine a state welfare allocation for each county that equals the amount of excise tax that would otherwise be distributed to the county under this section based on the property tax levies for the county's county welfare fund, county welfare administration fund, and county family and children's fund that were calculated for 2000 but were not imposed because of the repeal of IC 12-19-3, IC 12-19-4, and IC 12-19-7-4. The state welfare allocation shall be deducted from the distributions otherwise payable to the civil taxing unit that is a county. The county auditor shall remit the state welfare allocation to the treasurer of state for deposit in the state general fund.

(2) For 2001 and each year thereafter, the state welfare allocation for each county equals the greater of zero (0) or the amount determined under STEP FIVE of the following STEPS:

STEP ONE: For 1997, 1998, and 1999, determine the result of:

(i) the property taxes collected by the county in the year for the county's county welfare fund, county welfare administration fund, and county family and children's fund; divided by

(ii) the total property taxes collected by all the taxing units in the county in the year.

STEP TWO: Determine the sum of the results determined in STEP ONE.

STEP THREE: Divide the STEP TWO result by three (3).

STEP FOUR: Determine the amount that would otherwise be distributed to all the taxing units in the county under this subsection without regard to this subdivision.

STEP FIVE: Determine the result of:

(i) the STEP FOUR amount; multiplied by

(ii) the STEP THREE result.

The state welfare allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The

county auditor shall remit the state welfare allocation to the treasurer of state for deposit in the state general fund.

(d) Such determination shall be made from copies of vehicle registration forms furnished by the bureau of motor vehicles. Prior to such determination, the county assessor of each county shall, from copies of registration forms, cause information pertaining to legal residence of persons owning taxable vehicles to be verified from his records, to the extent such verification can be so made. He shall further identify and verify from his records the several taxing units within which such persons reside.

(e) Such verifications shall be done by not later than thirty (30) days after receipt of vehicle registration forms by the county assessor, and the assessor shall certify such information to the county auditor for his use as soon as it is checked and completed.

SECTION 72. IC 12-7-2-91 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.

(3) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

(4) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

(5) For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.

(6) For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.

~~(7) For purposes of IC 12-19-3, the meaning set forth in IC 12-19-3-1.~~

~~(8) For purposes of IC 12-19-4, the meaning set forth in IC 12-19-4-1.~~

~~(9)~~ **(7)** For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.

~~(10)~~ **(8)** For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(11)~~ **(9)** For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(12)~~ **(10)** For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(13)~~ **(11)** For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 73. IC 12-13-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. The part of the care and maintenance of the inmates of the Plainfield Juvenile Correctional Facility and the Indianapolis Juvenile Correctional Facility that under law is to be charged back to the counties shall be paid from the county general fund ~~and not the county welfare fund or the county family and children's fund,~~ unless otherwise provided by law.

SECTION 74. IC 12-19-1-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 21. Notwithstanding any other law, after December 31, 1999, a county may not impose any of the following:**

(1) A property tax levy for a county welfare fund.

(2) A property tax levy for a county welfare administration fund.

(3) A property tax levy for a county family and children's fund.

SECTION 75. IC 12-19-1-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,

2000]: **Sec. 22. (a) All bonds issued and loans made under IC 12-1-11 (before its repeal) or this article before January 1, 2000:**

(1) are direct general obligations of the county issuing the bonds or making the loans; and

(2) are payable out of unlimited ad valorem taxes that shall be levied and collected on all taxable property within the county.

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

SECTION 76. IC 12-19-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) A family and children's fund is established in each county. ~~The fund shall be raised by a separate tax levy (the county family and children property tax levy) that:~~

~~(1) is in addition to all other tax levies authorized; and~~

~~(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.~~

(b) ~~The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.~~ **Notwithstanding any other law, after December 31, 1999, a county may not impose a property tax levy for the family and children's fund.**

(c) The following shall be paid into the county treasury and constitute the family and children's fund:

~~(1) All receipts from the tax imposed under this section.~~

~~(2)~~ **(1)** All ~~grants-in-aid,~~ **money allocated by the division to the county** whether received from the federal government or state government.

~~(3)~~ **(2)** Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

SECTION 78. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 6-1.1-18.6; IC 6-1.1-17-18; IC 6-3-2.5-1; IC 6-3-2.5-10; IC 12-13-9-4; IC 12-19-3; IC 12-19-4; IC 12-19-5; IC 12-19-7-4; IC 12-19-7-5; IC 12-19-7-9; IC 12-19-7-10; IC 12-19-7-16; IC 12-19-7-17; IC 12-19-7-18; IC 12-19-7-19; IC 12-19-7-20; IC 12-19-7-21; IC 12-19-7-22; IC 12-19-7-23; IC 12-19-7-24; IC 12-19-7-25; IC 12-19-7-26; IC 12-19-7-27; IC 12-19-7-28; IC 12-19-7-29; IC 12-19-7-30; IC 12-19-7-31; IC 12-19-7-32; IC 12-19-7-33.

SECTION 79. [EFFECTIVE JULY 1, 1999] **(a) Notwithstanding the January 1, 2000, amendment of IC 12-19-7 by this act, each county:**

(1) shall in 1999 adopt a county family and children's budget for 2000;

(2) shall in 1999 determine the property tax levy under IC 12-19-7 that would have been imposed in 2000 if those provisions had not been repealed by this act;

(3) is responsible in 2000 for providing all family and children's services, programs, and activities that were funded in 1999 from the county family and children's fund (or from the county general fund if the county paid for family and children's services, programs, and activities from the county general fund in 1999); and

(4) is entitled to a reimbursement under this SECTION for expenses incurred in providing the services, programs, and activities described in subdivision (3).

(b) Notwithstanding any other law, after December 31, 1999, a county may not impose any of the following:

(1) A property tax levy for a county welfare fund.

(2) A property tax levy for a county welfare administration fund.

(3) A property tax levy for a county family and children's fund.

(c) Before January 1, 2000, the board of tax commissioners shall for each county certify to the budget agency an estimate of the gross tax levy that would have been imposed in 2000 in the county under IC 12-19-7 if that provision had not been amended by this act. This amount is the county's estimated welfare property tax replacement distribution. The estimate under this subsection shall be made without regard to any homestead credits or property tax replacement credits that will applied to property taxes in the county in 2000.

(d) Before January 15, 2000, the auditor of state shall distribute to each county treasurer from the state general fund one-fourth (1/4) of the estimated welfare property tax replacement distribution for 2000 for that county. Before March 1, 2000, the state board of tax commissioners shall for each county certify to the budget agency a revised estimate of the tax levy that would have been collected in 2000 in the county under IC 12-19-7 if that provision had not been amended by this act. Before April 1, 2000, the auditor of state shall distribute to each county treasurer from the state general fund an amount equal to one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county adjusted as follows:

(1) If the difference between:

(A) the distribution made under this subsection to the county in January, 2000; minus

(B) one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county;

is positive, the auditor of state shall subtract the amount determined under this subdivision from the county's distribution.

(2) If the difference between:

(A) the distribution made under this subsection to the county in January, 2000; minus

(B) one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county;

is negative, the auditor of state shall add an amount equal to the

absolute value of the amount determined under this subdivision to the county's distribution.

On July 1, 2000, and October 1, 2000, the auditor of state shall distribute to each county treasurer from the state general fund one-fourth (1/4) of the revised estimated welfare property tax replacement distribution for 2000 for that county.

(e) All distributions provided for in this SECTION shall be made on warrants issued by the auditor of state drawn on the treasurer of state.

(f) The amounts necessary to make the distributions of welfare property tax replacement credits required by this SECTION are appropriated from the state general fund.

(g) This SECTION expires January 1, 2002.

Page 56, between lines 20 and 21, begin a new line and insert:

"**(g) There is annually appropriated to the division of family and children an amount sufficient to fulfill the requirements of this SECTION.**

(h) Fund balances within each county's county welfare fund, county welfare administration fund, and county family and children's fund are available to the division of family and children beginning January 1, 2000, for use in fulfilling the requirements of this SECTION.

(i) With the approval of the state budget agency, any balance of unexpended funds appropriated to the division on July 1, 1999 does not revert at the end of FY 1999-2000 and is available to the division for expenditure in FY 2000-2001.".

Line 21, delete "(g)" and insert "**(j)**".

SECTION 80. [EFFECTIVE JULY 1, 1999] **(a) The state board of tax commissioners shall adjust each county's maximum permissible property tax levy under IC 6-1.1-18.5 for property taxes payable in 2000 and thereafter to reflect the repeal of IC 12-19-4 by this act. The state board of tax commissioners shall decrease each county's maximum permissible property tax levy under IC 6-1.1-18.5 by the amount of property taxes imposed in the county under IC 12-19-4 in 1999. For each county that paid for family and children's services, programs, and activities from the county general fund in 1999, the state board of tax commissioners shall also decrease the county's maximum permissible property tax levy under IC 6-1.1-18.5 for property taxes payable in 2000 by the amount of property taxes imposed in 1999 in the county for the general fund to pay for family and children's services, programs, and activities.**

(b) This SECTION expires January 1, 2001.

SECTION 81. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: **IC 6-3-1-3.5, as amended by this act, applies to taxable years beginning after December 31, 1998.**

SECTION 81. [EFFECTIVE JULY 1, 1999] **IC 6-1.1-18.5-2, as amended by this act, applies to maximum property tax levies after 1999.**

SECTION 82. IC 6-1.1-19-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) ~~"Adjusted general fund property tax rate" means the school corporation's actual rate adjusted by the school corporation's assessment~~

~~ratio as determined by the state board of tax commissioners.~~

~~(2) "Previous year adjusted general fund property tax rate" means a school corporation's previous year adjusted general fund property tax rate as determined under this section but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).~~

"Adjustment factor" means the adjustment factor determined by the state board of tax commissioners for a school corporation under IC 6-1.1-34.

(2) "Adjusted target property tax rate" means:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the school corporation's adjustment factor.

(3) "Previous year property tax rate" means the school corporation's previous year general fund property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).

(b) Except as otherwise provided in this chapter, a school corporation may not, for an ensuing calendar year, impose a general fund ad valorem property tax levy which exceeds the following:

~~STEP ONE: Determine the school corporation's target general fund property tax rate under IC 21-3-1.7-6.8.~~

~~STEP TWO: Subtract the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) from the school corporation's target general fund property tax rate determined under STEP ONE.~~

~~STEP THREE: Determine the levy resulting from the school corporation's previous year adjusted general fund property tax rate:~~

~~(A) plus the lesser of:~~

~~(i) in 1998 only, the STEP TWO result divided by two (2);~~

~~(ii) the STEP TWO result; or~~

~~(iii) fifteen cents ($0.15);~~

~~if the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) is not more than the school corporation's target general fund property tax rate determined under STEP ONE; or~~

~~(B) minus the lesser of:~~

~~(i) the absolute value of the STEP TWO result; or~~

~~(ii) twenty-five cents ($0.25);~~

~~if the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) exceeds the school corporation's target general fund property tax rate determined under STEP ONE.~~

~~STEP FOUR: Determine the sum of:~~

~~(A) the STEP THREE amount; plus~~

~~(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3)~~

~~years to the year preceding the ensuing calendar year by two (2) years.~~

STEP ONE: Determine the result of:

(A) the school corporation's adjusted target property tax rate; minus

(B) the school corporation's previous year property tax rate.

STEP TWO: Determine the result of:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the quotient resulting from:

(i) the absolute value of the result of the school corporation's adjustment factor minus one (1); divided by

(ii) two (2).

STEP THREE: If the school corporation's adjusted target property tax rate:

(A) exceeds the school corporation's previous year property tax rate, perform the calculation under STEP FOUR and not under STEP FIVE;

(B) is less than the school corporation's previous year property tax rate, perform the calculation under STEP FIVE and not under STEP FOUR; or

(C) equals the school corporation's previous year property tax rate, determine the levy resulting from using the school corporation's adjusted target property tax rate and do not perform the calculation under STEP FOUR or STEP FIVE.

STEP FOUR: Determine the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by the lesser of:

(A) the STEP ONE result; or

(B) the sum of:

(i) fifteen cents ($0.15); plus

(ii) if the school corporation's adjustment factor is more than one (1), the STEP TWO result.

STEP FIVE: Determine the levy resulting from using the school corporation's previous year property tax rate after reducing the rate by the lesser of:

(A) the absolute value of the STEP ONE result; or

(B) the sum of:

(i) twenty-five cents ($0.25); plus

(ii) if the school corporation's adjustment factor is less than one (1), the STEP TWO result.

STEP SIX: Determine the result of:

(A) the STEP THREE (C), STEP FOUR, or STEP FIVE result, whichever applies; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

The maximum levy is to include the portion of any excessive levy and the levy

for new facilities.

(c) For purposes of this section, "total assessed value", as adjusted under subsection (d), with respect to a school corporation means the total assessed value of all taxable property for ad valorem property taxes first due and payable during that year.

(d) The state board of tax commissioners may adjust the total assessed value of a school corporation to eliminate the effects of appeals and settlements arising from **a** statewide general reassessment of real property.

(e) The state board shall annually establish an assessment ratio **and adjustment factor** for each school corporation to be used upon the review and recommendation of the budget committee. The information compiled, including background documentation, may not be used in a:

(1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;

(2) petition for a correction of error under IC 6-1.1-15-12; or

(3) petition for refund under IC 6-1.1-26.

(f) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent ($0.0001). **All tax levies shall be computed by rounding the levy to the nearest dollar amount.**

SECTION 83. IC 6-1.1-34-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) After the state board of tax commissioners calculates a new assessment ratio for a school corporation and before publishing the new ratio, the board shall send a notice of the new assessment ratio to the county auditor, the county assessor, and the governing body of the school corporation. The state board of tax commissioners shall send these notices ~~on or~~ before ~~the second Tuesday in May~~ **March 2** of each year in which the board calculates a new assessment ratio for the school corporation.

(b) Within thirty (30) days after notification of a new assessment ratio, the county auditor, the county assessor, or the governing body of the school corporation may:

(1) examine and verify the state board of tax commissioners' data; and

(2) make suggestions concerning the values established by the board.

(c) Before April 15 of each year in which the board calculates a new assessment ratio for the school corporation, the state board of tax commissioners shall publish the new assessment ratio.

SECTION 84. IC 6-1.1-34-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. Each year in which the state board of tax commissioners computes a new assessment ratio for a school corporation, the board shall also compute a new adjustment factor for the school corporation. If the school corporation's assessment ratio for a year is more than ninety-nine percent (99%) but less than one hundred one percent (101%) of the state average assessment ratio for that year, the school corporation's adjustment factor is the number one (1). In all other cases, the school corporation's adjustment factor equals (1) the state average assessment ratio for a year, divided by (2) the school corporation's assessment ratio for that year. The state board of tax commissioners shall notify the school corporation of its new adjustment factor ~~on or~~ before ~~July 1st~~ **March 2** of the year in which the board

calculates the new adjustment factor.

SECTION 85. IC 21-3-1.7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. As used in this chapter, "tuition support levy" means with respect to a school corporation for a year the maximum general fund ad valorem property tax levy for the school corporation determined under IC 6-1.1-19-1.5 reduced by the following:

(1) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(2) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under ~~IC 6-1.1-19-4(e)(1)(bb) or~~ IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.

(3) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

SECTION 86. IC 21-3-1.7-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.6. **(a)** For purposes of this chapter, a school corporation's "adjusted ~~current~~ ADM" **without a specified year** is the result determined under ~~STEP SEVEN of the following formula~~ **this section for funding for the current year. Whenever there is a reference to an adjusted ADM for a specified year, previous year, or following year, adjusted ADM is the ADM for the referenced year after the adjustments that were in effect for the referenced year under this section.**

~~STEP ONE: Determine the result of the school corporation's ADM for the previous year minus the school corporation's current ADM.~~

~~STEP TWO: Multiply the STEP ONE result by eight-tenths (0.8).~~

~~STEP THREE: Determine the greater of the following:~~

~~(A) The STEP TWO result.~~

~~(B) Zero (0).~~

~~STEP FOUR: Determine the greater of zero (0) or the result of the school corporation's ADM for the year preceding the current year by two (2) minus the school corporation's ADM for the previous year.~~

~~STEP FIVE: Multiply the STEP FOUR result by six-tenths (0.6).~~

~~STEP SIX: This STEP applies if the STEP TWO result is negative. Determine the greater of the following:~~

~~(A) The STEP FIVE result minus the absolute value of the STEP TWO result.~~

~~(B) Zero (0).~~

~~STEP SEVEN: Determine the sum of the following:~~

~~(A) The school corporation's current ADM.~~

~~(B) The result determined under STEP THREE.~~

~~(C) The result determined under:~~

~~(i) STEP SIX if applicable; or~~

~~(ii) STEP FIVE, if STEP SIX does not apply.~~

(b) This subsection applies only to a school corporation that has an ADM for the current year that is greater than the school corporation's ADM for 1999. The school corporation's adjusted ADM is its ADM for

1999 plus the result of the following:

STEP ONE: Determine the result of:

(A) the school corporation's ADM for the current year; minus

(B) the school corporation's ADM for 1999.

STEP TWO: If the STEP ONE result is:

(A) at least one hundred twenty (120), multiply the STEP ONE result by nine-tenths (0.9);

(B) at least twenty-five (25) and less than one hundred twenty (120), multiply the STEP ONE result by six-tenths (0.6); or

(C) less than twenty-five (25), multiply the STEP ONE result by one-tenth (0.1).

Round the result to the nearest five-tenths (0.5).

(c) This subsection does not apply to a school corporation that has had an increasing ADM every year since 1997. For purposes of this section, adjusted ADM for 2000 means the school corporation's ADM adjusted for any increases for 2000 under subsection (b). For 2000, a school corporation's adjusted ADM shall be increased using the following declining enrollment formula:

STEP ONE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by two (2) years.

(B) The school corporation's ADM for the year preceding the current year by one (1) year.

(C) The school corporation's adjusted ADM for 2000.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by three (3) years; minus

(B) the STEP ONE amount.

STEP THREE: Determine the greater of the following:

(A) The school corporation's ADM for the year preceding the current year by one (1) year.

(B) The school corporation's adjusted ADM for 2000.

STEP FOUR: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by two (2) years; minus

(B) the STEP THREE amount.

STEP FIVE: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by one (1) year; minus

(B) the school corporation's adjusted ADM for 2000.

STEP SIX: Determine the sum of the following:

(A) The STEP TWO result multiplied by four-tenths (0.4).

(B) The STEP FOUR result multiplied by six-tenths (0.6).

(C) The STEP FIVE result multiplied by eight-tenths (0.8).

STEP SEVEN: Determine the result of:

(A) the school corporation's adjusted ADM for 2000; plus

(B) the STEP SIX result.

Round the result to the nearest five-tenths (0.5).

(d) This subsection does not apply to a school corporation that has had an increasing ADM every year for the previous four (4) years. For purposes of this section, adjusted ADM means the ADM determined under subsection (b) if that subsection applies, otherwise, adjusted ADM is the school corporation's actual ADM. Beginning in 2001, a school corporation's adjusted ADM shall be increased using the following declining enrollment formula:

STEP ONE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by three (3) years.

(B) The school corporation's ADM for the year preceding the current year by two (2) years.

(C) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(D) The school corporation's adjusted ADM for the current year.

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by four (4) years; minus

(B) the STEP ONE amount.

STEP THREE: Determine the greatest of the following:

(A) The school corporation's ADM for the year preceding the current year by two (2) years.

(B) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(C) The school corporation's adjusted ADM for the current year.

STEP FOUR: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by three (3) years; minus

(B) the STEP THREE amount.

STEP FIVE: Determine the greater of the following:

(A) The school corporation's adjusted ADM for the year preceding the current year by one (1) year.

(B) The school corporation's adjusted ADM for the current year.

STEP SIX: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by two (2) years; minus

(B) the STEP FIVE amount.

STEP SEVEN: Determine the greater of zero (0) or the result of:

(A) the school corporation's adjusted ADM for the year preceding the current year by one (1) year; minus

(B) the school corporation's adjusted ADM for the current year.

STEP EIGHT: Determine the sum of the following:

(A) The STEP TWO result multiplied by two-tenths (0.2).

(B) The STEP FOUR result multiplied by four-tenths (0.4).

(C) The STEP SIX result multiplied by six-tenths (0.6).

(D) The STEP SEVEN result multiplied by eight-tenths (0.8).

STEP NINE: Determine the result of:

(A) the school corporation's adjusted ADM for the current year;

plus

(B) the STEP EIGHT result.

Round the result to the nearest five-tenths (0.5).

SECTION 87. IC 21-3-1.7-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.7. A school corporation's target revenue per ADM for a calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (D) of the following formula:

(A) Divide the school corporation's at-risk index determined under IC 21-3-1.8-1.1 by three (3).

(B) Add one (1) to the clause (A) result.

(C) Multiply the result determined under clause (B) by ~~three thousand six hundred seventy-five dollars ($3,675) in 1998 and three thousand eight hundred eighty-five dollars ($3,885) in 1999.~~ **four thousand one hundred fourteen dollars ($4,114) in 2000 and four thousand three hundred thirty-two dollars ($4,332) in 2001.**

(D) Multiply the clause (C) product by the school corporation's adjusted ~~current~~ ADM **for the current year.**

STEP TWO: Divide the school corporation's previous year revenue by the school corporation's **adjusted** ADM for the previous year.

STEP THREE: Multiply the sum of one (1) plus the school corporation's at-risk index by the following:

(A) ~~One hundred dollars ($100),~~ If the STEP TWO result is not more than:

(i) ~~three thousand seven hundred fifteen dollars ($3,715) in 1998;~~ **four thousand one hundred one dollars ($4,101) in 2000;** and

(ii) ~~three thousand eight hundred fifty-four dollars ($3,854) in 1999.~~ **four thousand three hundred three dollars ($4,303) in 2001;**

multiply by one hundred dollars ($100).

(B) ~~The result determined under item (iv),~~ If the STEP TWO result is: ~~more than three thousand seven hundred fifteen dollars ($3,715) in 1998 and three thousand eight hundred fifty-four dollars ($3,854) in 1999 and not more than four thousand four hundred seventy-eight dollars ($4,478) in 1998 and four thousand five hundred eight dollars ($4,508) in 1999:~~ (i) **more than four thousand one hundred one dollars ($4,101) and not more than four thousand eight hundred eighty-five dollars ($4,885) in 2000; or**

(ii) more than four thousand three hundred three dollars ($4,303) and not more than five thousand one hundred seventeen dollars ($5,117) in 2001;

multiply by the result under clause (C).

~~Subtract three thousand seven hundred fifteen dollars ($3,715) in 1998 and three thousand eight hundred fifty-four dollars ($3,854) in 1999 from~~

(C) Determine the result of:

(i) the STEP TWO result minus **four thousand one hundred one**

dollars ($4,101) in 2000 and four thousand three hundred three dollars ($4,303) in 2001.

(ii) Divide the item (i) result by ~~seven hundred sixty-three dollars ($763) in 1998~~ **seven hundred eighty-four dollars ($784) in 2000** and ~~six hundred fifty-four dollars ($654) in 1999.~~ **eight hundred fourteen dollars ($814) in 2001.**

(iii) Multiply the item (ii) result by ~~in 1998, thirty dollars ($30) and, in 1999,~~ thirty dollars ($30).

(iv) Subtract the item (iii) result from one hundred dollars ($100).

~~(C) Seventy dollars ($70),~~ **(D)** If the STEP TWO result is more than:

(i) ~~four thousand four hundred seventy-eight dollars ($4,478) in 1998,~~ **four thousand eight hundred eighty-five dollars ($4,885) in 2000;** and

(ii) ~~four thousand five hundred eight dollars ($4,508) in 1999.~~ **five thousand one hundred seventeen dollars ($5,117) in 2001;**

multiply by seventy dollars ($70).

STEP FOUR: Add the STEP TWO result and the STEP THREE result.

STEP FIVE: Determine the ~~greater~~ **greatest** of the following:

(A) Multiply the STEP FOUR result by the school corporation's adjusted ~~current~~ ADM **for the current year.**

(B) **Multiply** the school corporation's previous year revenue **by one and three-hundredths (1.03).**

(C) The STEP ONE amount.

STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ~~current~~ ADM **for the current year.**

SECTION 88. IC 21-3-1.7-6.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6.8. A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP THREE of the following formula:

STEP ONE: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter minus the result determined in STEP ONE of the formula in section 6.7 of this chapter is greater than zero (0). Determine the result under clause (E) of the following formula:

(A) Divide the school corporation's current assessed valuation by the school corporation's current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

(i) The clause (B) result.

(ii) ~~Ten dollars ($10) in 1998 and nine dollars and fifty cents ($9.50) in 1999.~~ **Nine dollars ($9).**

(D) Determine the result determined under item (ii) of the following formula:

(i) Subtract the result determined in STEP ONE of the formula in section 6.7 of this chapter from the amount determined in STEP FIVE of the formula in section 6.7 of this chapter.

(ii) Divide the item (i) result by the school corporation's current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

STEP TWO: This STEP applies only if the amount determined in STEP FIVE of the formula in section 6.7 of this chapter is equal to STEP ONE of the formula in section 6.7 of this chapter and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year.

(iii) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's current assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) ~~Ten dollars ($10) in 1998 and nine dollars and fifty cents ($9.50) in 1999.~~ **Nine dollars ($9).**

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide **the** clause (F) result by one hundred (100).

STEP THREE: Determine the sum of: ~~in:~~

(A) ~~1998, two dollars and sixty-four cents ($2.64);~~ **two dollars and sixty-eight and one-half cents ($2.685) in 2000;** and

(B) ~~1999, two dollars and sixty-five cents ($2.65);~~ two dollars and seventy-one **and one quarter** cents ~~($2.71)~~ **($2.7125)** in 2001;

if applicable, the STEP ONE or STEP TWO result.

SECTION 89. IC 21-3-1.7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. If a computation under this chapter results in a fraction **and a rounding rule is not specified,** the fraction shall be rounded ~~to~~ **as follows:**

(1) **If it is a tax rate calculation, to the nearest one-hundredth of a cent ($0.0001).**

(2) If it is a tuition support calculation, to the nearest cent ($0.01).

(3) If it is a calculation not covered by subdivision (1) or (2), to the nearest ten-thousandth (.0001). ~~or~~

~~(2) the nearest cent;~~

~~whichever is applicable.~~

SECTION 90. IC 21-3-1.7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition support for basic programs for each school corporation equals the result determined using the following formula:

STEP ONE: Determine the greater of the following:

(A) The product of:

(i) the school corporation's target revenue per ADM; multiplied by

(ii) the school corporation's adjusted ~~current~~ ADM **for the current year.**

~~(B) The product of:~~

~~(i) the school corporation's previous year revenue; multiplied by~~

~~(ii) one and three-hundredths (1.03).~~

(B) For a school corporation that has target revenue per ADM for a calendar year that is equal to the IC 21-3-1.7-6.7 STEP ONE (C) amount, determine the sum of:

(i) the school corporation's target revenue per ADM multiplied by the school corporation's adjusted ADM for the current year; plus

(ii) the amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years; plus

(iii) the original amount of an excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4.5(c) for taxes first due and payable during the year; plus

(iv) the part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

STEP TWO: Determine the remainder of:

(A) the STEP ONE amount; minus

(B) the sum of:

(i) the school corporation's tuition support levy; plus

(ii) the school corporation's excise tax revenue for the year that precedes the current year by one (1) year.

If the state tuition support determined for a school corporation under this section is negative, the school corporation is not entitled to any state tuition support. In addition, the school corporation's maximum general fund levy under IC 6-1.1-19-1.5 shall be reduced by the amount of the negative result.

SECTION 91. IC 21-3-1.7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) Subject to the amount appropriated by the general assembly for tuition support, the amount that a school corporation is entitled to receive in tuition support for a year is the amount determined in section 8 of this chapter.

(b) If the total amount to be distributed as tuition support under this chapter, for enrollment adjustment grants under section 9.5 of this chapter, for at-risk

programs under section 9.7 of this chapter, for academic honors diploma awards under section 9.8 of this chapter, and as special and vocational education grants under IC 21-3-1.8-3 or IC 21-3-10 for a particular year, exceeds:

~~(1) two billion six hundred fourteen million eight hundred thousand dollars ($2,614,800,000) for 1997;~~

~~(2) two billion seven hundred seventy-one million six hundred thousand dollars ($2,771,600,000) in 1998; and~~

~~(3)~~ **(1)** two billion nine hundred thirty-nine million two hundred thousand dollars ($2,939,200,000) in 1999;

(2) three billion one hundred fifty-nine million, eight hundred thousand dollars ($3,159,800,000) in 2000; and

(3) three billion three hundred forty-six million two hundred thousand dollars ($3,346,200,000) in 2001;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess.

SECTION 92. IC 21-3-1.7-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 9.5. (a) In addition to the distribution under sections 8, 9.7, and 9.8 of this chapter, a school corporation is eligible for an enrollment adjustment grant if the school corporation's:

(1) current ADM minus the school corporation's previous year ADM is at least two hundred fifty (250); or

(2) current ADM divided by the school corporation's previous year ADM is at least one and five-hundredths (1.05).

(b) The amount of the enrollment adjustment grant is the amount determined in STEP THREE of the following formula:

STEP ONE: Determine the school corporation's target revenue per ADM divided by three (3).

STEP TWO: Determine the result of the school corporation's current ADM minus ~~in 1998,~~ the school corporation's previous year ADM.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

SECTION 93. IC 21-3-1.7-9.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9.7. In addition to the distributions under sections 8, 9.5, and 9.8 of this chapter for 1997 and thereafter, a school corporation is eligible for an amount for at-risk programs in the amount determined in STEP SIX of the following formula:

~~STEP~~ STEP ONE: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index minus two-tenths (0.2).

(ii) Multiply the item (i) result by seven-hundredths (0.07).

(B) Zero (0).

STEP TWO: Determine the greater of the following:

(A) The result determined under item (ii) of the following formula:

(i) Determine the result of the school corporation's at-risk index

minus fifteen-hundredths (0.15).

(ii) Multiply the item (i) result by eighteen-hundredths (0.18).

(B) Zero (0).

STEP THREE: Add the STEP ONE result and the STEP TWO result.

STEP FOUR: Multiply the STEP THREE sum by the school corporation's current ADM. Round the result to the nearest one-hundredth (0.01).

STEP FIVE: Multiply the STEP FOUR product by ~~two thousand nine hundred fifty dollars ($2,950) in 1998 and three thousand one hundred thirty-five dollars ($3,135) in 1999.~~ **three thousand six hundred seventy dollars ($3,670) in 2000 and three thousand nine hundred ninety dollars ($3,990) in 2001.**

SECTION 94. IC 21-3-1.7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. This chapter expires January 1, ~~2000.~~ **2002.**

SECTION 95. IC 21-3-1.8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. In addition to the amount a school corporation is entitled to receive in tuition support, each school corporation is entitled to receive a grant for vocational education programs. The amount of the vocational education grant is the product of:

(1) the school corporation's additional pupil count for the year for vocational education programs; multiplied by

(2) ~~for:~~ **the following:**

(A) ~~1998,~~ one thousand ~~five hundred seventy dollars ($1,570);~~ **six hundred sixteen dollars ($1,616) in 2000;** and

(B) ~~1999,~~ one thousand ~~six hundred dollars ($1,600).~~ **six hundred thirty-two dollars ($1,632) in 2001.**

SECTION 96. IC 21-3-1.8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6. This chapter expires January 1, ~~2000.~~ **2002.**

SECTION 97. IC 21-3-10-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

(1) the nonduplicated count of pupils in programs for severe disabilities multiplied by:

(A) ~~for 1998,~~ seven thousand ~~two hundred five dollars ($7,205);~~ **four hundred dollars ($7,400) in 2000;** and

(B) ~~for 1999,~~ seven thousand ~~two hundred eighty-five dollars ($7,285);~~ **five hundred fifty dollars ($7,550) in 2001;** plus

(2) the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by:

(A) ~~for 1998, one thousand nine hundred fifty-four dollars ($1,954);~~ **two thousand twenty-five dollars ($2,025) in 2000;** and

(B) ~~for 1999, one thousand nine hundred seventy-seven dollars ($1,977);~~ **two thousand sixty-five dollars ($2,065) in 2001;** plus

(3) the duplicated count of pupils in programs for communication disorders multiplied by:

(A) ~~for 1998,~~ four hundred ~~sixty-two dollars ($462);~~ **eighty dollars**

($480) in 2000; and

(B) ~~for 1999,~~ four hundred ~~sixty-nine dollars ($469);~~ **ninety dollars ($490) in 2001;** plus

(4) the cumulative count of pupils in homebound programs multiplied by:

(A) four hundred ~~sixty-two dollars ($462) in 1998~~ **eighty dollars ($480) in 2000;** and

(B) four hundred ~~sixty-nine dollars ($469) in 1999~~ **ninety dollars ($490) in 2001.**

SECTION 98. IC 21-3-10-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 11. This chapter expires January 1, ~~2000.~~ **2002.**

SECTION 99. IC 21-3-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. **(a)** A qualifying school corporation is eligible to receive a grant from the state for each full-time equivalent student who is enrolled in an alternative education program conducted for the school corporation. The maximum amount that may be granted to a qualifying school corporation in a school year is seven hundred fifty dollars ($750) per full-time equivalent student.

(b) To receive a grant under this chapter, the school corporation must expend **on alternative education programs** in the school year a matching amount of at least ~~two hundred fifty dollars ($250)~~ **one-third (1/3) of the amount of the state grant** per full-time equivalent student, ~~on alternative education programs,~~ as determined under the rules adopted by the Indiana state board of education.

SECTION 100.. IC 21-3-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. The number of full-time equivalent students enrolled in an alternative education program during a reporting period is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the number of alternative education program sessions that were conducted in a reporting period for a qualifying school corporation as follows:

(A) Determine the number of days on which an alternative education program was conducted for an entire morning, as determined under the rules adopted by the Indiana state board of education.

(B) Determine the number of days on which an alternative education program was conducted for an entire afternoon, as determined under the rules adopted by the Indiana state board of education.

(C) Determine the number of days on which an alternative education program was conducted for an entire evening, as determined under the rules adopted by the Indiana state board of education.

(D) Determine the sum of the clause (A), (B), and (C) amounts.

STEP TWO: For each morning, afternoon, and evening session of an alternative education program that is used to determine the STEP ONE result, determine the number of eligible students ~~attending~~ **enrolled in** the sessions.

STEP THREE: Determine the sum of the STEP TWO amounts.

STEP FOUR: Divide the STEP THREE result by the STEP ONE result.

STEP FIVE: Divide the STEP ONE result by three hundred sixty (360).

STEP SIX: Multiply the STEP FOUR result by the STEP FIVE result.

SECTION 101. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2000]: IC 21-3-1.7-6.3; P.L.6-1997, SECTION 86.

SECTION 102. P.L.50-1996, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: SECTION 18. (a) The department of education and the state board of tax commissioners shall select pilot school corporations under subsection (b). Beginning January 1, 1997, the school corporations selected under subsection (b) shall comply with SECTIONS 1 through 18 of this act as if those SECTIONS were effective January 1, 1997.

(b) Before October 1, 1996, the department of education and the state board of tax commissioners shall meet to select ten (10) pilot school corporations. The pilot school corporations shall be selected with the objective that the pilot school corporations collectively represent a broad range of the different types and sizes of school corporations that exist in Indiana. In order to achieve this objective, the department of education and the state board of tax commissioners shall select the pilot school corporations based on the following criteria:

(1) The size of the student population within the corporation.

(2) The size of the geographic territory served by the corporation.

(3) The average growth of the property tax assessed valuation within the corporation's district over the preceding three (3) years.

(4) The growth or decline of the ADM (as defined in IC 21-3-1.6-1.1) within the corporation over the preceding three (3) years, excluding any year in which there is a general reassessment.

(5) The extent of urban development in the corporation.

(6) Any other factors the department of education and the state board of tax commissioners determine are necessary to distinguish a group or category of school corporations that deserve representation by a pilot school corporation.

(c) All state and local governmental officials whose official functions relate to this act shall cooperate with the department of education, the state board of tax commissioners, and the pilot school corporations to implement this act.

(d) This SECTION expires July 1, ~~1999.~~ **2001.**

SECTION 103. P.L.50-1996, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: SECTION 19. (a) The initial school year budget adopted by a pilot school corporation selected under SECTION 18 of this act and fixed by the state board of tax commissioners under this act is for the period beginning July 1, 1997, through June 30, 1998. The first six (6) months of the initial budget for a pilot school corporation must be consistent with the last six (6) months of the budget fixed by the state board of tax commissioners for calendar year 1997 under the procedures effective in 1996.

(b) **Notwithstanding any other law,** the initial school year budget adopted by a school corporation, other than a pilot school corporation selected under SECTION 18 of this act, and fixed by the state board of tax commissioners under this act, is for the period beginning July 1, ~~1999,~~ **2001,** through June 30, ~~2000.~~ **2002.** The first six (6) months of the initial budget must be consistent

with the last six (6) months of the budget fixed by the state board of tax commissioners for calendar year ~~1999~~ **2001** under the procedures effective in ~~1998.~~ **2000.**

(c) This SECTION expires July 1, ~~2000.~~ **2002.**

SECTION 104. P.L.50-1996, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: SECTION 20. (a) The department of education, with the assistance of the state board of tax commissioners, shall submit to the budget committee the following concerning all pilot school corporations selected under SECTION 18 of this act:

(1) Before October 1, 1998, a written report that:

(A) specifies positive and negative aspects experienced in formulating a budget under this act;

(B) makes recommendations on how to remedy any perceived inadequacies in the provisions of this act; and

(C) analyzes the long term benefits of this act;

(2) Before October 1, 1999, a written report that:

(A) updates the report made under subdivision (1);

(B) outlines adjustments the school corporation made in the process of converting to formulating a budget under this act; and

(C) provides any other information related to the school corporation's experiences as a pilot school corporation under this act that the school corporation believes important to be made known to the general assembly or other school corporations before this act takes effect for all school corporations.

(3) Before October 1, 2000, a written report that updates the report made under subdivision (2).

(4) Before October 1, 2001, a written report that updates the report made under subdivision (3).

Each pilot school corporation shall provide the department of education with the information necessary for the department of education to complete the reports required under this subsection.

(b) The department of education shall send copies of the reports required by this SECTION to the following:

(1) The county auditor.

(2) The state board of tax commissioners.

(3) Each pilot school corporation.

(4) The Indiana School Boards Association.

(c) This SECTION expires July 1, ~~2000.~~ **2002.**

SECTION 105. IC 21-1-30-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. For purposes of computation under this chapter, the following shall be used:

(1) Kindergarten pupils shall be counted as five-tenths (0.5). All other pupils shall be counted as one (1).

(2) The number of pupils shall be the number of pupils used in determining ADM, as defined by IC 21-3-1.6, for the current year. However, students who are transferred under IC 20-8.1-6.1 or IC 20-8.1-6.5 shall be counted as students having legal settlement in the

transferee corporation and not having legal settlement in the transferor corporation.

(3) Only a licensed teacher who is an actual classroom teacher in a regular instructional program shall be counted as a teacher, except as permitted under section 5 of this chapter.

(4) If a school corporation is granted approval under section 5 of this chapter, the school corporation may include as one-third (1/3) of a teacher in its computation for ~~funding~~ **determining the full-time primetime staff equivalents** under this chapter each classroom instructional aide who meets qualifications and performs duties prescribed by the Indiana state board of education.

(5) ~~Base year refers to the school year immediately preceding the year that the school corporation implemented IC 21-1-29 (before its repeal by P.L.278-1993(ss), SECTION 16) for a particular grade level. However, if the enrollment and staffing patterns that year for any reason did not fairly represent the normal enrollment and staffing patterns of a particular school corporation for that grade level, the department of education may adjust the base year so that the base year reflects the normal staffing and enrollment pattern for that school corporation.~~ **The staff cost for a school corporation is:**

(A) the result of:

(i) the number of full-time equivalent primetime teachers divided by the sum of the number of full-time equivalent primetime teachers plus the number of full-time equivalent primetime aides; multiplied by

(ii) fifty thousand dollars ($50,000); plus

(B) the result of:

(i) the number of full-time equivalent primetime aides divided by the sum of the number of full-time equivalent primetime teachers plus the number of full-time equivalent primetime aides; multiplied by

(ii) nine thousand dollars ($9,000).

SECTION 106. IC 21-1-30-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for kindergarten is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten for the current school year; divided by~~

~~(B) eighteen (18).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in kindergarten classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school~~

~~corporation to kindergarten classes for the respective base year; and~~
~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~
~~(4) Determine the remainder of:~~
~~(A) the amount determined under subdivision (2); minus~~
~~(B) the amount determined under subdivision (3).~~
~~(5) Determine the greater of:~~
~~(A) the amount determined under subdivision (4); or~~
~~(B) zero (0).~~
~~(6) Determine the product of:~~
~~(A) the amount determined under subdivision (5); and~~
~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of eighteen (18) or the result of:
(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten for the current school year; divided by
(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in kindergarten classes.

STEP TWO: Determine the result of:
(A) the STEP ONE result; divided by
(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:
(A) one (1); minus
(B) the STEP TWO result.

STEP FOUR: Determine the result of:
(A) the STEP THREE result; multiplied by
(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:
(A) the STEP FOUR result; divided by
(B) the STEP ONE result.

STEP SIX: Determine the result of:
(A) the STEP FIVE result; multiplied by
(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten for the current school year.

The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 108. IC 21-1-30-3.1 IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2001]: Sec. 3.1. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for grade 1 is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 1 for the current school year; divided by~~

~~(B) eighteen (18).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in grade 1 classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school corporation to grade 1 classes for the respective base year; and~~

~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~

~~(4) Determine the remainder of:~~

~~(A) the amount determined under subdivision (2); minus~~

~~(B) the amount determined under subdivision (3).~~

~~(5) Determine the greater of:~~

~~(A) the amount determined under subdivision (4); or~~

~~(B) zero (0).~~

~~(6) Determine the product of:~~

~~(A) the amount determined under subdivision (5); and~~

~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of eighteen (18) or the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 1 for the current school year; divided by

(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in grade 1 classes.

STEP TWO: Determine the result of:

(A) the STEP ONE result; divided by

(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:

(A) one (1); minus

(B) the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the STEP ONE result.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 1 for the current school year.

The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 109. IC 21-1-30-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3.2. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for grade 2 is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 2 for the current school year; divided by~~

~~(B) twenty (20).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in grade 2 classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school corporation to grade 2 classes for the respective base year; and~~

~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~

~~(4) Determine the remainder of:~~

~~(A) the amount determined under subdivision (2); minus~~

~~(B) the amount determined under subdivision (3).~~

~~(5) Determine the greater of:~~

~~(A) the amount determined under subdivision (4); or~~

~~(B) zero (0).~~

~~(6) Determine the product of:~~

~~(A) the amount determined under subdivision (5); and~~

~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of twenty (20) or the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 2 for the current school year;

divided by

(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in grade 2 classes.

STEP TWO: Determine the result of:

(A) the STEP ONE result; divided by

(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:

(A) one (1); minus

(B) the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the STEP ONE result.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 2 for the current school year.

The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 110. IC 21-1-30-3.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3.3. The amount to be ~~distributed to~~ **used in section 7 of this chapter for** a school corporation that implements this chapter for grade 3 is the amount determined under ~~subdivision (6) of~~ the following formula:

~~(1) Determine the quotient of:~~

~~(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 3 for the current school year; divided by~~

~~(B) twenty (20).~~

~~(2) Determine the lesser of:~~

~~(A) the amount determined under subdivision (1); or~~

~~(B) the number of full-time teacher equivalents employed by the school corporation for the current school year in grade 3 classes.~~

~~(3) Determine the sum of:~~

~~(A) the number of full-time teacher equivalents allocated by the school corporation to grade 3 classes for the respective base year; and~~

~~(B) the net number of full-time teacher equivalents that the school corporation has reassigned since the base year, to grade levels affected by this chapter from grade levels not affected by this chapter, as determined by the Indiana state board of education, and as measured in the current year.~~

~~(4) Determine the remainder of:~~

~~(A) the amount determined under subdivision (2); minus~~

~~(B) the amount determined under subdivision (3).~~

~~(5) Determine the greater of:~~

~~(A) the amount determined under subdivision (4); or~~

~~(B) zero (0).~~

~~(6) Determine the product of:~~

~~(A) the amount determined under subdivision (5); and~~

~~(B) twenty-five thousand seven hundred fifty-two dollars ($25,752) beginning with the 1995-1996 school year and twenty-six thousand five hundred twenty-six dollars ($26,526) beginning with the 1996-1997 school year and for each school year thereafter.~~

STEP ONE: Determine the greater of twenty (20) or the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 3 for the current school year; divided by

(B) the number of full-time primetime staff equivalents employed by the school corporation for the current school year in grade 3 classes.

STEP TWO: Determine the result of:

(A) the STEP ONE result; divided by

(B) twenty-three and five-tenths (23.5).

STEP THREE: Determine the greater of zero (0) or the result of:

(A) one (1); minus

(B) the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the school corporation's staff cost.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the STEP ONE result.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in grade 3 for the current school year.

The amount to be used in section 7 of this chapter must be reduced if the school corporation's primetime staff/pupil ratio determined under STEP ONE is greater than the ratio for the previous school year. The amount of the reduction is two and five-tenths percent (2.5%) of the amount per ADM for each one-tenth (0.1) increase in the ratio.

SECTION 111. IC 21-1-30-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 5. (a) The Indiana state board of education shall approve the counting of classroom instructional aides as teachers under section 2(4) of this chapter or the negotiation of transfer tuition agreements between school corporations under IC 20-8.1-6.1-8(i) if the school corporation can substantiate each year that providing adequate classroom space for the attainment of ~~the average~~ **a** pupil/teacher ratio ~~permitted~~ **of eighteen (18) to one (1) for kindergarten and grade one (1) and twenty (20) to one (1) for grades two (2) and three (3)** under section 3, 3.1, 3.2, or 3.3 of this chapter creates an unreasonable hardship for that school corporation.

~~(b) If a school corporation qualifies under subsection (a) for classroom instructional aides and the number determined under section 3(3)(B), 3.1(3)(B), 3.2(3)(B), or 3.3(3)(B) of this chapter, respectively, is greater than zero (0), that school corporation shall receive an additional amount for the hiring of classroom instructional aides equal to the number determined under the respective section 3(3)(B), 3.1(3)(B), 3.2(3)(B), or 3.3(3)(B) of this chapter, multiplied by six thousand dollars ($6,000).~~

~~(c)~~ **(b)** If a school corporation qualifies under subsection (a) for classroom instructional aides, the school corporation shall present to the Indiana state board of education a plan concerning that school corporation's instructional aides program.

SECTION 112. IC 21-1-30-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 7. **(a) In addition to state tuition support under IC 21-3-1.7, the amount to be distributed to a school corporation that implements this chapter in kindergarten, grade 1, grade 2, or grade 3 is the amount determined under the following formula:**

STEP ONE: Determine the result of:

(A) the kindergarten amount under section 3 of this chapter;

(B) the grade 1 amount under section 3.1 of this chapter;

(C) the grade 2 amount under section 3.2 of this chapter; plus

(D) the grade 3 amount under section 3.3 of this chapter.

STEP TWO: Determine the greater of:

(A) the lesser of:

(i) the STEP ONE result; or

(ii) the amount the school corporation received under this chapter for the preceding school year multiplied by one and one-tenth (1.1) less the penalties imposed under sections 3, 3.1, 3.2, and 3.3 of this chapter; or

(B) the amount the school corporation received under this chapter for the 1998-1999 school year less the penalties imposed under sections 3, 3.1, 3.2, and 3.3 of this chapter.

~~(a)~~ **(b)** School corporations shall apply for money under this chapter on a form prescribed by the Indiana state board of education on or before the date designated by the Indiana state board of education.

~~(b)~~ **(c)** The Indiana state board shall distribute the funds in twelve (12) monthly installments to the school corporations on or before the fifteenth day of each month.

~~(c)~~ **(d)** If the money appropriated in any fiscal year by the general assembly for the primetime program is insufficient to fund the state primetime distribution formula under this chapter, all claims shall be reduced proportionately.

SECTION 113. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2001]: IC 21-1-30-4.

SECTION 114. [EFFECTIVE JANUARY 1, 2000] **Notwithstanding IC 21-1-30, as it existed on January 1, 2000, a school corporation's primetime distribution shall be determined on a calendar year basis and shall be combined with state tuition support. Beginning with distributions to be made in 2001, a school corporation's primetime distribution shall be**

determined on a calendar year basis under IC 21-1-30, as amended by this act.

SECTION 115. IC 4-22-2-37.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

(1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.

(2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.

(3) An emergency temporary standard adopted by the occupational safety standards commission under IC 22-8-1.1-16.1.

(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.

(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule jointly adopted by the water pollution control board and the budget agency under IC 13-18-13-18.

(9) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(10) A rule adopted under IC 16-19-3-5 that the executive board of the state department of health declares is necessary to meet an emergency.

(11) An emergency rule adopted by the Indiana transportation finance authority under IC 8-21-12.

(12) An emergency rule adopted by the insurance commissioner under IC 27-1-23-7.

(13) An emergency rule adopted by the Indiana horse racing commission under IC 4-31-3-9.

(14) An emergency rule adopted by the air pollution control board, the solid waste management board, or the water pollution control board under IC 13-15-4-10(4) or to comply with a deadline required by federal law, provided:

(A) the variance procedures are included in the rules; and

(B) permits or licenses granted during the period the emergency rule is in effect are reviewed after the emergency rule expires.

(15) An emergency rule adopted by the Indiana election commission under IC 3-6-4.1-14.

(16) An emergency rule adopted by the department of natural resources under IC 14-10-2-5.

(17) An emergency rule adopted by the Indiana gaming commission under IC 4-33-4-2, IC 4-33-4-3, or IC 4-33-4-14.

(18) An emergency rule adopted by the alcoholic beverage commission

under IC 7.1-3-17.5, IC 7.1-3-17.7, or IC 7.1-3-20-24.4.

(19) An emergency rule adopted by the department of financial institutions under IC 28-15-11.

(20) An emergency rule adopted by the office of the secretary of family and social services under IC 12-8-1-12.

(21) An emergency rule adopted by the office of the children's health insurance program under IC 12-17.6-2-7.

(b) The following do not apply to rules described in subsection (a):

(1) Sections 24 through 36 of this chapter.

(2) IC 13-14-9.

(c) After a rule described in subsection (a) has been adopted by the agency, the agency shall submit the rule to the publisher for the assignment of a document control number. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the secretary of state for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The secretary of state shall determine the number of copies of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the secretary of state shall:

(1) accept the rule for filing; and

(2) file stamp and indicate the date and time that the rule is accepted on every duplicate original copy submitted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, and IC 22-8-1.1-16.1, a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(14), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. A rule adopted under subsection (a)(14) may be extended for two (2) extension periods. Except for a rule adopted under subsection (a)(14), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or

(2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(6), (a)(9), or (a)(13) expires on the

earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.

(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

SECTION 116. IC 4-23-26 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 26. Advisory Committee for Children With Special Health Needs

Sec. 1. As used in this chapter, "committee" refers to the advisory committee for children with special health needs established by section 2 of this chapter.

Sec. 2. The advisory committee for children with special health needs is established.

Sec. 3. (a) The committee consists of the following members:

(1) The director of the children's special health care services program.

(2) The director of the first steps program.

(3) The chair of the governor's interagency coordinating council for early intervention.

(4) The chair of the children's special health care services advisory council under 410 IAC 3.2-11.

(5) The director of the division of special education created under IC 20-1-6-2.1.

(6) One (1) representative of the Indiana chapter of the American Academy of Pediatrics.

(7) One (1) representative of a family advocacy group.

(8) Three (3) parents of children with special health needs.

(9) Three (3) parents of children who are enrolled in the:

(A) children's health insurance program under IC 12-17.6; or

(B) Medicaid managed care program for children.

(b) The members under subdivisions (1) and (2) are nonvoting members.

Sec. 4. (a) The governor shall appoint the committee members under section 3(6), 3(7), 3(8), and 3(9) of this chapter.

(b) The term of each member appointed under subsection (a) is three (3) years.

(c) A committee member identified in subsection (a) may be reappointed to serve consecutive terms.

Sec. 5. (a) The director of the children's special health care services program is chair of the committee during odd numbered years.

(b) The director of the first steps program is chair of the committee during even numbered years.

Sec. 6. The committee shall meet at least quarterly at the call of the chair.

Sec. 7. Eight (8) members of the committee constitute a quorum.

Sec. 8. (a) Each member of the committee who is not a state employee

is entitled to receive both of the following:

(1) The minimum salary per diem provided by IC 4-10-11-2.1(b).

(2) Reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the committee who is a state employee is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 9. The committee shall advise and assist the children's health policy board established by IC 4-23-27-2 in the development, coordination, and evaluation of policies that have an impact on children, with a focus on children with special health needs, by doing the following:

(1) Seeking information from families, service providers, advocacy groups, and health care specialists about state or local policies that impede the provision of quality service.

(2) Taking steps to ensure that relevant health policy issues that have an impact on children are forwarded to the children's health policy board.

(3) Advising the children's health policy board with respect to the integration of services across:

(A) programs; and

(B) state agencies;

for children with special health needs.

SECTION 117. IC 4-23-27 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 27. Children's Health Policy Board

Sec. 1. As used in this chapter, "board" refers to the children's health policy board established by section 2 of this chapter.

Sec. 2. The children's health policy board is established.

Sec. 3. The board consists of the following members:

(1) The chair, appointed by the governor.

(2) The secretary of family and social services.

(3) The state health commissioner.

(4) The insurance commissioner of Indiana.

(5) The state personnel director.

(6) The budget director.

(7) The state superintendent of public instruction.

Sec. 4. The governor may appoint a member of the board listed under section 3(2) through 3(7) of this chapter as chair of the board.

Sec. 5. (a) Four (4) members of the board constitute a quorum.

(b) The affirmative vote of at least four (4) members of the board is required for the board to take any official action.

Sec. 6. (a) The board shall meet monthly at the call of the chair.

(b) The board shall hold public hearings in diverse locations throughout

the state at least three (3) times each year.

Sec. 7. The board shall direct policy coordination of children's health programs by doing the following:

(1) Developing a comprehensive policy in the following areas:

(A) Appropriate delivery systems of care.

(B) Enhanced access to care.

(C) The use of various program funding for maximum efficiency.

(D) The optimal provider participation in various programs.

(E) The potential for expanding health insurance coverage to other populations.

(F) Technology needs, including technology to coordinate payment for services provided through the children's health insurance program under IC 12-17.6 with:

(i) services provided to children with special health needs; and

(ii) public health programs designed to protect all children.

(G) Appropriate organizational structure to implement health policy in the state.

(2) Coordinating aspects of existing children's health programs, including the children's health insurance program, Medicaid managed care for children, first steps, and children's special health care services, in order to achieve a more seamless system easily accessible by participants and providers, specifically in the following areas:

(A) Identification of potential enrollees.

(B) Outreach.

(C) Eligibility criteria.

(D) Enrollment.

(E) Benefits and coverage issues.

(F) Provider requirements.

(G) Evaluation.

(H) Procurement policies.

(I) Information technology systems.

(3) Reviewing, analyzing, disseminating, and using data when making policy decisions.

(4) Overseeing implementation of the children's health insurance program under IC 12-17.6, including:

(A) reviewing:

(i) benefits provided by;

(ii) eligibility requirements for; and

(iii) each evaluation of;

the children's health insurance program on an annual basis in light of available funding; and

(B) making recommendations for changes to the children's health insurance program to the office of the children's health insurance program established under IC 12-17.6-2-1.

Sec. 8. The board may draw upon the expertise of other boards, committees, and individuals whenever the board determines that such expertise is needed.

SECTION 117. IC 12-7-2-52.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 52.2. "Crowd out", for purposes of IC 12-17.6, has the meaning set forth in IC 12-17.6-1-2.**

SECTION 118. IC 12-7-2-91 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 91. "Fund" means the following:

(1) For purposes of IC 12-12-1-9, the fund described in IC 12-12-1-9.

(2) For purposes of IC 12-13-8, the meaning set forth in IC 12-13-8-1.

(3) For purposes of IC 12-15-20, the meaning set forth in IC 12-15-20-1.

(4) For purposes of IC 12-17-12, the meaning set forth in IC 12-17-12-4.

(5) For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-3.

~~(5)~~ **(6)** For purposes of IC 12-18-4, the meaning set forth in IC 12-18-4-1.

~~(6)~~ **(7)** For purposes of IC 12-18-5, the meaning set forth in IC 12-18-5-1.

~~(7)~~ **(8)** For purposes of IC 12-19-3, the meaning set forth in IC 12-19-3-1.

~~(8)~~ **(9)** For purposes of IC 12-19-4, the meaning set forth in IC 12-19-4-1.

~~(9)~~ **(10)** For purposes of IC 12-19-7, the meaning set forth in IC 12-19-7-2.

~~(10)~~ **(11)** For purposes of IC 12-23-2, the meaning set forth in IC 12-23-2-1.

~~(11)~~ **(12)** For purposes of IC 12-24-6, the meaning set forth in IC 12-24-6-1.

~~(12)~~ **(13)** For purposes of IC 12-24-14, the meaning set forth in IC 12-24-14-1.

~~(13)~~ **(14)** For purposes of IC 12-30-7, the meaning set forth in IC 12-30-7-3.

SECTION 119. IC 12-7-2-134 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 134. "Office" means the following:

(1) Except as provided in subdivisions (2) and (3), the office of Medicaid policy and planning established by IC 12-8-6-1.

(2) For purposes of IC 12-10-13, the meaning set forth in IC 12-10-13-4.

(3) For purposes of ~~IC 12-17-18,~~ **IC 12-17.6,** the meaning set forth in ~~IC 12-17-18-1.~~ **IC 12-17.6-1-4.**

SECTION 120. IC 12-7-2-146 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 146. "Program" refers to the following:

(1) For purposes of IC 12-10-7, the adult guardianship services program established by IC 12-10-7-5.

(2) For purposes of IC 12-10-10, the meaning set forth in IC 12-10-10-5.

(3) For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-5.

SECTION 121. IC 12-7-2-149 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 149. "Provider" means the following:

(1) For purposes of IC 12-10-7, the meaning set forth in IC 12-10-7-3.

(2) For purposes of the following statutes, an individual, a partnership, a corporation, or a governmental entity that is enrolled in the Medicaid program under rules adopted under IC 4-22-2 by the office of Medicaid policy and planning:

(A) IC 12-14-1 through IC 12-14-9.

(B) IC 12-15, except IC 12-15-32, IC 12-15-33, and IC 12-15-34.
(C) IC 12-17-10.
(D) IC 12-17-11.
(E) IC 12-17.6.

(3) For purposes of IC 12-17-9, the meaning set forth in IC 12-17-9-2.

(4) ~~For purposes of IC 12-17-18, the meaning set forth in IC 12-17-18-2.~~

~~(5)~~ For the purposes of IC 12-17.2, a person who operates a child care center or child care home under IC 12-17.2.

~~(6)~~ **(5)** For purposes of IC 12-17.4, a person who operates a child caring institution, foster family home, group home, or child placing agency under IC 12-17.4.

SECTION 122. IC 12-13-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. For taxes first due and payable in 1990, each county shall impose a medical assistance property tax levy equal to the amount determined using the following formula:

STEP ONE: Determine the sum of the amounts that were incurred by the county as determined by the state board of accounts for all medical care, including psychiatric care and institutional psychiatric care, for wards of the county office (described in ~~IC 12-15-2-15)~~ **IC 12-15-2-16)** that was provided in 1986, 1987, and 1988.

STEP TWO: Subtract from the amount determined in STEP ONE the sum of:

(A) the amount of bank taxes (IC 6-5-10);
(B) the amount of savings and loan association taxes (IC 6-5-11);
(C) the amount of production credit association taxes (IC 6-5-12); plus
(D) the amount of motor vehicle excise taxes (IC 6-6-5);

that were allocated to the county welfare fund and used to pay for the medical care for wards provided in 1986, 1987, and 1988.

STEP THREE: Divide the amount determined in STEP TWO by three (3).

STEP FOUR: Adjust the amount determined in STEP THREE by the amount determined by the state board of tax commissioners under section 6 of this chapter.

STEP FIVE: Multiply the amount determined in STEP FOUR by the greater of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 1990; or
(B) the statewide average assessed value growth quotient using the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for property taxes first due and payable in 1990.

STEP SIX: Multiply the amount determined in STEP FIVE by the statewide average assessed value growth quotient, using all the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for the year in which the tax levy under this section will be first due and payable.

SECTION 123. IC 12-15-1-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 19. The office may, in administering managed care programs, contract with community entities, including private entities, to**

do the following:

(1) Outreach for and enrollment in the managed care programs.

(2) Provision of services.

(3) Consumer education and public health education.

SECTION 124. IC 12-15-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. (a) An individual:

(1) who is less than ~~one (1) year~~ **nineteen (19) years** of age;

(2) who is not described in 42 U.S.C. 1396a(a)(10)(A)(i); and

(3) whose family income does not exceed the income level established in subsection (b);

is eligible to receive Medicaid.

(b) An individual described in this section is eligible to receive Medicaid, subject to 42 U.S.C. 1396a et seq., if the individual's family income does not exceed one hundred fifty percent (150%) of the federal income poverty level for the same size family.

(c) The office may apply a resource standard in determining the eligibility of an individual described in this section.

SECTION 125. IC 12-15-2-15.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15.7. ~~(a)~~ An individual who is less than nineteen (19) years of age and who is eligible for Medicaid under ~~sections~~ **section** 14 ~~through 15.6~~ of this chapter is eligible to receive Medicaid until the earlier of the following:

(1) The end of a period of twelve (12) consecutive months following a determination of the individual's eligibility for Medicaid.

(2) The individual becomes nineteen (19) years of age.

~~(b) This section expires August 31, 1999.~~

SECTION 126. IC 12-15-4-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. The office shall implement outreach strategies that build on community resources.**

SECTION 127. IC 12-15-20-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The Medicaid indigent care trust fund is established to pay the state's share of the following:

(1) Enhanced disproportionate share payments to providers under IC 12-15-19.

(2) Disproportionate share payments and significant disproportionate share payments for certain outpatient services under IC 12-15-17-3.

(3) Medicaid payments for pregnant women described in IC 12-15-2-13 and infants and children described in IC 12-15-2-14. ~~IC 12-15-2-15, and IC 12-15-2-15.5.~~

(4) Municipal disproportionate share payments to providers under IC 12-15-19-8.

SECTION 128. IC 12-15-33-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The Medicaid advisory committee is created to act in an advisory capacity to the **following:**

(1) The office in the administration of the Medicaid program.

(2) The children's health policy board established by IC 4-23-27-2 in the board's responsibility to direct policy coordination of children's

health programs.

SECTION 129. IC 12-15-33-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The committee shall be appointed as follows:

(1) One (1) member shall be appointed by the administrator of the office to represent each of the following organizations:

(A) Indiana Council of Community Mental Health Centers.
(B) Indiana State Medical Association.
(C) Indiana State Chapter of the American Academy of Pediatrics.
(D) Indiana Hospital Association.
(E) Indiana Dental Association.
(F) Indiana State Psychiatric Association.
(G) Indiana State Osteopathic Association.
(H) Indiana State Nurses Association.
(I) Indiana State Licensed Practical Nurses Association.
(J) Indiana State Podiatry Association.
(K) Indiana Health Care Association.
(L) Indiana Optometric Association.
(M) Indiana Pharmaceutical Association.
(N) Indiana Psychological Association.
(O) Indiana State Chiropractic Association.
(P) Indiana Ambulance Association.
(Q) Indiana Association for Home Care.
(R) Indiana Academy of Ophthalmology.
(S) Indiana Speech and Hearing Association.

(2) ~~Eight (8)~~ **Ten (10)** members shall be appointed by the governor as follows:

(A) One (1) member who represents agricultural interests.
(B) One (1) member who represents business and industrial interests.
(C) One (1) member who represents labor interests.
(D) One (1) member who represents insurance interests.
(E) One (1) member who represents a statewide taxpayer association.
(F) **Two (2) members who are parent advocates.**
(G) Three (3) members who represent Indiana citizens.

(3) One (1) member shall be appointed by the president pro tempore of the senate acting in the capacity as president pro tempore of the senate to represent the senate.

(4) One (1) member shall be appointed by the speaker of the house of representatives to represent the house of representatives.

SECTION 130. IC 12-17.6 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 17.6. CHILDREN'S HEALTH INSURANCE PROGRAM

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Crowd out" means the extent to which:

(1) families substitute coverage offered under the program for employer sponsored health insurance coverage for children; or

(2) employers:

(A) reduce or eliminate health insurance benefits for children under an employer based health insurance plan; or

(B) increase the employee's share of the cost of benefits for children under an employer based health insurance plan relative to the total cost of the plan;

as a result of the program.

Sec. 3. "Fund" refers to the children's health insurance program fund established by IC 12-17.6-7-1.

Sec. 4. "Office" refers to the office of the children's health insurance program established by IC 12-17.6-2-1.

Sec. 5. "Program" refers to the children's health insurance program established by IC 12-17.6-2.

Sec. 6. "Provider" has the meaning set forth in IC 12-7-2-149(2).

Chapter 2. Program Administration

Sec. 1. The office of the children's health insurance program is established within the office of the secretary.

Sec. 2. The office shall design and administer a system to provide health benefits coverage for children eligible for the program.

Sec. 3. To the greatest extent possible, the office shall use the same:

(1) eligibility determination;

(2) enrollment;

(3) provider networks; and

(4) claims payment systems;

as are used by the Medicaid managed care program for children.

Sec. 4. The office shall evaluate the feasibility of the following:

(1) Establishing a program to subsidize employer sponsored coverage under the program.

(2) Expanding health insurance coverage under the program to other populations as provided under section 2105(c)(3) of the federal Social Security Act.

Sec. 5. Reviews of the program shall:

(1) be conducted in compliance with federal requirements; and

(2) include an analysis of the extent to which crowd out is occurring.

Sec. 6. The office shall do the following:

(1) Establish performance criteria and evaluation measures.

(2) Monitor program performance.

(3) Adopt a sliding scale formula that:

(A) specifies the premiums, if any, to be paid by the parent or guardian of a child enrolled in the program; and

(B) is based on the child's family income.

Sec. 7. (a) The office shall contract with an independent organization to evaluate the program.

(b) The office shall report the results of each evaluation to the children's health policy board established by IC 4-23-27-2.

(c) This section does not modify the requirements of other statutes relating to the confidentiality of medical records.

Sec. 8. The office may, in administering the program, contract with community entities, including private entities, to do the following:

(1) Outreach for and enrollment in the managed care program.

(2) Provision of services.

(3) Consumer education and public health education.

Sec. 9. (a) The office shall incorporate creative methods, reflective of community level objectives and input, to do the following:

(1) Encourage beneficial and appropriate use of health care services.

(2) Pursue efforts to enhance provider availability.

(b) In determining the best approach for each area, the office shall do the following:

(1) Evaluate distinct market areas.

(2) Weigh the advantages and disadvantages of alternative delivery models, including the following:

(A) Risk based managed care only.

(B) Primary care gatekeeper model only.

(C) A combination of clauses (A) and (B).

Sec. 10. (a) The office may establish a program to subsidize employer sponsored coverage for:

(1) eligible individuals; and

(2) the families of eligible individuals;

consistent with federal law.

(b) If the office establishes a program under subsection (a), the employer sponsored benefit package must comply with federal law.

Sec. 11. (a) The office shall adopt rules under IC 4-22-2 to implement the program.

(b) The office may adopt emergency rules under IC 4-22-2-37.1 to implement the program on an emergency basis.

Sec. 12. Not later than April 1, the office shall provide a report describing the program's activities during the preceding calendar year to the:

(1) budget committee;

(2) legislative council; and

(3) children's health policy board established by IC 4-23-27-2.

Chapter 3. Eligibility, Outreach, and Enrollment

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. (a) To be eligible to enroll in the program, a child must meet the following requirements:

(1) The child is less than nineteen (19) years of age.

(2) The child is a member of a family with an annual income of:

(A) more than one hundred fifty percent (150%); and

(B) not more than two hundred percent (200%);

of the federal income poverty level.

(3) The child is a resident of Indiana.

(4) The child meets all eligibility requirements under Title XXI of the federal Social Security Act.

(5) The child's family agrees to pay any cost sharing amounts required by the office.

(b) The office may adjust eligibility requirements based on available program resources under rules adopted under IC 4-22-2.

Sec. 3. (a) Subject to subsection (b), a child who is eligible for the program shall receive services from the program until the earlier of the following:

(1) The end of a period of twelve (12) consecutive months following the determination of the child's eligibility for the program.

(2) The child becomes nineteen (19) years of age.

(b) Subsection (a) applies only if the child and the child's family comply with enrollment requirements.

Sec. 4. The office shall implement outreach strategies that build on community resources.

Sec. 5. A child may apply at an enrollment center as provided in IC 12-15-4-1 to receive health care services from the program if the child meets the eligibility requirements of section 2 of this chapter.

Chapter 4. Benefits, Crowd Out, and Cost Sharing

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. The benefit package provided under the program shall:

(1) comply with federal law;

(2) focus on age appropriate preventive, primary, and acute care services; and

(3) include physician services (as defined in 42 U.S.C. 1395x(q)) provided by a physician (as defined in 42 U.S.C. 1395x(r)).

Sec. 3. If the state prohibits private individual and group health insurance plans from imposing:

(1) treatment limitations; or

(2) financial requirements;

on the coverage of services for a mental illness if similar limitations or requirements are not imposed on the coverage of services for other medical or surgical conditions, the program shall provide the same prohibitions beginning on the same date as the prohibition is implemented for private individual and group health insurance plans.

Sec. 4. Premium and cost sharing amounts established by the office are limited by the following:

(1) Deductibles, coinsurance, or other cost sharing are not permitted with respect to benefits for well-baby and well-child care, including age appropriate immunizations.

(2) Premiums and other cost sharing may be imposed based on family income. However, the total annual aggregate cost sharing with respect to all children in a family under this article may not exceed five percent (5%) of the family's income for the year.

Sec. 5. The office may do the following:

(1) Determine cost sharing amounts.

(2) Determine waiting periods which may not exceed three (3) months and exceptions to the requirement of waiting periods for potential enrollees in the program.

(3) Adopt additional methods for complying with federal requirements relating to crowd out.

Sec. 6. (a) It is a violation of IC 27-4-1-4 if an insurer, or an insurance agent or insurance broker compensated by the insurer, knowingly or

intentionally refers an insured or the dependent of an insured to the program for health insurance coverage when the insured already receives health insurance coverage through an employer's health care plan that is underwritten by the insurer.

(b) The office shall coordinate with the children's health policy board under IC 4-23-27 to evaluate the need for mechanisms that minimize the incentive for an employer to eliminate or reduce health care coverage for an employee's dependents.

Sec. 7. Community health centers shall be utilized to provide health care services.

Chapter 5. Provider Contracts

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. A provider agreement must include information that the office finds necessary to facilitate carrying out IC 12-17.6.

Sec. 3. A provider who participates in the program, including a provider who is a member of a managed care organization, must comply with the enrollment requirements that are established under IC 12-15.

Sec. 4. (a) A provider that participates in the Medicaid program as provided in IC 12-15-12 is considered a provider for purposes of the program.

(b) A provider that enters into a provider agreement with the program under this chapter is considered a provider in the Medicaid program under IC 12-15.

(c) If an enrollee in the Medicaid managed care program for children has direct access to a provider who has entered into a provider agreement under IC 12-15-11, an enrollee in the program has direct access to the same provider.

Chapter 6. Provider Sanctions, Theft, Kickbacks, and Bribes

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. If after investigation the office finds that a provider has violated this article or rule adopted under this article, the office may impose at least one (1) of the following sanctions:

(1) Deny payment to the provider for program services provided during a specified time.

(2) Reject a prospective provider's application for participation in the program.

(3) Terminate a provider agreement allowing a provider's participation in the program.

(4) Assess a civil penalty against the provider in an amount not to exceed three (3) times the amount paid to the provider in excess of the amount that was legally due.

(5) Assess an interest charge, at a rate not to exceed the rate established by IC 24-4.6-1-101(2) for judgments on money, on the amount paid to the provider in excess of the amount that was legally due. The interest charge accrues from the date of the overpayment to the provider.

Sec. 3. In addition to any sanction imposed on a provider under section 2 of this chapter, a provider convicted of an offense under IC 35-43-5-7.2

is ineligible to participate in the program for ten (10) years after the conviction.

Sec. 4. A provider may appeal a sanction imposed under section 2 of this chapter under rules concerning Medicaid provider appeals that are adopted by the secretary under IC 4-22-2.

Sec. 5. After exhausting all administrative remedies, a provider may obtain judicial review of a sanction under IC 4-21.5-5.

Sec. 6. A final directive made by the office that:

(1) denies payment to a provider for medical services provided during a specified period of time; or

(2) terminates a provider agreement permitting a provider's participation in the program;

must direct the provider to inform each eligible recipient of services, before services are provided, that the office will not pay for those services if provided.

Sec. 7. Subject to section 8 of this chapter, a final directive:

(1) denying payment to a provider;

(2) rejecting a prospective provider's application for participation in the program; or

(3) terminating a provider agreement allowing a provider's participation in the program;

must be for a sufficient time, in the opinion of the office, to allow for the correction of all deficiencies or to prevent further abuses.

Sec. 8. Except as provided in section 10 of this chapter, a provider sanctioned under section 2 of this chapter may not be declared reinstated as a provider under this article until the office has received the following:

(1) Full repayment of the amount paid to the provider in excess of the proper and legal amount due, including any interest charge assessed by the office.

(2) Full payment of a civil penalty assessed under section 2(4) of this chapter.

Sec. 9. Except as provided in section 10 of this chapter, a provider sanctioned under section 2 of this chapter may file an agreement as provided in IC 12-17.6-5.

Sec. 10. A provider who has been:

(1) convicted of a crime relating to the provision of services under this chapter; or

(2) subjected to a sanction under section 2 of this chapter on three (3) separate occasions by directive of the office;

is ineligible to submit claims for the program.

Sec. 11. Evidence that a person or provider received money or other benefits as a result of a violation of:

(1) a provision of this article; or

(2) a rule established by the office under this article;

constitutes prima facie evidence, for purposes of IC 35-43-4-2, that the person or provider intended to deprive the state of a part of the value of the money or benefits.

Sec. 12. A person who furnishes items or services to an individual for

which payment is or may be made under this chapter and who knowingly or intentionally solicits, offers, or receives a:

(1) kickback or bribe in connection with the furnishing of the items or services or the making or receipt of the payment; or

(2) rebate of a fee or charge for referring the individual to another person for the furnishing of items or services;

commits a Class A misdemeanor.

Chapter 7. Funding

Sec. 1. The children's health insurance program fund is established for the purpose of paying expenses relating to:

(1) the program;

(2) services offered through the program for children enrolled in the program; and

(3) services and administration eligible for reimbursement under Title XXI of the federal Social Security Act for children enrolled in Medicaid under IC 12-15-2-14.

Sec. 2. The office shall administer the fund.

Sec. 3. The fund consists of the following:

(1) Amounts appropriated by the general assembly.

(2) Amounts appropriated by the federal government.

(3) Fees, charges, gifts, grants, donations, money received from any other source, and other income funds as may become available.

Sec. 4. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

Sec. 5. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Chapter 8. Appeals and Hearings

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. An applicant for or a recipient of services under the program may appeal to the office if at least one (1) of the following occurs:

(1) An application or a request is not acted upon by the office within a reasonable time after the application or request is filed.

(2) The application is denied.

(3) The applicant or recipient is dissatisfied with the action of the office.

Sec. 3. The secretary shall conduct hearings and appeals concerning the program under IC 4-21.5.

Sec. 4. The office shall, upon receipt of notice of appeal under section 2 of this chapter, set the matter for hearing and give the applicant or recipient an opportunity for a fair hearing in the county in which the applicant or recipient resides.

Sec. 5. (a) At a hearing held under section 4 of this chapter, the applicant or recipient and the office may introduce additional evidence.

(b) A hearing held under section 4 of this chapter shall be conducted under rules adopted by the secretary for applicants and recipients of Medicaid that are not inconsistent with IC 4-21.5 and the program.

Sec. 6. The office:

(1) may make necessary additional investigations; and

(2) shall make decisions concerning the:

(A) granting of program services; and

(B) amount of program services to be granted;

to an applicant or a recipient that the office believes are justified and in conformity with the program.

Chapter 9. Confidentiality and Release of Information

Sec. 1. This chapter does not apply until January 1, 2000.

Sec. 2. The following concerning a program applicant or recipient under the program are confidential, except as otherwise provided in this chapter:

(1) An application.

(2) An investigation report.

(3) An information.

(4) A record.

Sec. 3. The use and the disclosure of the information described in this chapter to persons authorized by law in connection with the official duties relating to:

(1) financial audits;

(2) legislative investigations; or

(3) other purposes directly connected with the administration of the program;

is authorized.

Sec. 4. (a) The release and use of information of a general nature shall be provided as needed for adequate interpretation or development of the program.

(b) The information described in subsection (a) includes the following:

(1) Total program expenditures.

(2) The number of recipients.

(3) Statistical and social data used in connection with studies.

(4) Reports or surveys on health and welfare problems.

Sec. 5. The office shall make available the following to providers for immediate access to information indicating whether an individual is eligible for the program:

(1) A twenty-four (24) hour telephone system.

(2) A computerized data retrieval system.

Sec. 6. Information released under section 5 of this chapter is limited to the following:

(1) Disclosure of whether an individual is eligible for the program.

(2) The date the individual became eligible for the program and the individual's program number.

(3) Restrictions, if any, on the scope of services to be reimbursed under the program for the individual.

Sec. 7. Information obtained by a provider under this chapter concerning an individual's eligibility for the program is confidential and may not be disclosed to any person.

Sec. 8. If it is established that a provision of this chapter causes the program to be ineligible for federal financial participation, the provision

is limited or restricted to the extent that is essential to make the program eligible for federal financial participation.

SECTION 131. IC 16-41-40-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A program established under this chapter must include the distribution of readily understandable information and instructional materials regarding shaken baby syndrome, explaining its medical effects on infants and children and emphasizing preventive measures.

(b) The information and instructional materials described in subsection (a) must be provided without cost by the following:

(1) Each hospital licensed under IC 16-21, to a parent or guardian of each newborn upon discharge from the hospital.

(2) The division of family and children to each provider (as defined in IC 12-7-2-149(4)) ~~or IC 12-7-2-149(5))~~ when:

(A) the provider applies for a license from the division under IC 12-17.2 or IC 12-17.4; or

(B) the division inspects a facility operated by a provider.

SECTION 132. IC 35-43-5-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: **Sec. 7.2. (a) Except as provided in subsection (b), a person who knowingly or intentionally:**

(1) files a children's health insurance program claim, including an electronic claim, in violation of IC 12-17.6;

(2) obtains payment from the children's health insurance program under IC 12-17.6 by means of a false or misleading oral or written statement or other fraudulent means;

(3) acquires a provider number under the children's health insurance program except as authorized by law;

(4) alters with intent to defraud or falsifies documents or records of a provider (as defined in 42 CFR 1002.301) that are required to be kept under the children's health insurance program; or

(5) conceals information for the purpose of applying for or receiving unauthorized payments from the children's health insurance program;

commits insurance fraud, a Class D felony.

(b) The offense described in subsection (a) is a Class C felony if the fair market value of the claim or payment is at least fifty thousand dollars ($50,000).

SECTION 133. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 12-7-2-139.1; IC 12-17-18.

SECTION 134. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1999]: IC 12-15-2-15; IC 12-15-2-15.5.

SECTION 135. [EFFECTIVE UPON PASSAGE] **(a) The office may apply to the Secretary of the United States Department of Health and Human Services for a waiver to provide family coverage from the children's health insurance program under IC 12-17.6 when it is economically efficient to provide family coverage.**

(b) This SECTION expires January 1, 2001.

SECTION 136. IC 4-34-3-2 IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 1999]: Sec. 2. (a) ~~Two million dollars ($2,000,000) from~~ **Money in** the fund shall be allocated annually to libraries, including the INSPIRE project.

(b) The Indiana library and historical board established by IC 4-23-7-2 and the budget agency may jointly make rules necessary or appropriate to the administration of this chapter.

(c) Each library in Indiana is entitled in each calendar year to apply to the Indiana library and historical board for a grant for a technology project. From time to time, but not more often than semiannually, the Indiana library and historical board shall make recommendations to the budget agency as to grants from the Indiana technology fund. After review by the budget committee established by IC 4-12-1-3 and approval by the governor, the budget agency may allot money to the Indiana library and historical board for the grants.

SECTION 137. IC 4-34-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. ~~Three million dollars ($3,000,000) from~~ **Money in** the fund shall be allocated annually to the intelenet commission (IC 5-21-2-1) to make matching grants to school corporations for Internet connections for a school corporation. The intelenet commission shall develop a plan to implement grants under this section. The budget committee shall review the plan. The budget agency must approve of the plan.

SECTION 138. IC 4-34-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. ~~The following amount from~~ **Money in** the fund shall be allocated annually to the technology grant plan program established under IC 20-10.1-25.3 for the following purpose: ~~Fifteen million dollars ($15,000,000)~~ For technology plan grants to school corporations under IC 20-10.1-25.3. The department of education shall develop a plan for funding all school corporations within a six (6) year cycle. The total technology grant amount to a qualifying school corporation is the amount determined by the department multiplied by the school corporation's ADM. The amount may ~~not exceed two~~ **is one** hundred dollars ~~($200).~~ **($100).**

SECTION 139. IC 20-8.1-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The department shall adopt procedures that must be followed by applicants in order for them to qualify for assistance under this chapter. The financial eligibility standard for an applicant under this chapter must be the same criteria used for determining eligibility for receiving free lunches **or reduced price lunches** under the national school lunch program.

SECTION 140. IC 4-10-20 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 20. Targeted Tax Relief Fund

Sec. 1. The targeted tax relief fund is established. The fund shall be administered by the treasurer of state.

Sec. 2. The interest earned on money in the fund shall be credited to the fund.

Sec. 3. Money in the fund at the end of a state fiscal year does not revert to the state general fund

Sec. 4. Money in the fund is appropriated to pay inventory tax credits under IC 6-1.1-20.5 and textbook credits under IC 21-3-12.

Sec. 5. (a) The state board of tax commissioners shall annually provide an estimate of the amount required to pay the inventory tax credits under IC 6-1.1-20.5 and the department of education shall annually provide an estimate of the amount required to pay the the textbook credits under IC 21-3-12 to the property tax replacement fund board. The property tax replacement fund board shall review the estimates and approve the credits.

(b) Notwithstanding IC 6-1.1-20.5 and IC 21-3-12, if the property tax replacement fund board determines that the amount remaining in the fund will be less than the amount required to pay the credits under section 4 of this chapter, the board shall estimate the maximum credits that may be provided under IC 21-3-12 with the balance in the fund. If there are sufficient revenues to pay the credits under IC 21-3-12, the property tax replacement fund board estimate the maximum credits that may be provided under IC 6-1.1-20.5 with the balance in the fund after the textbook credits are paid. The property tax replacement fund board shall make the final determination of the amount of credits that may be allocated from the fund.

SECTION 141. IC 21-3-12 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 12. Textbook Credits

Sec. 1. As used in this SECTION, "accredited nonpublic school" means a nonpublic school that:

(1) voluntarily seeks; and

(2) receives;

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

Sec. 2. Except as otherwise provided in this chapter, for each school year beginning in 1999 and thereafter, a student or the student's parent, guardian, or custodian is entitled to a credit against the first fifty dollars ($50) of charges imposed by a school corporation (as defined in IC 36-1-2-17) or an accredited nonpublic school for:

(1) rental fees; or

(2) other costs;

in a school year for each student's textbooks or materials.

Sec. 3. Each school corporation or accredited nonpublic school shall deduct the credit under this chapter from the charges imposed on a student or the student's parent, guardian, or custodian until the entire credit is used. A student or the student's parent, guardian, or custodian is not entitled to a refund if the credit exceeds the amount due.

Sec. 4. To qualify for a reimbursement under section 5 of this chapter, a school corporation or an accredited nonpublic school must provide to the payor a statement for rental fees or other costs for textbooks or materials. This statement must conspicuously include the following notice: "The 1999 Indiana General Assembly enacted a textbook fee reduction paid from state revenues. The credit is $50 for each student."

Sec. 5. (a) A school corporation or an accredited nonpublic school granting a credit to a student or the student's parent, guardian, or

custodian under this chapter may submit a claim for reimbursement for the actual amount of the credits given under this chapter to the department of education. The department of education shall prescribe forms and establish procedures for the submission and payment of claims.

(b) A claim submitted under this chapter must be paid within ten (10) days after the claim is properly filed. The department of education may make a payment under this chapter by electronic funds transfer.

Sec. 6. This chapter does not apply to students who are eligible for free textbook rental under another state funded program.

Sec. 7. Subject to IC 4-10-20, there is appropriated from the targeted tax relief fund the amount necessary to pay claims submitted under this chapter.

SECTION 142. IC 4-13.5-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this article:

"Commission" refers to the state office building commission.

"Construction" means the erection, renovation, refurbishing, or alteration of all or any part of buildings, improvements, or other structures, including installation of fixtures or equipment, landscaping of grounds, site work, and providing for other ancillary facilities pertinent to the buildings or structures.

"Correctional facility" means a building, a structure, or an improvement for the custody, care, confinement, or treatment of committed persons under IC 11.

"Department" refers to the Indiana department of administration.

"Mental health facility" means a building, a structure, or an improvement for the care, maintenance, or treatment of persons with mental or addictive disorders.

"Facility" means all or any part of one (1) or more buildings, structures, or improvements (whether new or existing), or parking areas (whether surface or an above or below ground parking garage or garages), owned or leased by the commission or the state for the purpose of:

(1) housing the personnel or activities of state agencies or branches of state government;

(2) providing transportation or parking for state employees or persons having business with state government; ~~or~~

(3) providing a correctional facility; **or**

(4) providing a mental health facility.

"Person" means an individual, a partnership, a corporation, a limited liability company, an unincorporated association, or a governmental entity.

"State agency" means an authority, a board, a commission, a committee, a department, a division, or other instrumentality of state government but does not include a state educational institution (as defined in IC 20-12-0.5-1).

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1001 as introduced.)

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BAUER, Chair

Committee Vote: yeas 15, nays 11.