

SENATE BILL No. 619

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-5-62-6; IC 20-10.1-25-5; IC 20-10.1-25.3-16; IC 21-2.

Synopsis: School corporation technology fund. Requires each school corporation to establish a school corporation technology fund. Provides that money appropriated from a school corporation general fund for technology purposes, plus grants, donations, and other funds received for technology purposes, must be deposited in the school corporation technology fund. Provides that any savings realized by a school corporation as a result of federal legislation calling for universal service discounts must be deposited in the school corporation technology fund. Permits money in the school corporation technology fund to be used for certain technology purposes. Restricts use of money in the school corporation technology fund for administrative software.
(Continued next page)

Effective: January 1, 2000.

Johnson

January 21, 1999, read first time and referred to Committee on Education.

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Digest Continued

Requires each school corporation to file an annual report concerning technology expenditures with the superintendent of public instruction's special assistant for technology. Specifies that a school corporation's capital projects fund may be used for wiring and computer networks and telephone access systems used to connect with computer networks or electronic gateways.

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Introduced

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.

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SENATE BILL No. 619



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

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

- 1 SECTION 1. IC 20-5-62-6 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6. Except as
- 3 provided in this chapter and notwithstanding any other law, a freeway
- 4 school corporation or a freeway school may do the following during the
- 5 contract period:
- 6 (1) Disregard the observance of any statute or rule that is listed in
- 7 the contract.
- 8 (2) Lease school transportation equipment to others for nonschool
- 9 use when the equipment is not in use for a school corporation
- 10 purpose, if the lessee has not received a bid from a private entity
- 11 to provide transportation equipment or services for the same
- 12 purpose.
- 13 (3) Replace the budget and accounting system that is required by
- 14 law with a budget or accounting system that is frequently used in
- 15 the private business community. The state board of accounts may



1 not go beyond the requirements imposed upon the state board of
 2 accounts by statute in reviewing the budget and accounting
 3 system used by a freeway school corporation or a freeway school.

4 (4) Establish a professional development and technology fund to
 5 be used for:

6 (A) professional development; or

7 (B) technology, including video distance learning.

8 **However, any money deposited in the professional**
 9 **development and technology fund for technology purposes**
 10 **must be transferred to the school technology fund established**
 11 **under IC 21-2-18.**

12 (5) **Subject to subdivision (4)**, transfer funds obtained from
 13 sources other than state or local government taxation among any
 14 accounts of the school corporation, including a professional
 15 development and technology fund established under subdivision
 16 (4).

17 (6) Transfer funds obtained from property taxation and from state
 18 distributions among the general fund (established under
 19 IC 21-2-11) and the school transportation fund (established under
 20 IC 21-2-11.5), subject to the following:

21 (A) The sum of the property tax rates for the general fund and
 22 the school transportation fund after a transfer occurs under this
 23 subdivision may not exceed the sum of the property tax rates
 24 for the general fund and the school transportation fund before
 25 a transfer occurs under this subdivision.

26 (B) This subdivision does not allow a school corporation to
 27 transfer to any other fund money from the:

28 (i) capital projects fund (established under IC 21-2-15); or

29 (ii) debt service fund (established under IC 21-2-4).

30 (7) Establish a locally adopted assessment program to replace the
 31 assessment of students under the ISTEP program established
 32 under IC 20-10.1-16-8, subject to the following:

33 (A) A locally adopted assessment program must be established
 34 by the governing body and approved by the department.

35 (B) A locally adopted assessment program may use a locally
 36 developed test or a nationally developed test.

37 (C) Results of assessments under a locally adopted assessment
 38 program are subject to the same reporting requirements as
 39 results under the ISTEP program.

40 (D) Each student who completes a locally adopted assessment
 41 program and the student's parent or guardian has the same
 42 rights to inspection and rescoring as are set forth in

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1 IC 20-10.1-16-7(d).

2 SECTION 2. IC 20-10.1-25-5 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JANUARY 1, 2000]: **Sec. 5. A school corporation that**
5 **receives a grant under this chapter must deposit the grant in the**
6 **school technology fund established under IC 21-2-18.**

7 SECTION 3. IC 20-10.1-25.3-16 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 2000]: **Sec. 16. A school corporation**
10 **that receives a grant under this chapter must deposit the grant in**
11 **the school technology fund established under IC 21-2-18.**

12 SECTION 4. IC 21-2-11-6 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6. (a) Moneys
14 received by any school corporation for a specific purpose or purposes,
15 by gift, endowment or pursuant to any federal statute, may be
16 accounted for by establishing separate funds, separate and apart from
17 the general fund, if no local tax funds are involved. ~~Provided, That~~
18 **However**, no such funds shall be accepted unless the terms of the gift,
19 endowment or payment, and the acceptance thereof, are so stated that
20 the officers of the school corporation are not divested of any right or
21 authority which they now have or may hereafter be granted by law.
22 Such moneys so received for specific purposes, and any earnings
23 thereon, may be disbursed without appropriation.

24 (b) **Except as otherwise provided by federal law, all money**
25 **received by the school corporation by grant, gift, endowment, or**
26 **under federal law for any of the purposes described in IC 21-2-18-3**
27 **shall be deposited in the school technology fund established under**
28 **IC 21-2-18.**

29 SECTION 5. IC 21-2-11-6.5 IS ADDED TO THE INDIANA CODE
30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
31 JANUARY 1, 2000]: **Sec. 6.5. (a) All money appropriated from the**
32 **general fund for any of the purposes described in IC 21-2-18-3**
33 **shall be transferred from the general fund to the school technology**
34 **fund established under IC 21-2-18.**

35 (b) **Any money saved by a school corporation as a result of**
36 **universal service discounts provided to the school corporation**
37 **under the federal Telecommunications Act of 1996 must be**
38 **transferred to the school technology fund.**

39 SECTION 6. IC 21-2-15-4 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. (a) A school
41 corporation may establish a capital projects fund.

42 (b) With respect to any facility used or to be used by the school

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1 corporation (other than a facility used or to be used primarily for
2 interscholastic or extracurricular activities), the fund may be used to
3 pay for the following:

- 4 (1) Planned construction, repair, replacement, or remodeling.
- 5 (2) Site acquisition.
- 6 (3) Site development.
- 7 (4) Repair, replacement, or site acquisition that is necessitated by
8 an emergency.

9 (c) The fund may be used to pay for the purchase, lease, repair, or
10 maintenance of equipment to be used by the school corporation (other
11 than vehicles to be used for any purpose and equipment to be used
12 primarily for interscholastic or extracurricular activities).

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

14 (1) To purchase, lease, upgrade, maintain, or repair **one (1) or
15 more of the following:**

- 16 (A) Computer hardware.
- 17 (B) Computer software. ~~or computer hardware and software.~~
- 18 (C) **Wiring and computer networks.**
- 19 (D) **Telephone access systems used to connect with
20 computer networks or electronic gateways.**

21 (2) To pay for the services of full-time or part-time computer
22 maintenance employees.

23 (3) To conduct nonrecurring inservice technology training of
24 school employees.

25 (4) To fund the payment of advances, together with interest on the
26 advances, from the common school fund for educational
27 technology programs under IC 21-1-5.

28 (5) To fund the acquisition of any equipment or services
29 necessary:

30 (A) to implement the technology preparation curriculum under
31 IC 20-10.1-5.6;

32 (B) to participate in a program to provide educational
33 technologies, including computers, in the homes of students
34 (commonly referred to as "the buddy system project") under
35 IC 20-10.1-25, the 4R's technology program under
36 IC 20-10.1-25, or any other program under the educational
37 technology program described in IC 20-10.1-25; or

38 (C) to obtain any combination of equipment or services
39 described in clauses (A) and (B).

40 (e) The fund may be used to purchase:

- 41 (1) building sites;
- 42 (2) buildings in need of renovation;

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1 (3) building materials; and
 2 (4) equipment;
 3 for the use of vocational building trades classes to construct new
 4 buildings and to remodel existing buildings.

5 (f) The fund may be used for leasing or renting of existing real
 6 estate, excluding payments authorized under IC 21-5-11 and
 7 IC 21-5-12.

8 (g) The fund may be used to pay for services of the school
 9 corporation employees that are bricklayers, stone masons, cement
 10 masons, tile setters, glaziers, insulation workers, asbestos removers,
 11 painters, paperhangers, drywall applicators and tapers, plasterers, pipe
 12 fitters, roofers, structural and steel workers, metal building assemblers,
 13 heating and air conditioning installers, welders, carpenters, electricians,
 14 or plumbers, as these occupations are defined in the United States
 15 Department of Labor, Employment and Training Administration,
 16 Dictionary of Occupational Titles, Fourth Edition, Revised 1991, if:

17 (1) the employees perform construction of, renovation of,
 18 remodeling of, repair of, or maintenance on the facilities and
 19 equipment specified in subsections (b) and (c);

20 (2) the school corporation's total annual salary and benefits paid
 21 by the school corporation to employees described in this
 22 subsection are at least six hundred thousand dollars (\$600,000);
 23 and

24 (3) the payment of the employees described in this subsection is
 25 included as part of the proposed capital projects fund plan
 26 described in section 5(a) of this chapter.

27 However, the number of employees that are covered by this subsection
 28 is limited to the number of employee positions described in this
 29 subsection that existed on January 1, 1993. For purposes of this
 30 subsection, maintenance does not include janitorial or comparable
 31 routine services normally provided in the daily operation of the
 32 facilities or equipment.

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

35 SECTION 7. IC 21-2-18 IS ADDED TO THE INDIANA CODE AS
 36 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 37 JANUARY 1, 2000]:

38 **Chapter 18. School Technology Fund**

39 **Sec. 1. As used in this chapter, "fund" refers to the school**
 40 **technology fund established under section 2 of this chapter.**

41 **Sec. 2. Each school corporation shall establish a school**
 42 **technology fund. The fund consists of:**



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1 (1) money transferred to the fund under IC 20-5-62-6,
 2 IC 20-10.1-25-5, IC 20-10.1-25.3-16, IC 21-2-11-6, or
 3 IC 21-2-11-6.5; and

4 (2) any other money received by the school corporation for a
 5 purpose described in IC 20-5-62-6(4)(B), IC 20-10.1-25,
 6 IC 20-10.1-25.3, or IC 21-2-15-4(d).

7 However, property taxes levied by a school corporation for a
 8 capital projects fund shall not be transferred to the fund.

9 Sec. 3. (a) Except as provided in subsection (b), the fund may be
 10 used for one (1) or more of the purposes described in
 11 IC 20-5-62-6(4)(B), IC 20-10.1-25, IC 20-10.1-25.3, or
 12 IC 21-2-15-4(d).

13 (b) Money in the fund may not be used to purchase software
 14 programs to be used exclusively for administrative purposes, such
 15 as payroll and attendance records, personnel records,
 16 administration of insurance or pension programs, or any other
 17 similar purpose. However, if a particular software program is to
 18 be used for administrative purposes and for other purposes
 19 described in subsection (a), a portion of the cost of the software
 20 program may be paid from the fund. The portion of the cost that
 21 may be paid from the fund is the total cost of the software program
 22 multiplied by the estimated percentage of use of the software
 23 program for nonadministrative purposes.

24 Sec. 4. Before February 15 of each year, each school corporation
 25 shall file a report with the superintendent of public instruction's
 26 special assistant for technology. The report must be prepared in
 27 the form prescribed by the special assistant for technology and
 28 must include a list of expenditures made by the school corporation
 29 during the preceding calendar year from the school corporation's:

30 (1) school technology fund for purposes described in this
 31 chapter;

32 (2) capital projects fund for purposes described in
 33 IC 21-2-15-4(d); and

34 (3) debt service fund for purposes of providing financing for
 35 any equipment or facilities used to provide educational
 36 technology programs.

37 Before April 1 of each year, the special assistant for technology
 38 shall compile the information contained in the reports required by
 39 this section and present that compilation to the educational
 40 technology council.



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