

HOUSE BILL No. 1173

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 6-3.5-6-18.5; IC 12; IC 16; IC 20-8.1; IC 31.

Synopsis: Transfer of county welfare costs to state. Eliminates property tax levies for public welfare, except for property tax levies needed to repay loans and bonds issued to fund expenditures made before January 1, 2000, and levies imposed to support county homes. Transfers responsibility for funding welfare services to the state. Provides that each county office of family and children is part of the division of family and children. Eliminates welfare reporting related to the county auditor. Establishes the human services committee to prepare any legislation needed to implement the transfer of responsibilities from the counties to the state.

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

Dobis, Kuzman, Fesko, Crooks

January 6, 1999, read first time and referred to Committee on Ways and Means.

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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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HOUSE BILL No. 1173

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

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

- 1 SECTION 1. IC 6-1.1-18-3, AS AMENDED BY P.L.25-1995,
2 SECTION 27 (CURRENT VERSION), IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. (a) Except as
4 provided in subsection (b), the sum of all tax rates for all political
5 subdivisions imposed on tangible property within a political
6 subdivision may not exceed:
7 (1) one dollar and twenty-five cents (\$1.25) on each one hundred
8 dollars (\$100) of assessed valuation in territory outside the
9 corporate limits of a city or town; or
10 (2) two dollars (\$2) on each one hundred dollars (\$100) of
11 assessed valuation in territory inside the corporate limits of a city
12 or town.
13 (b) The proper officers of a political subdivision shall fix tax rates
14 which are sufficient to provide funds for the purposes itemized in this
15 subsection. The portion of a tax rate fixed by a political subdivision
16 shall not be considered in computing the tax rate limits prescribed in
17 subsection (a) if that portion is to be used for one (1) of the following



1 purposes:

- 2 (1) To pay the principal or interest on a funding, refunding, or
 3 judgment funding obligation of the political subdivision.
 4 (2) To pay the principal or interest on an outstanding obligation
 5 issued by the political subdivision if notice of the sale of the
 6 obligation was published before March 9, 1937.
 7 (3) To pay the principal or interest upon:
 8 (A) an obligation issued by the political subdivision to meet an
 9 emergency which results from a flood, fire, pestilence, war, or
 10 any other major disaster; or
 11 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 12 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
 13 to acquire necessary equipment or facilities for municipal or
 14 county government.
 15 (4) To pay the principal or interest upon an obligation issued in
 16 the manner provided in IC 6-1.1-20-3 (before its repeal) or
 17 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.
 18 (5) To pay a judgment rendered against the political subdivision.
 19 ~~(6) To meet the requirements of the county welfare fund; the~~
 20 ~~county welfare administration fund; for public welfare services;~~
 21 ~~or the family and children's fund for child services (as defined in~~
 22 ~~IC 12-19-7-1).~~
 23 ~~(7) To meet the requirements of the county hospital care for the~~
 24 ~~indigent fund.~~
 25 (c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a
 26 county board of tax adjustment, a county auditor, or the state board of
 27 tax commissioners may review the portion of a tax rate described in
 28 subsection (b) only to determine if it exceeds the portion actually
 29 needed to provide for one (1) of the purposes itemized in that
 30 subsection.
 31 SECTION 2. IC 6-1.1-18-3, AS AMENDED BY P.L.6-1997,
 32 SECTION 82 (DELAYED VERSION), IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as
 34 provided in subsection (b), the sum of all tax rates for all political
 35 subdivisions imposed on tangible property within a political
 36 subdivision may not exceed:
 37 (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each
 38 one hundred dollars (\$100) of assessed valuation in territory
 39 outside the corporate limits of a city or town; or
 40 (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each
 41 one hundred dollars (\$100) of assessed valuation in territory
 42 inside the corporate limits of a city or town.



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

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

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

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

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

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

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

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

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

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

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

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

41 ~~(1) IC 12-16, except IC 12-16-1.~~

42 ~~(2) IC 12-19-3-3 through IC 12-19-3-7.~~



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- 1 ~~(3) IC 12-19-4.~~
 2 ~~(4) IC 12-19-5.~~
 3 ~~(5) IC 12-19-7.~~
 4 ~~(6) IC 12-20-24.~~

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

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

14 SECTION 4. IC 6-1.1-21-2 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. As used in this
 16 chapter:

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

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

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

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

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

30 (f) "Postabstract adjustments" means adjustments in taxes made
 31 subsequent to the filing of an auditor's abstract which change
 32 assessments therein or add assessments of omitted property affecting
 33 taxes for such assessment year.

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

35 (1) the remainder of:

36 (A) the aggregate levy of all taxes for all taxing units in a
 37 county which are to be paid in the county for a stated
 38 assessment year as reflected by the auditor's abstract for the
 39 assessment year, adjusted, however, for any postabstract
 40 adjustments which change the amount of the aggregate levy;
 41 minus

42 (B) the sum of any increases in property tax levies of taxing

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1 units of the county that result from appeals described in:

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

4 (ii) the sum of any increases in property tax levies of taxing
5 units of the county that result from any other appeals
6 described in IC 6-1.1-18.5-13 filed after December 31,
7 1983; plus

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

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

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

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

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

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

24 (E) the amount of property taxes imposed in the county for the
25 stated assessment year under the authority of IC 21-2-6 or any
26 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building
27 fund whose property tax rate was initially established or
28 reestablished for a stated assessment year that succeeds the
29 1983 stated assessment year; minus

30 (F) the remainder of:

31 (i) the total property taxes imposed in the county for the
32 stated assessment year under authority of IC 21-2-6 or any
33 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building
34 fund whose property tax rate was not initially established or
35 reestablished for a stated assessment year that succeeds the
36 1983 stated assessment year; minus

37 (ii) the total property taxes imposed in the county for the
38 1984 stated assessment year under the authority of IC 21-2-6
39 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative
40 building fund whose property tax rate was not initially
41 established or reestablished for a stated assessment year that
42 succeeds the 1983 stated assessment year; minus

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- 1 (G) the amount of property taxes imposed in the county for the
 2 stated assessment year under:
- 3 (i) IC 21-2-15 for a capital projects fund; plus
 - 4 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 - 5 (iii) IC 20-14-13 for a library capital projects fund; plus
 - 6 (iv) IC 20-5-17.5-3 for an art association fund; plus
 - 7 (v) IC 21-2-17 for a special education preschool fund; plus
 - 8 (vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in
 - 9 a school corporation's maximum permissible general fund
 - 10 levy for certain transfer tuition costs; plus
 - 11 (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in
 - 12 a school corporation's maximum permissible general fund
 - 13 levy for transportation operating costs; minus
- 14 (H) the amount of property taxes imposed by a school
 15 corporation that is attributable to the passage, after 1983, of a
 16 referendum for an excessive tax levy under IC 6-1.1-19,
 17 including any increases in these property taxes that are
 18 attributable to the adjustment set forth in ~~IC 6-1.1-19-1.5(a)~~
 19 **IC 6-1.1-19-1.5(b)** STEP ONE or any other law; minus
- 20 (I) for each township in the county, the lesser of:
- 21 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
 - 22 STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE,
 - 23 whichever is applicable, plus the part, if any, of the
 - 24 township's ad valorem property tax levy for calendar year
 - 25 1989 that represents increases in that levy that resulted from
 - 26 an appeal described in IC 6-1.1-18.5-13(5) filed after
 - 27 December 31, 1982; or
 - 28 (ii) the amount of property taxes imposed in the township for
 - 29 the stated assessment year under the authority of
 - 30 IC 36-8-13-4; minus
- 31 (J) for each participating unit in a fire protection territory
 32 established under IC 36-8-19-1, the amount of property taxes
 33 levied by each participating unit under IC 36-8-19-8 and
 34 IC 36-8-19-8.5 less the maximum levy limit for each of the
 35 participating units that would have otherwise been available
 36 for fire protection services under IC 6-1.1-18.5-3 and
 37 IC 6-1.1-18.5-19 for that same year; ~~minus~~
- 38 (K) for each county, the sum of:
- 39 (i) the amount of property taxes imposed in the county for
 - 40 the repayment of loans under ~~IC 12-19-5-6~~ that is included
 - 41 in the amount determined under ~~IC 12-19-7-4(a)~~ STEP
 - 42 SEVEN for property taxes payable in 1995; or for property

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1 taxes payable in each year after 1995; the amount
2 determined under IC ~~12-19-7-4(b)~~; and

3 (ii) the amount of property taxes imposed in the county
4 attributable to appeals granted under IC 6-1.1-18.6-3 that is
5 included in the amount determined under IC ~~12-19-7-4(a)~~
6 STEP SEVEN for property taxes payable in 1995; or the
7 amount determined under IC ~~12-19-7-4(b)~~ for property taxes
8 payable in each year after 1995; plus

9 (2) all taxes to be paid in the county in respect to mobile home
10 assessments currently assessed for the year in which the taxes
11 stated in the abstract are to be paid; plus

12 (3) the amounts, if any, of county adjusted gross income taxes that
13 were applied by the taxing units in the county as property tax
14 replacement credits to reduce the individual levies of the taxing
15 units for the assessment year, as provided in IC 6-3.5-1.1; plus

16 (4) the amounts, if any, by which the maximum permissible ad
17 valorem property tax levies of the taxing units of the county were
18 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
19 assessment year; plus

20 (5) the difference between:

21 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
22 minus

23 (B) the amount the civil taxing units' levies were increased
24 because of the reduction in the civil taxing units' base year
25 certified shares under IC 6-1.1-18.5-3(e).

26 (h) "December settlement sheet" means the certificate of settlement
27 filed by the county auditor with the auditor of state, as required under
28 IC 6-1.1-27-3.

29 (i) "Tax duplicate" means the roll of property taxes which each
30 county auditor is required to prepare on or before March 1 of each year
31 under IC 6-1.1-22-3.

32 SECTION 5. IC 6-1.1-29-9 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) A county
34 council may adopt an ordinance to abolish the county board of tax
35 adjustment. This ordinance must be adopted by July 1 and may not be
36 rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17,
37 IC 6-1.1-18, IC 6-1.1-19, ~~IC 12-19-3~~, ~~IC 12-19-7~~, IC 21-2-14,
38 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,
39 and IC 36-9-13, if such an ordinance is adopted, this section governs
40 the treatment of tax rates, tax levies, and budgets that would otherwise
41 be reviewed by a county board of tax adjustment under IC 6-1.1-17.

42 (b) The time requirements set forth in IC 6-1.1-17 govern all filings

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1 and notices.

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

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

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

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

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

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

34	Center Township	\$1,898,145
35	Decatur Township	\$ 164,103
36	Franklin Township	\$ 173,934
37	Lawrence Township	\$ 890,086
38	Perry Township	\$ 854,544
39	Pike Township	\$1,410,375
40	Warren Township	\$1,027,721
41	Washington Township	\$1,017,890
42	Wayne Township	\$ 988,397



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1	Lawrence-City	\$ 648,848
2	Beech Grove	\$ 639,017
3	Southport	\$ 18,906
4	Speedway	\$ 546,000
5	(3) For each year after 1995, calculate the total amount of	
6	revenues that are to be distributed as distributive shares during	
7	that month as follows:	
8	STEP ONE: Determine the total amount of revenues that	
9	were distributed as distributive shares during that month in	
10	calendar year 1995.	
11	STEP TWO: Determine the total amount of revenue that the	
12	department has certified as distributive shares for that	
13	month under section 17 of this chapter for the calendar year.	
14	STEP THREE: Subtract the STEP ONE result from the	
15	STEP TWO result.	
16	STEP FOUR: If the STEP THREE result is less than or	
17	equal to zero (0), multiply the STEP TWO result by the	
18	ratio established under subdivision (1).	
19	STEP FIVE: Determine the ratio of:	
20	(A) the maximum permissible property tax levy under	
21	IC 6-1.1-18.5 and IC 6-1.1-18.6 for each civil taxing	
22	unit for the calendar year in which the month falls;	
23	divided by	
24	(B) the sum of the maximum permissible property tax	
25	levies under IC 6-1.1-18.5 and IC 6-1.1-18.6 for all	
26	civil taxing units of the county during the calendar year	
27	in which the month falls.	
28	STEP SIX: If the STEP THREE result is greater than zero	
29	(0), the STEP ONE amount shall be distributed by	
30	multiplying the STEP ONE amount by the ratio established	
31	under subdivision (1).	
32	STEP SEVEN: For each taxing unit determine the STEP	
33	FIVE ratio multiplied by the STEP TWO amount.	
34	STEP EIGHT: For each civil taxing unit determine the	
35	difference between the STEP SEVEN amount minus the	
36	product of the STEP ONE amount multiplied by the ratio	
37	established under subdivision (1). The STEP THREE	
38	excess shall be distributed as provided in STEP NINE only	
39	to the civil taxing units that have a STEP EIGHT difference	
40	greater than or equal to zero (0).	
41	STEP NINE: For the civil taxing units qualifying for a	
42	distribution under STEP EIGHT, each civil taxing unit's	

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1 share equals the STEP THREE excess multiplied by the
2 ratio of:

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

7 (B) the sum of the maximum permissible property tax
8 levies under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for all
9 qualifying civil taxing units of the county during the
10 calendar year in which the month falls.

11 SECTION 7. IC 12-7-2-45 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 45. "County
13 office" refers to a county office of family and children **within the**
14 **division of family and children.**

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

18 (1) For purposes of IC 12-12-1-9, the fund described in
19 IC 12-12-1-9.

20 ~~(2) For purposes of IC 12-13-8, the meaning set forth in~~
21 ~~IC 12-13-8-1.~~

22 ~~(3) (2) For purposes of IC 12-15-20, the meaning set forth in~~
23 ~~IC 12-15-20-1.~~

24 ~~(4) (3) For purposes of IC 12-17-12, the meaning set forth in~~
25 ~~IC 12-17-12-4.~~

26 ~~(5) (4) For purposes of IC 12-18-4, the meaning set forth in~~
27 ~~IC 12-18-4-1.~~

28 ~~(6) (5) For purposes of IC 12-18-5, the meaning set forth in~~
29 ~~IC 12-18-5-1.~~

30 ~~(7) For purposes of IC 12-19-3, the meaning set forth in~~
31 ~~IC 12-19-3-1.~~

32 ~~(8) For purposes of IC 12-19-4, the meaning set forth in~~
33 ~~IC 12-19-4-1.~~

34 ~~(9) For purposes of IC 12-19-7, the meaning set forth in~~
35 ~~IC 12-19-7-2.~~

36 ~~(10) (6) For purposes of IC 12-23-2, the meaning set forth in~~
37 ~~IC 12-23-2-1.~~

38 ~~(11) For purposes of IC 12-24-6, the meaning set forth in~~
39 ~~IC 12-24-6-1.~~

40 ~~(12) (7) For purposes of IC 12-24-14, the meaning set forth in~~
41 ~~IC 12-24-14-1.~~

42 ~~(13) (8) For purposes of IC 12-30-7, the meaning set forth in~~

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1 IC 12-30-7-3.

2 SECTION 9. IC 12-7-2-95 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 95. (a)
4 "Grant-in-aid", for purposes of the statutes listed in subsection (b),
5 means any money paid by the federal government to the state ~~or any~~
6 ~~money paid by the state to a county~~ for the purpose of defraying any of
7 the expenses, claims, allowances, assistance, or obligations authorized
8 by this title.

9 (b) This section applies to the following statutes:

- 10 (1) IC 12-13.
11 (2) IC 12-14.
12 (3) IC 12-15.
13 (4) IC 12-17-1.
14 (5) IC 12-17-2.
15 (6) IC 12-17-3.
16 (7) IC 12-17-9.
17 (8) IC 12-17-10.
18 (9) IC 12-17-11.
19 ~~(10) IC 12-19.~~

20 SECTION 10. IC 12-7-2-200 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 200. (a)
22 "Warrant", for purposes of the statutes listed in subsection (b), means
23 an instrument that is:

- 24 (1) the equivalent of a money payment; and
25 (2) immediately convertible into cash by the payee for the full
26 face amount of the instrument.

27 (b) This section applies to the following statutes:

- 28 (1) IC 12-10-6.
29 (2) IC 12-13.
30 (3) IC 12-14.
31 (4) IC 12-15.
32 (5) IC 12-17-1.
33 (6) IC 12-17-9.
34 (7) IC 12-17-10.
35 (8) IC 12-17-11.
36 ~~(9) IC 12-19.~~

37 SECTION 11. IC 12-13-5-1 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. The division
39 shall administer or supervise the public welfare activities of the state.
40 The division has the following powers and duties:

- 41 (1) The administration of old age assistance, aid to dependent
42 children, and assistance to the needy blind and persons with

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- 1 disabilities, excluding assistance to children with special health
 2 care needs.
- 3 (2) The administration of the following:
- 4 (A) Any public child welfare service.
- 5 (B) The licensing and inspection under IC 12-17.2 and
 6 IC 12-17.4.
- 7 (C) The care of dependent and neglected children in foster
 8 family homes or institutions, especially children placed for
 9 adoption or those born out of wedlock.
- 10 (D) The interstate placement of children.
- 11 (3) The provision of services to county governments, including
 12 the following:
- 13 ~~(A) Organizing and supervising county offices for the~~
 14 ~~effective administration of public welfare functions:~~
- 15 ~~(B)~~ (A) Compiling statistics and necessary information
 16 concerning public welfare problems throughout Indiana.
- 17 ~~(C)~~ (B) Researching and encouraging research into crime,
 18 delinquency, physical and mental disability, and the cause
 19 of dependency.
- 20 (4) Prescribing the form of, printing, and supplying to the county
 21 departments blanks for applications, reports, affidavits, and other
 22 forms the division considers necessary and advisable.
- 23 (5) Cooperating with the federal Social Security Administration
 24 and with any other agency of the federal government in any
 25 reasonable manner necessary and in conformity with IC 12-13
 26 through IC 12-19 to qualify for federal aid for assistance to
 27 persons who are entitled to assistance under the federal Social
 28 Security Act. The responsibilities include the following:
- 29 (A) Making reports in the form and containing the
 30 information that the federal Social Security Administration
 31 Board or any other agency of the federal government
 32 requires.
- 33 (B) Complying with the requirements that a board or agency
 34 finds necessary to assure the correctness and verification of
 35 reports.
- 36 (6) Appointing from eligible lists established by the state
 37 personnel board employees of the division necessary to
 38 effectively carry out IC 12-13 through IC 12-19. The division
 39 may not appoint a person who is not a citizen of the United
 40 States and who has not been a resident of Indiana for at least one
 41 (1) year immediately preceding the person's appointment unless
 42 a qualified person cannot be found in Indiana for a position as a

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- result of holding an open competitive examination.
- (7) Assisting the office of Medicaid policy and planning in fixing fees to be paid to ophthalmologists and optometrists for the examination of applicants for and recipients of assistance as needy blind persons.
- (8) When requested, assisting other departments, agencies, divisions, and institutions of the state and federal government in performing services consistent with this article.
- (9) Acting as the agent of the federal government for the following:
 - (A) In welfare matters of mutual concern under IC 12-13 through IC 12-19.
 - (B) In the administration of federal money granted to Indiana in aiding welfare functions of the state government.
- (10) Administering additional public welfare functions vested in the division by law and providing for the progressive codification of the laws the division is required to administer.
- ~~(11) Transferring to each county that is required to submit a schedule under IC 12-19-1-9(d) an amount equal to the scheduled amount of the county's lease and rental obligations as provided in IC 12-19-1-9.~~
- ~~(12)~~ **(11)** Supervising day care centers and child placing agencies.
- ~~(13)~~ **(12)** Supervising the licensing and inspection of all public child caring agencies.
- ~~(14)~~ **(13)** Supervising the care of delinquent children and children in need of services.
- ~~(15)~~ **(14)** Assisting juvenile courts as required by IC 31-30 through IC 31-40.
- ~~(16)~~ **(15)** Supervising the care of dependent children and children placed for adoption.
- ~~(17)~~ **(16)** Compiling information and statistics concerning the ethnicity and gender of a program or service recipient.
- ~~(18)~~ **(17)** Providing permanency planning services for children in need of services, including:
 - (A) making children legally available for adoption; and
 - (B) placing children in adoptive homes;
 in a timely manner.
- (18) Operating each county office as an administrative unit within the division.**

SECTION 12. IC 12-13-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. The division

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1 may ~~do the following:~~

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

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

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

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

19 SECTION 14. IC 12-13-7-8 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. (a) The
 21 treasurer of state may receive money:

22 (1) received from a source other than the federal Social Security
 23 Act;

24 ~~(2) not received from taxes levied in the county; and~~

25 ~~(3) (2) that under IC 12-13 through IC 12-19 the division and~~
 26 ~~county offices are authorized to collect, receive, and administer.~~

27 (b) The treasurer of state may pay the money received under
 28 subsection (a) into the proper fund or the proper account of the state
 29 general fund, provide for the proper custody of the money, and make
 30 disbursements upon the order of the division and upon warrant of the
 31 auditor of state.

32 SECTION 15. IC 12-13-7-17 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. The part of
 34 the care and maintenance of the inmates of the Plainfield Juvenile
 35 Correctional Facility and the Indianapolis Juvenile Correctional
 36 Facility that under law is to be charged back to the counties shall be
 37 paid from the county general fund. ~~and not the county welfare fund or~~
 38 ~~the county family and children's fund; unless otherwise provided by~~
 39 ~~law.~~

40 SECTION 16. IC 12-13-9-2 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. The division
 42 shall ~~administer the state medical assistance to wards fund and shall~~

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1 ~~use money in the fund to~~ defray the expenses and obligations incurred
 2 by the division for medical assistance to wards and associated
 3 administrative costs.

4 SECTION 17. IC 12-14-1-2 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. An application
 6 for a dependent child under this article must be made to the county
 7 office ~~of in~~ the county where the dependent child resides.

8 SECTION 18. IC 12-14-2-5.4 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5.4. (a) Subject
 10 to IC 12-8-1-12 and except as provided in subsection (d), the AFDC
 11 grant for a person who:

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

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

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

18 (b) At:

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

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

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

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

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

29 (2) the person's monthly family income is equal to or exceeds
 30 one hundred percent (100%) of the monthly federal income
 31 poverty level;

32 whichever occurs first.

33 (d) A person:

34 (1) who becomes employed (including a person who is in a
 35 program established under IC 12-8-11); and

36 (2) whose net income is equal to or more than the amount of
 37 need recognized under section 5 of this chapter;

38 has the option to receive either guaranteed child care or a cash payment
 39 equal to the amount of the AFDC grant for which the person qualifies
 40 immediately before the person becomes employed.

41 (e) The option under subsection (d) is available until:

42 (1) the person is no longer eligible for AFDC under section 5.1

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1 of this chapter; or
 2 (2) the person's monthly family income is equal to or exceeds
 3 one hundred percent (100%) of the monthly federal income
 4 poverty level;
 5 whichever occurs first.

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

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

10 SECTION 19. IC 12-14-2-12 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 12. The county
 12 office shall notify the applicant ~~and the division~~ of the county office's
 13 decision concerning assistance in writing.

14 SECTION 20. IC 12-14-2-14 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 14. ~~Except in~~
 16 ~~counties that are automated under IC 12-14-9.5,~~ Assistance shall be
 17 paid monthly to the recipient upon warrant of the county auditor from
 18 the county welfare fund upon a verified schedule of the recipients and
 19 the amount payable to each recipient prepared and verified by the
 20 county director; in accordance with the awards made by the county
 21 office. A schedule shall be filed in the form required by the division: **by**
 22 **the division.**

23 SECTION 21. IC 12-14-3-2 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. The county
 25 office shall prepare ~~four (4)~~ **three (3)** copies of the certificate.

26 SECTION 22. IC 12-14-3-4 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The copies of
 28 the certificate shall be distributed as follows:

29 (1) One (1) copy retained by and filed in the office of the county
 30 office.

31 (2) One (1) copy filed with the **central office of the** division.

32 ~~(3) One (1) copy filed in the office of the county auditor.~~

33 ~~(4)~~ **(3)** One (1) copy given to the recipient.

34 SECTION 23. IC 12-14-4-2 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. If a move
 36 occurs, the county office **in the county** from which the recipient moves
 37 shall:

38 (1) give written notice; and

39 (2) immediately transfer all of the records relating to the
 40 recipient;

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



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1 SECTION 24. IC 12-14-4-3 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. The county
 3 office ~~of in~~ the county to which a child has moved or been taken is
 4 responsible for determining the eligibility and the payment of
 5 assistance to the recipient.

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

20 SECTION 26. IC 12-14-13-5 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. The copies of
 22 the certificate shall be distributed as follows:

- 23 (1) One (1) copy retained by and filed in the **central office of**
 24 **the** division.
- 25 (2) One (1) copy filed with the **state auditor of state.**
- 26 (3) One (1) copy filed in the office of the county recorder.
- 27 (4) One (1) copy given to the recipient.

28 SECTION 27. IC 12-14-20-1 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) The
 30 division may accept voluntary contributions from a person desiring to
 31 contribute to the support of a parent or other person who receives
 32 public assistance.

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

36 SECTION 28. IC 12-14-22-7 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. (a) A schedule
 38 of payments made to or for the benefit of each recipient under this
 39 article shall be filed by the ~~county office~~ **division** each month with the
 40 ~~county auditor and the~~ prosecuting attorney.

41 (b) The schedule shall be kept open to the public at all times for
 42 inspection, study, and securing data. The schedule must contain the



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1 names and addresses, in alphabetical order, of all recipients of benefits.
2 SECTION 29. IC 12-15-15-9 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) For each
4 state fiscal year beginning on or after July 1, 1997, a hospital is entitled
5 to a payment under this section.

6 (b) Total payments to hospitals under this section for a state fiscal
7 year shall be equal to all amounts transferred from the hospital care for
8 the indigent fund for Medicaid current obligations during the state
9 fiscal year, including amounts of the fund appropriated for Medicaid
10 current obligations.

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

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

20 ~~(3) (2) must provide that no hospital will receive a payment~~
21 ~~under this section less than the amount the hospital received~~
22 ~~under IC 12-15-15-8 for the state fiscal year ending June 30,~~
23 ~~1997.~~

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

29 STEP ONE: Determine the difference between:

30 (A) the amount transferred from the state hospital care for
31 the indigent fund under subsection (b); and

32 (B) thirty-five million dollars (\$35,000,000).

33 STEP TWO: Multiply the amount determined under STEP ONE
34 by the federal medical assistance percentage for the state fiscal
35 year.

36 SECTION 30. IC 12-16-4-1 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. To receive
38 payment from the division for the costs incurred in providing care to an
39 indigent person, a hospital must file an application with the county
40 office ~~of~~ **in** the county in which the hospital is located.

41 SECTION 31. IC 12-16-7-2 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. ~~(a)~~ Except as

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1 provided in section 5 of this chapter, claims for payment shall be
2 segregated by year using the patient's admission date.

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

6 SECTION 32. IC 12-16-7-3 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 3. A payment
8 made to a hospital under the hospital care for the indigent program
9 must be on a warrant drawn on the state ~~hospital care for the indigent~~
10 ~~fund established by IC 12-16-14.~~ **general fund.**

11 SECTION 33. IC 12-16-7-4 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. (a) Each year
13 the division shall pay two-thirds (2/3) of each claim upon submission
14 and approval of the claim.

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

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

24 (2) (1) Any contribution to the fund in that year.

25 (3) (2) Any amount that was appropriated to the state hospital
26 care for the indigent **fund program** for that year by the general
27 assembly.

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

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

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

39 SECTION 35. IC 12-17-1-7 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. An application
41 for assistance for a destitute child under this chapter must be made to
42 the county office ~~of~~ **in** the county in which the destitute child resides.



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1 The application must be in writing. The division shall prescribe the
2 manner and the form upon which the application must be made.

3 SECTION 36. IC 12-17-1-10 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) Upon the
5 completion of an investigation under section 9 of this chapter, the
6 county office shall do the following:

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

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

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

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

16 (b) The county office shall provide assistance to the recipient at
17 least monthly upon warrant of the county auditor. The assistance must
18 be

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

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

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

25 SECTION 37. IC 12-17-1-12 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 12. (a) If
27 assistance is granted to a destitute child under this chapter, facts
28 supporting the award of assistance, as prescribed by the division, must
29 be entered on a certificate.

30 (b) The division shall prescribe the form for the certificate under
31 subsection (a). The certificate must bear the impress of the division's
32 seal.

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

36 (1) One (1) copy must be retained by the office of the county
37 office.

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

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

42 ~~(4)~~ **(3)** One (1) copy must be given to the recipient.



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1 SECTION 38. IC 12-17-3-2 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) ~~This section~~
 3 ~~does not apply to a county department's:~~

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

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

6 (b) Necessary expenses incurred in the administration of the child
 7 welfare services under section 1 of this chapter shall be paid out of the
 8 county welfare fund or the county family and children's state general
 9 fund. (whichever is appropriate).

10 SECTION 39. IC 12-19-1-1 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. A county office
 12 of family and children is established in each county **as an office within**
 13 **the division of family and children.**

14 SECTION 40. IC 12-19-1-9 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 9. (a) The
 16 division shall provide the necessary facilities to house the county
 17 office.

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

21 (c) Each county is responsible for the payment of the county's
 22 lease and rental obligations for office space used by the county office
 23 if:

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

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

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

31 SECTION 41. IC 12-19-1-10 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. (a) ~~Subject to~~
 33 ~~the rules adopted by the director of~~ The division a county office shall
 34 administer the following **through a county office:**

35 (1) Assistance to dependent children in the homes of the
 36 dependent children.

37 (2) Assistance and services to elderly persons.

38 (3) Assistance to persons with disabilities.

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

40 (A) Children in need of services.

41 (B) Dependent children.

42 (C) Children with disabilities.



- 1 (5) Licensing of foster family homes for the placement of
 2 children in need of services.
 3 (6) Supervision of the care and treatment of children in need of
 4 services in foster family homes.
 5 (7) Licensing of foster family homes for the placement of
 6 delinquent children.
 7 (8) Supervision of the care and treatment of delinquent children
 8 in foster family homes.
 9 (9) Provision of family preservation services.
 10 (10) Any other welfare activities that are delegated to the county
 11 office by the division under this chapter, including services
 12 concerning assistance to the blind.

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

16 SECTION 42. IC 12-19-1-13 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 13. (a) A county
 18 office **or the division** may sue and be sued under the name of "The
 19 County Office of Family and Children of _____ County".

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

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

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

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

31 SECTION 43. IC 12-19-1-14 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 14. (a) A county
 33 office may charge the following adoption fees:

- 34 (1) An adoption placement fee that may not exceed the actual
 35 costs incurred by the county office for medical expenses of
 36 children and mothers.
 37 (2) A fee that does not exceed the time and travel costs incurred
 38 by the county office for home study and investigation concerning
 39 a contemplated adoption.

40 (b) Fees charged under this section shall be deposited in a separate
 41 account in the **county state** welfare trust clearance fund established
 42 under section 16 of this chapter. Money deposited under this subsection

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1 ~~shall be expended by~~ **is annually appropriated** to the county office for
 2 the following purposes: ~~without further appropriation:~~

3 (1) The care of children whose adoption is contemplated.

4 (2) The improvement of adoption services provided by the
 5 county departments.

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

8 (d) The division may provide written authorization allowing a
 9 county office to reduce or waive charges authorized under this section
 10 in hardship cases or for other good cause after investigation. The
 11 division may adopt forms on which the written authorization is
 12 provided.

13 SECTION 44. IC 12-19-1-16 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 16. (a) ~~This~~
 15 ~~section does not apply to money received to reimburse the county~~
 16 ~~welfare fund for expenditures made from the appropriations of the~~
 17 ~~county office.~~ **The state welfare trust clearance fund is established.**
 18 **The fund shall be administered by the division. Money in the fund**
 19 **at the end of a state fiscal year does not revert to the state general**
 20 **fund.**

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

25 (1) The money shall be kept in a special fund known as the
 26 ~~county state~~ **welfare trust clearance fund** and may not be
 27 commingled with any other fund or with money received from
 28 taxation.

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

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

33 (B) Indiana law.

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

35 SECTION 45. IC 12-19-1-18 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 18. (a) After
 37 petition to and with the approval of the judge of the circuit court, ~~a~~
 38 ~~county office~~ **the division** may take the actions described in subsection
 39 (b) if:

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

42 (2) a recipient of public assistance:

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- 1 (A) is incapable of managing the recipient's affairs; or
 2 (B) refuses to:
 3 (i) take care of the recipient's money properly; or
 4 (ii) comply with the director of the division's rules and
 5 policies.
- 6 (b) If the conditions of subsection (a) are satisfied, the ~~county~~
 7 ~~office~~ **division** may designate a responsible person to do the following:
 8 (1) Act for the applicant or recipient.
 9 (2) Receive on behalf of the recipient the assistance the recipient
 10 is eligible to receive under any of the following:
 11 (A) This chapter.
 12 (B) IC 12-10-6.
 13 (C) IC 12-14-1 through IC 12-14-9.
 14 (D) IC 12-14-13 through IC 12-14-19.
 15 (E) IC 12-15.
 16 (F) IC 12-17-1 through IC 12-17-3.
 17 (G) IC 16-35-2.
- 18 (c) A fee for services provided under this section may be paid to
 19 the responsible person in an amount not to exceed ten dollars (\$10)
 20 each month. The fee may be allowed:
 21 (1) in the monthly assistance award; or
 22 (2) by vendor payment if the fee would cause the amount of
 23 assistance to be increased beyond the maximum amount
 24 permitted by statute.
- 25 **SECTION 46. IC 12-19-1-21 IS ADDED TO THE INDIANA**
 26 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 27 **[EFFECTIVE JANUARY 1, 2000]: Sec. 21. (a) As used in this**
 28 **chapter, "child services" means child welfare services specifically**
 29 **provided for children who:**
 30 **(1) are adjudicated to be:**
 31 **(A) children in need of services; or**
 32 **(B) delinquent children; or**
 33 **(2) are recipients of or are eligible for:**
 34 **(A) informal adjustments;**
 35 **(B) service referral agreements; and**
 36 **(C) adoption assistance;**
 37 **including the costs of using an institution or facility for providing**
 38 **educational services as described in either IC 20-8.1-3-36 (if**
 39 **applicable) or IC 20-8.1-6.1-8 (if applicable), all services required**
 40 **to be paid by the division under IC 31-40-1, and all costs required**
 41 **to be paid by the division under IC 20-8.1-6.1-7.**
 42 **(b) The division shall pay the expenses and obligations**



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1 **incurred after December 31, 1999, to deliver child services.**

2 SECTION 47. IC 12-19-1-22 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 1999]: **Sec. 22. (a) This section applies**
5 **notwithstanding the repeal of IC 12-19-3 through IC 12-19-7**
6 **(effective January 1, 2000).**

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

9 **(1) are direct general obligations of the county issuing the**
10 **bonds; and**

11 **(2) are payable out of unlimited ad valorem taxes that shall**
12 **be levied and collected on all the taxable property within the**
13 **county.**

14 **(c) If the county welfare fund established under IC 12-19-3**
15 **(repealed January 1, 2000) or family and children's fund**
16 **established under IC 12-19-7 (repealed January 1, 2000) is**
17 **exhausted before January 1, 2000, the county may obtain loans and**
18 **issue bonds under IC 12-19-3 or IC 12-19-7, as appropriate, to**
19 **provide money for the fund as if IC 12-19-3 and IC 12-19-7 had not**
20 **been repealed.**

21 **(d) Each official and body responsible for the levying of taxes**
22 **for the county must ensure that sufficient levies are made to meet**
23 **the principal and interest on the bonds at the time fixed for the**
24 **payment of the principal and interest, without regard to any other**
25 **statute. If an official or a body fails or refuses to make or allow a**
26 **sufficient levy required by this section, the bonds and the interest**
27 **on the bonds shall be payable out of the general fund of the county**
28 **without appropriation.**

29 SECTION 48. IC 16-33-3-10 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 10. Whenever the
31 circuit court having jurisdiction finds, upon application by the county
32 office of family and children, that the parent or guardian of a client
33 placed in the center is unable to meet the costs that the parent or
34 guardian is required to pay for the services of the center, the court shall
35 order payment of the costs ~~from the county general fund:~~ **by the**
36 **division of family and children.**

37 SECTION 49. IC 16-33-4-17 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 17. (a) Each child,
39 the estate of the child, the parent or parents of the child, or the guardian
40 of the child, individually or collectively, are liable for the payment of
41 the costs of maintenance of the child of up to one hundred percent
42 (100%) of the per capita cost, except as otherwise provided. The cost



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1 shall be computed annually by dividing the total annual cost of
 2 operation for the fiscal year, exclusive of the cost of education
 3 programs, construction, and equipment, by the total child days each
 4 year. The maintenance cost shall be referred to as maintenance charges.
 5 The charge may not be levied against any of the following:

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

8 (2) A child orphaned by reason of the death of the natural
 9 parents.

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

16 (1) preventative maintenance; and

17 (2) repair and rehabilitation;

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

20 (c) The superintendent of the home may, with the approval of the
 21 state health commissioner, agree to accept payment at a lesser rate than
 22 that prescribed in subsection (a). The superintendent of the home shall,
 23 in determining whether or not to accept the lesser amount, take into
 24 consideration the amount of money that is necessary to maintain or
 25 support any member of the family of the child. All agreements to
 26 accept a lesser amount are subject to cancellation or modification at
 27 any time by the superintendent of the home with the approval of the
 28 state health commissioner.

29 (d) A person who has been issued a statement of amounts due as
 30 maintenance charges may petition the superintendent of the home for
 31 a release from or modification of the statement and the superintendent
 32 shall provide for hearings to be held on the petition. The superintendent
 33 of the home may, with the approval of the state health commissioner
 34 and after the hearing, cancel or modify the former statement and at any
 35 time for due cause may increase the amounts due for maintenance
 36 charges to an amount not to exceed the maximum cost as determined
 37 under subsection (a).

38 (e) The superintendent of the home may arrange for the
 39 establishment of a graduation or discharge trust account for a child by
 40 arranging to accept a lesser rate of maintenance charge. The trust fund
 41 must be of sufficient size to provide for immediate expenses upon
 42 graduation or discharge.



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1 (f) The superintendent may make agreements with
 2 instrumentalities of the federal government for application of any
 3 monetary awards to be applied toward the maintenance charges in a
 4 manner that provides a sufficient amount of the periodic award to be
 5 deposited in the child's trust account to meet the immediate personal
 6 needs of the child and to provide a suitable graduation or discharge
 7 allowance. The amount applied toward the settlement of maintenance
 8 charges may not exceed the amount specified in subsection (a).

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

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

13 (2) Make determinations of the ability of:

14 (A) the estate of the child;

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

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

17 to pay maintenance charges.

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

20 (A) Reflect changes in the cost of living and other pertinent
 21 factors.

22 (B) Provide for unusual and exceptional circumstances in
 23 the application of the standard.

24 (4) Issue to any person liable under this chapter statements of
 25 amounts due as maintenance charges, requiring the person to pay
 26 monthly, quarterly, or otherwise as may be arranged, an amount
 27 not exceeding the maximum cost as determined under this
 28 chapter.

29 SECTION 50. IC 20-8.1-3-36 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 36. (a) It is
 31 unlawful for a person operating or responsible for an educational,
 32 correctional, charitable, or benevolent institution or training school to
 33 fail to ensure that a child under his authority attends school as required
 34 under this chapter. Each day of violation of this section constitutes a
 35 separate offense.

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

42 SECTION 51. IC 20-8.1-6.1-7 IS AMENDED TO READ AS



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1 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 7. (a) If a student
 2 is transferred under section 2 of this chapter from a school corporation
 3 in Indiana to a public school corporation in another state, the transferor
 4 corporation shall pay the transferee corporation the full tuition fee
 5 charged by the transferee corporation. However, the amount of the full
 6 tuition fee must not exceed the amount charged by the transferor
 7 corporation for the same class of school, or if the school has no such
 8 classification, the amount must not exceed the amount charged by the
 9 geographically nearest school corporation in Indiana which has such
 10 classification.

11 (b) If a child is:

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

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

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

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

24 (1) The amount under a written agreement among the ~~county~~
 25 ~~office;~~ **division of family and children**, the institution or other
 26 facility, and the governing body of the public school corporation
 27 in the other state that specifies the amount and method of
 28 computing transfer tuition.

29 (2) The full tuition fee charged by the transferee corporation, if
 30 subdivision (1) does not apply. However, the amount of the full
 31 tuition fee must not exceed the amount charged by the transferor
 32 corporation for the same class of school, or if the school has no
 33 such classification, the amount must not exceed the amount
 34 charged by the geographically nearest school corporation in
 35 Indiana which has such classification.

36 (d) If a child is:

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

39 (2) provided:

40 (A) onsite educational programs and services either through
 41 the facility's employees or by contract with another person
 42 or organization that is not a public school corporation; or

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1 (B) educational programs and services by a nonpublic
 2 school;
 3 the county office **division** of family and children for the county placing
 4 the child shall pay from the county family and children's fund in an
 5 amount and in the manner specified in a written agreement between the
 6 county office **division** and the institution or other facility.

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

11 SECTION 52. IC 20-8.1-6.1-8 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 8. (a) As used in
 13 this section, the following terms have the following meanings:

14 (1) "Class of school" refers to a classification of each school or
 15 program in the transferee corporation by the grades or special
 16 programs taught at the school. Generally, these classifications
 17 are denominated as kindergarten, elementary school, middle
 18 school or junior high school, high school, and special schools or
 19 classes, such as schools or classes for special education,
 20 vocational training, or career education.

21 (2) "ADM" means the following:

22 (A) For purposes of allocating to a transfer student state
 23 distributions under IC 21-1-30 (primetime), "ADM" as
 24 computed under IC 21-1-30-2.

25 (B) For all other purposes, "ADM" as set forth in
 26 IC 21-3-1.6-1.1.

27 (3) "Pupil enrollment" means the following:

28 (A) The total number of students in kindergarten through
 29 grade 12 who are enrolled in a transferee school corporation
 30 on a date determined by the Indiana state board of
 31 education.

32 (B) The total number of students enrolled in a class of
 33 school in a transferee school corporation on a date
 34 determined by the Indiana state board of education.

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

37 (4) "Special equipment" means equipment that during a school
 38 year:

39 (A) is used only when a child with disabilities is attending
 40 school;

41 (B) is not used to transport a child to or from a place where
 42 the child is attending school;

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1 (C) is necessary for the education of each child with
 2 disabilities that uses the equipment, as determined under the
 3 individualized instruction program for the child; and
 4 (D) is not used for or by any child who is not a child with
 5 disabilities.

6 The Indiana state board of education may select a different date for
 7 counts under subdivision (3). However, the same date shall be used for
 8 all school corporations making a count for the same class of school.

9 (b) Each transferee corporation is entitled to receive for each
 10 school year on account of each transferred student, except a student
 11 transferred under section 3 of this chapter, transfer tuition from the
 12 transferor corporation or the state as provided in this chapter. Transfer
 13 tuition equals the amount determined under STEP THREE of the
 14 following formula:

15 STEP ONE: Allocate to each transfer student the capital
 16 expenditures for any special equipment used by the transfer
 17 student and a proportionate share of the operating costs incurred
 18 by the transferee school for the class of school where the transfer
 19 student is enrolled.

20 STEP TWO: If the transferee school included the transfer
 21 student in the transferee school's ADM for a school year, allocate
 22 to the transfer student a proportionate share of the following
 23 general fund revenues of the transferee school for, except as
 24 provided in clause (C), the calendar year in which the school
 25 year ends:

26 (A) The following state distributions that are computed in
 27 any part using ADM or other pupil count in which the
 28 student is included:

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



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- 1 available for the payment of general operating
 2 expenses under IC 21-3-4.5-2(b)(1).
- 3 (B) For school years beginning after June 30, 1997,
 4 property tax levies.
- 5 (C) For school years beginning after June 30, 1997, excise
 6 tax revenue (as defined in IC 21-3-1.7-2) received for
 7 deposit in the calendar year in which the school year begins.
- 8 (D) For school years beginning after June 30, 1997,
 9 allocations to the transferee school under IC 6-3.5.
- 10 **STEP THREE: Determine the greater of:**
- 11 (A) zero (0); or
- 12 (B) the result of subtracting the STEP TWO amount from
 13 the STEP ONE amount.
- 14 If a child is placed in an institution or facility in Indiana under a court
 15 order, the institution or facility shall charge the ~~county office of the~~
 16 ~~county of the student's legal settlement under IC 12-19-7~~ **division of**
 17 **family and children** for the use of the space within the institution or
 18 facility (commonly called capital costs) that is used to provide
 19 educational services to the child based upon a prorated per student cost.
- 20 (c) Operating costs shall be determined for each class of school
 21 where a transfer student is enrolled. The operating cost for each class
 22 of school is based on the total expenditures of the transferee
 23 corporation for the class of school from its general fund expenditures
 24 as specified in the classified budget forms prescribed by the state board
 25 of accounts. This calculation excludes:
- 26 (1) capital outlay;
- 27 (2) debt service;
- 28 (3) costs of transportation;
- 29 (4) salaries of board members;
- 30 (5) contracted service for legal expenses; and
- 31 (6) any expenditure which is made out of the general fund from
 32 extracurricular account receipts;
- 33 for the school year.
- 34 (d) The capital cost of special equipment for a school year is equal
 35 to:
- 36 (1) the cost of the special equipment; divided by
- 37 (2) the product of:
- 38 (A) the useful life of the special equipment, as determined
 39 under the rules adopted by the Indiana state board of
 40 education; multiplied by
- 41 (B) the number of students using the special equipment
 42 during at least part of the school year.

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1 (e) When an item of expense or cost described in subsection (c)
2 cannot be allocated to a class of school, it shall be prorated to all
3 classes of schools on the basis of the pupil enrollment of each class in
4 the transferee corporation compared to the total pupil enrollment in the
5 school corporation.

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

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

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

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

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

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

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

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

39 (h) In lieu of the payments provided in subsection (b), the
40 transferor corporation or state owing transfer tuition may enter into a
41 long term contract with the transferee corporation governing the
42 transfer of students. This contract is for a maximum period of five (5)

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1 years with an option to renew and may specify a maximum number of
 2 pupils to be transferred and fix a method for determining the amount
 3 of transfer tuition and the time of payment, which may be different
 4 from that provided in section 9 of this chapter.

5 (i) If the school corporation can meet the requirements of
 6 IC 21-1-30-5, it may negotiate transfer tuition agreements with a
 7 neighboring school corporation that can accommodate additional
 8 students. Agreements under this section may be for one (1) year or
 9 longer and may fix a method for determining the amount of transfer
 10 tuition or time of payment that is different from the method, amount,
 11 or time of payment that is provided in this section or section 9 of this
 12 chapter. A school corporation may not transfer a student under this
 13 section without the prior approval of the child's parent or guardian.

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

18 SECTION 53. IC 20-8.1-6.1-12 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 12. (a) Annually
 20 before the date specified in the rules adopted by the Indiana state board
 21 of education, each school corporation shall report the information
 22 specified in subsection (b) for each student:

23 (1) for whom tuition support is paid by another school
 24 corporation;
 25 (2) for whom tuition support is paid by the state; and
 26 (3) who is enrolled in the school corporation but has the
 27 equivalent of a legal settlement in another state or country;
 28 to the county office (as defined in IC 12-7-2-45) for the county in
 29 which the principal office of the school corporation is located and to
 30 the department of education.

31 (b) Each school corporation shall provide the following
 32 information for each school year beginning with the school year
 33 beginning July 1, 1994, for each category of student described in
 34 subsection (a):

- 35 (1) The amount of tuition support and other support received for
 36 the students described in subsection (a).
 37 (2) The operating expenses, as determined under section 8 of this
 38 chapter, incurred for the students described in subsection (a).
 39 (3) Special equipment expenditures that are directly related to
 40 educating students described in subsection (a).
 41 (4) The number of transfer students described in subsection (a).
 42 (5) Any other information required under the rules adopted by

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1 the Indiana state board of education after consultation with the
2 office of the secretary of family and social services.

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

6 (d) Not later than November 30 of each year beginning after
7 December 31, 1994, the department of education shall compile the
8 information required from school corporations under this section and
9 submit the compiled information in the form specified by the office of
10 the secretary of family and social services to the office of the secretary
11 of family and social services.

12 (e) Not later than November 30 of each year beginning after
13 December 31, 1994, each county office shall submit the following
14 information to the office of the secretary of family and social services
15 for each child who is described in ~~IC 12-19-7-1(1)~~ **IC 12-19-1-21(a)(1)**
16 and is placed in another state or is a student in a school outside the
17 school corporation where the child has legal settlement:

- 18 (1) The name of the child.
- 19 (2) The name of the school corporation where the child has legal
20 settlement.
- 21 (3) The last known address of the custodial parent or guardian of
22 the child.
- 23 (4) Any other information required by the office of the secretary
24 of family and social services.

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

33 SECTION 54. IC 31-19-26-1 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. (a) When a
35 petition for adoption is filed seeking a subsidy and the payment of a
36 subsidy is ordered by the court, the order must contain the following
37 information:

- 38 (1) Whether a subsidy will be paid under section 2 or 3 of this
39 chapter, or both.
- 40 (2) The amount of each subsidy to be paid.
- 41 (3) If a subsidy will be paid under section 3 of this chapter, the
42 condition or cause covered by the subsidy.



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1 (4) Any condition for the continued payment of a subsidy other
2 than a requirement set forth in this chapter.

3 (b) The ~~county office~~ **division** of family and children of ~~the county~~
4 **responsible for foster care of an adoptive child** may be ordered to pay
5 either or both of the subsidies under this chapter to the adoptive parents
6 or designated payees to the extent that money is available.

7 SECTION 55. IC 31-40-1-1 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1. This article
9 applies to a financial burden sustained by **the state and** a county as the
10 result of costs paid by ~~the county~~ under section 2 of this chapter,
11 including costs resulting from the institutional placement of a child
12 adjudicated a delinquent child or a child in need of services.

13 SECTION 56. IC 31-40-1-2 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 2. (a) The ~~county~~
15 **state** shall pay the cost of:

- 16 (1) any services ordered by the juvenile court for any child or the
17 child's parent, guardian, or custodian; and
18 (2) returning a child under IC 31-37-23;

19 **except for probation, guardian ad litem, and court appointed**
20 **special advocate services. The county shall pay the cost of**
21 **probation, guardian ad litem, and court appointed special advocate**
22 **services.**

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

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

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

34 SECTION 57. IC 31-40-1-4 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. The parent or
36 guardian of the estate of any child returned to Indiana under the
37 interstate compact on juveniles under IC 31-37-23 shall reimburse the
38 **state and** county for all costs involved in returning the child that the
39 court orders the parent or guardian to pay under section 3 of this
40 chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child
41 has been adjudicated a delinquent child or a child in need of services.

42 SECTION 58. IC 31-40-1-5 IS AMENDED TO READ AS



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1 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 5. (a) Whenever
2 the court orders institutional placement of a child:

3 (1) the court shall refer to the child support guidelines adopted
4 by the Indiana supreme court to determine the financial
5 contribution required from each parent of the child or the
6 guardian of the child's estate;

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

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

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

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

16 (2) remit all other support payments to the ~~county state~~ general
17 fund.

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

21 (d) The ~~county office~~ **division** of family and children shall monitor
22 the enforcement of support orders under subsection (a).

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

25 SECTION 59. THE FOLLOWING ARE REPEALED
26 [EFFECTIVE JANUARY 1, 2000]: IC 6-1.1-17-18; IC 6-1.1-18.6;
27 IC 12-7-2-117; IC 12-13-7-10; IC 12-13-7-11; IC 12-13-7-14;
28 IC 12-13-7-15; IC 12-13-7-16; IC 12-13-7-20; IC 12-13-8;
29 IC 12-13-9-1; IC 12-13-9-3; IC 12-13-9-4; IC 12-14-2-13;
30 IC 12-14-9-2; IC 12-14-9-3; IC 12-14-9.5; IC 12-15-1-2; IC 12-15-1-3;
31 IC 12-16-14; IC 12-16-15; IC 12-17-1-15; IC 12-17-3-3;
32 IC 12-19-1-15; IC 12-19-1-17; IC 12-19-3; IC 12-19-4; IC 12-19-5;
33 IC 12-19-6; IC 12-19-7; IC 12-24-6; IC 12-24-9-2; IC 12-24-9-3;
34 IC 12-24-9-4; IC 12-24-13-6; IC 16-35-3; IC 16-35-4.

35 SECTION 60. [EFFECTIVE JULY 1, 1999] (a) **As used in this**
36 **SECTION, "county office property tax levies" means the property**
37 **tax levies under or for any of the following:**

38 (1) **IC 12-13-8 (county medical assistance to wards fund).**

39 (2) **IC 12-16-14 (county hospital care for the indigent fund).**

40 (3) **IC 12-19-3 (county welfare fund and tax levy).**

41 (4) **IC 12-19-4 (county welfare administration fund and tax**
42 **levy).**



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- 1 (5) IC 12-19-7 (county family and children's fund).
 2 (6) IC 16-35-3 (children with special health care needs
 3 county fund and tax levy).
 4 (b) Notwithstanding any other law, after December 31, 1999,
 5 the state shall fund one hundred percent (100%) of the programs,
 6 services, and activities paid from county office property tax levies
 7 before January 1, 2000.
 8 (c) Notwithstanding any other law, after December 31, 2000,
 9 a county may not impose a county office property tax levy. The
 10 maximum permissible levy for any fund:
 11 (1) that is not terminated after December 31, 1999; and
 12 (2) for which a county office property tax levy was imposed
 13 before January 1, 2000;
 14 shall be reduced to eliminate the part of the maximum levy related
 15 to a county office property tax levy before January 1, 2000.
 16 SECTION 61. [EFFECTIVE JULY 1, 1999] (a) As used in this
 17 SECTION, "county office property tax levies" means the property
 18 tax levies under or for any of the following:
 19 (1) IC 12-13-8 (county medical assistance to wards fund).
 20 (2) IC 12-16-14 (county hospital care for the indigent fund).
 21 (3) IC 12-19-3 (county welfare fund and tax levy).
 22 (4) IC 12-19-4 (county welfare administration fund and tax
 23 levy).
 24 (5) IC 12-19-7 (county family and children's fund).
 25 (6) IC 16-35-3 (children with special health care needs
 26 county fund and tax levy).
 27 (b) As used in this SECTION, "miscellaneous revenue" means
 28 tax revenue that is distributed under:
 29 (1) the bank tax (IC 6-5-10);
 30 (2) the savings and loan association tax (IC 6-5-11);
 31 (3) the production credit association tax (IC 6-5-12);
 32 (4) the financial institutions tax (IC 6-5.5); or
 33 (5) any other statute providing for a distribution of revenue;
 34 to a political subdivision based in any part on the ad valorem
 35 property tax levy imposed by the political subdivision.
 36 (c) For calendar year 2000 and any other year that in any part
 37 conditions a distribution of miscellaneous revenue on the county
 38 property tax levies first due and payable in calendar year 1999 or
 39 a previous year, the distribution must be made based on the
 40 adjusted property tax levy determined under this SECTION.
 41 (d) The state board of tax commissioners shall determine an
 42 adjusted property tax levy for each year on which a distribution



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1 described in subsection (c) is based. The adjusted property tax levy
 2 must exclude the county office property tax levies imposed in that
 3 year.

4 (e) Before July 15, 1999, the state board of tax commissioners
 5 shall certify the adjusted levy determined under subsection (d) to
 6 the auditor of state, each county auditor, and the department of
 7 state revenue.

8 (f) For purposes of property tax levies first due and payable
 9 after December 31, 1999, the state board of tax commissioners shall
 10 adjust property tax levies of a political subdivision to eliminate that
 11 part of a property tax levy that was imposed before January 1,
 12 2000, to make a transfer described in IC 12-15-18-5.1.

13 (g) The unallotted balance on December 31, 1999, of any
 14 county office property tax levies in a fund other than the state
 15 general fund shall, on January 1, 2000, be transferred to the state
 16 general fund to carry out the programs for which the money was
 17 levied. The unallotted balance on December 31, 1999, of each
 18 county welfare trust clearance fund shall be transferred on
 19 January 1, 2000, to an account in the state welfare trust clearance
 20 fund. However, by agreement between a county executive and the
 21 division of family and children, a county may retain a balance of
 22 county office property tax levies after December 31, 1999, in a fund
 23 to pay obligations incurred but not allotted for payment before
 24 January 1, 2000. The amount and time that balances shall be
 25 retained shall be governed by the agreement. Money transferred
 26 to the state under this subsection shall be treated as money from
 27 state revenues.

28 (h) The state board of tax commissioners shall reduce the
 29 maximum permissible ad valorem property tax levy of a county to
 30 reflect the transfer by this act of expenditures payable from a
 31 county general fund to the state.

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

33 SECTION 62. [EFFECTIVE JULY 1, 1999] (a) After December
 34 31, 1999, a reference in a law, rule, or other document to a county
 35 office of family and children shall be treated as a reference to:

- 36 (1) the county office of family and children within the
 37 division of family and children; or
 38 (2) the division of family and children.

39 (b) The division of family and children may adopt and operate
 40 under interim guidelines to implement this SECTION. Interim
 41 guidelines adopted under this SECTION expire on the earliest of
 42 the following:



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- 1 (1) A replacement interim guideline is adopted under this
2 SECTION.
- 3 (2) A rule is adopted under IC 4-22-2 to replace the interim
4 guideline.
- 5 (3) January 1, 2001.
- 6 (c) To the extent that the personnel, agreements and other
7 obligations, and records and other property of a county office are
8 not the personnel, agreements and other obligations, and records
9 and other property of the division, after December 31, 1999, the:
10 (1) personnel;
11 (2) agreements and other obligations; and
12 (3) records and other property;
13 of a county office of family and children on December 31, 1999,
14 shall be treated as the personnel, agreements and other obligations,
15 and records and other property of the division of family and
16 children.
- 17 (d) After December 31, 1999, a court order issued before
18 January 1, 2000, and requiring or authorizing a county office of
19 family and children to take an action shall be treated as an order
20 requiring or authorizing the division of family and children to take
21 the action. However, this subsection does not authorize the division
22 of family and children to impose a property tax levy.
- 23 (e) After December 31, 1999:
24 (1) trust funds administered by; and
25 (2) wardships and guardianships granted to;
26 a county office of family and children before January 1, 2000, shall
27 be administered by the division of family and children.
- 28 (f) The following funds are abolished:
29 (1) State medical assistance to wards fund.
30 (2) The state welfare fund.
31 (3) Institution clothing fund established under IC 12-24-6-1
32 (repealed by this act).
- 33 Unallotted money in a fund described in this subsection on
34 December 31, 1999, shall on January 1, 2000, be transferred to an
35 account in the state general fund.
- 36 (g) The unallotted balances on December 31, 1999, of any trust
37 fund established under IC 12-19-1-15, as repealed by this act, shall
38 be transferred to an appropriate trust fund under the
39 administration of the division of family and children. The amount
40 transferred shall be used only in a manner consistent with the
41 intention of the donor of the property and for the following
42 purposes:



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

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

6 SECTION 63. [EFFECTIVE JULY 1, 1999] (a) As used in this
 7 SECTION, "committee" refers to the human services committee.

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

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

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

14 (3) Six (6) members of the house ways and means committee
 15 to be appointed by the speaker of the house of
 16 representatives.

17 (4) Six (6) members of the house ways and means committee
 18 to be appointed by the minority leader of the house of
 19 representatives.

20 (c) A member appointed under this SECTION serves at the
 21 pleasure of the appointing authority. If a vacancy exists on the
 22 committee, the vacancy shall be filled by the person who made the
 23 original appointment.

24 (d) The chairman of the legislative council shall name the
 25 chairperson of the committee. The chairperson of the committee
 26 serves at the pleasure of the chairman of the legislative council.

27 (e) The committee shall meet at least eight (8) times each year.
 28 The chairperson shall call the first meeting of the committee before
 29 August 31, 1999.

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

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

35 (2) Revise and consolidate the statutes relating to the
 36 reorganization of county offices of family and children under
 37 this act.

38 (3) Otherwise implement this act.

39 (g) The committee may study any issue related to its
 40 responsibilities.

41 (h) The affirmative notes of a majority of the members
 42 appointed to the committee are required for the committee to take

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- 1 **action on any measure, including final reports.**
- 2 **(i) The committee shall operate under the direction of the**
- 3 **legislative council. The legislative services agency shall staff the**
- 4 **committee. The office of the secretary of family and social services**
- 5 **shall assist the committee as directed by the chairperson of the**
- 6 **committee.**
- 7 **(j) The committee shall issue:**
- 8 **(1) an interim report before November 2, 1999, and at other**
- 9 **times as determined by the legislative council; and**
- 10 **(2) a final report before November 2, 2000.**
- 11 **Copies of each report shall be given to the governor and the**
- 12 **legislative council.**
- 13 **(k) Each member of the committee is entitled to receive the**
- 14 **same per diem, mileage, and travel allowances paid to members of**
- 15 **the general assembly serving on interim study committees**
- 16 **established by the legislative council.**
- 17 **(l) This SECTION expires December 31, 2000.**

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