



January 29, 1999

SENATE BILL No. 619

DIGEST OF SB 619 (Updated January 27, 1999 5:59 pm - DI 71)

Citations Affected: IC 20-5; IC 20-10.1; IC 21-2.

Synopsis: School corporation technology fund. Requires each school corporation to establish a school corporation technology fund. Provides that money appropriated from a school corporation general fund for technology purposes, plus grants, donations, and other funds received for technology purposes, must be deposited in the school corporation technology fund. Provides that any savings realized by a school corporation as a result of federal legislation calling for universal service discounts must be deposited in the school corporation technology fund. Permits money in the school corporation technology fund to be used for certain technology purposes. Restricts use of money in the school corporation technology fund for administrative software. Requires each school corporation to update its technology plan every 3 years (under current law, the plan must updated every 5 years). Requires each school corporation to file an annual report concerning
(Continued next page)

Effective: January 1, 2000.

Johnson

January 21, 1999, read first time and referred to Committee on Education.
January 28, 1999, amended, reported favorably — Do Pass.

SB 619—LS 6640/DI 44+



C
O
P
Y

Digest Continued

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

C
o
p
y



January 29, 1999

First Regular Session 111th General Assembly (1999)

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

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

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

C
O
P
Y

SENATE BILL No. 619

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

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

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

SB 619—LS 6640/DI 44+



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

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

6 (A) professional development; or

7 (B) technology, including video distance learning.

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

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

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

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

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

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

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

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

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

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

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

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

C
O
P
Y



1 IC 20-10.1-16-7(d).
 2 SECTION 2. IC 20-10.1-25-1.2 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1.2. (a)
 4 Notwithstanding any other law and beginning July 1, 1993, a school
 5 corporation is not entitled to:

- 6 (1) receive any money under this chapter or IC 20-10.1-25.1;
 7 (2) use money from the school corporation's capital projects fund
 8 for educational technology equipment under IC 21-2-15-4; or
 9 (3) receive an advance from the common school fund for an
 10 educational technology program under IC 21-1-5;

11 unless the school corporation develops a ~~five (5)~~ **three (3)** year
 12 technology plan.

13 (b) Each technology plan must include at least the following
 14 information:

- 15 (1) A description of the school corporation's intent to integrate
 16 technology into the school corporation's curriculum.
 17 (2) A plan for providing inservice training.
 18 (3) A schedule for maintaining and replacing educational
 19 technology equipment.
 20 (4) A description of the criteria used to select the appropriate
 21 educational technology equipment for the appropriate use.
 22 (5) Other information requested by the department after
 23 consulting with the budget agency.

24 (c) The department shall develop guidelines concerning the
 25 development of technology plans. The guidelines developed under this
 26 subsection are subject to the approval of the governor.

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

32 SECTION 4. IC 20-10.1-25.3-16 IS ADDED TO THE INDIANA
 33 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 34 [EFFECTIVE JANUARY 1, 2000]: **Sec. 16. A school corporation**
 35 **that receives a grant under this chapter must deposit the grant in**
 36 **the school technology fund established under IC 21-2-18.**

37 SECTION 5. IC 21-2-11-6 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 6. (a) Moneys
 39 received by any school corporation for a specific purpose or purposes,
 40 by gift, endowment or pursuant to any federal statute, may be
 41 accounted for by establishing separate funds, separate and apart from
 42 the general fund, if no local tax funds are involved. ~~Provided, That~~



C
O
P
Y

1 **However**, no such funds shall be accepted unless the terms of the gift,
 2 endowment or payment, and the acceptance thereof, are so stated that
 3 the officers of the school corporation are not divested of any right or
 4 authority which they now have or may hereafter be granted by law.
 5 Such moneys so received for specific purposes, and any earnings
 6 thereon, may be disbursed without appropriation.

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

12 SECTION 6. IC 21-2-11-6.5 IS ADDED TO THE INDIANA CODE
 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 2000]: **Sec. 6.5. (a) All money appropriated from the**
 15 **general fund for any of the purposes described in IC 21-2-18-3**
 16 **shall be transferred from the general fund to the school technology**
 17 **fund established under IC 21-2-18.**

18 **(b) Any money saved by a school corporation as a result of**
 19 **universal service discounts provided to the school corporation**
 20 **under the federal Telecommunications Act of 1996 must be**
 21 **transferred to the school technology fund.**

22 SECTION 7. IC 21-2-15-4 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 4. (a) A school
 24 corporation may establish a capital projects fund.

25 (b) With respect to any facility used or to be used by the school
 26 corporation (other than a facility used or to be used primarily for
 27 interscholastic or extracurricular activities), the fund may be used to
 28 pay for the following:

- 29 (1) Planned construction, repair, replacement, or remodeling.
- 30 (2) Site acquisition.
- 31 (3) Site development.
- 32 (4) Repair, replacement, or site acquisition that is necessitated by
 33 an emergency.

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

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

- 39 (1) To purchase, lease, upgrade, maintain, or repair **one (1) or**
 40 **more of the following:**
 - 41 (A) Computer hardware.
 - 42 (B) Computer software. ~~or computer hardware and software.~~



C
O
P
Y

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

- (C) Wiring and computer networks.**
- (D) Communication access systems used to connect with computer networks or electronic gateways.**

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

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

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

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

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

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

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

(e) The fund may be used to purchase:

- (1) building sites;
- (2) buildings in need of renovation;
- (3) building materials; and
- (4) equipment;

for the use of vocational building trades classes to construct new buildings and to remodel existing buildings.

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

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

- (1) the employees perform construction of, renovation of,

C
O
P
Y



1 remodeling of, repair of, or maintenance on the facilities and
2 equipment specified in subsections (b) and (c);

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

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

10 However, the number of employees that are covered by this subsection
11 is limited to the number of employee positions described in this
12 subsection that existed on January 1, 1993. For purposes of this
13 subsection, maintenance does not include janitorial or comparable
14 routine services normally provided in the daily operation of the
15 facilities or equipment.

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

18 SECTION 8. IC 21-2-18 IS ADDED TO THE INDIANA CODE AS
19 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
20 JANUARY 1, 2000]:

21 **Chapter 18. School Technology Fund**

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

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

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

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

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

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

38 (b) Money in the fund may not be used to purchase software
39 programs to be used exclusively for administrative purposes, such
40 as payroll and attendance records, personnel records,
41 administration of insurance or pension programs, or any other
42 similar purpose. However, if a particular software program is to



C
O
P
Y

1 be used for administrative purposes and for other purposes
2 described in subsection (a), a portion of the cost of the software
3 program may be paid from the fund. The portion of the cost that
4 may be paid from the fund is the total cost of the software program
5 multiplied by the estimated percentage of use of the software
6 program for nonadministrative purposes.

7 **Sec. 4.** Before February 15 of each year, each school corporation
8 shall file a report with the superintendent of public instruction's
9 special assistant for technology. The report must be prepared in
10 the form prescribed by the special assistant for technology and
11 must include a list of expenditures made by the school corporation
12 during the preceding calendar year from the school corporation's:

- 13 (1) school technology fund for purposes described in this
14 chapter;
- 15 (2) capital projects fund for purposes described in
16 IC 21-2-15-4(d); and
- 17 (3) debt service fund for purposes of providing financing for
18 any equipment or facilities used to provide educational
19 technology programs.

20 Before April 1 of each year, the special assistant for technology
21 shall compile the information contained in the reports required by
22 this section and present that compilation to the educational
23 technology council.

C
O
P
Y



COMMITTEE REPORT

Mr. President: The Senate Committee on Education, to which was referred Senate Bill No. 619, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 3, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 2. IC 20-10.1-25-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 1.2. (a) Notwithstanding any other law and beginning July 1, 1993, a school corporation is not entitled to:

- (1) receive any money under this chapter or IC 20-10.1-25.1;
- (2) use money from the school corporation's capital projects fund for educational technology equipment under IC 21-2-15-4; or
- (3) receive an advance from the common school fund for an educational technology program under IC 21-1-5;

unless the school corporation develops a ~~five (5)~~ **three (3)** year technology plan.

(b) Each technology plan must include at least the following information:

- (1) A description of the school corporation's intent to integrate technology into the school corporation's curriculum.
- (2) A plan for providing inservice training.
- (3) A schedule for maintaining and replacing educational technology equipment.
- (4) A description of the criteria used to select the appropriate educational technology equipment for the appropriate use.
- (5) Other information requested by the department after consulting with the budget agency.

(c) The department shall develop guidelines concerning the development of technology plans. The guidelines developed under this subsection are subject to the approval of the governor."

Page 4, line 19, delete "Telephone" and insert "**Communication**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 619 as introduced.)

WEATHERWAX, Chairperson

Committee Vote: Yeas 10, Nays 0.

SB 619—LS 6640/DI 44+



C
O
P
Y