COMMITTEE REPORT

YES:	15
NO:	8

MR. SPEAKER:

Your Committee on **Ways and Means**, to which was referred House Bill 1001, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

Delete the title and insert the following:
A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2007]

(a) The following definitions apply throughout this act:
(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.
(2) "Biennium" means the period beginning July 1, 2007, and ending June 30, 2009. Appropriations appearing in the biennial column for construction or other permanent improvements do not revert under IC 4-13-2-19 and may be allotted.
(3) "Deficiency appropriation" or "special claim" means an appropriation available during the 2006-2007 fiscal year.
(4) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.
(5) "Fee replacement" includes payments to universities to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.
(6) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".

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

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

SECTION 2. [EFFECTIVE JULY 1, 2007]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

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

SECTION 3. [EFFECTIVE JULY 1, 2007]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY		
LEGISLATORS' SALARIES - HOUSE		
Total Operating Expense	**4,068,016**	**4,728,016**
HOUSE EXPENSES		
Total Operating Expense	**9,936,755**	**10,097,001**
LEGISLATORS' SALARIES - SENATE		
Total Operating Expense	**1,571,845**	**1,596,366**
SENATE EXPENSES		
Total Operating Expense	**8,836,759**	**9,380,692**

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

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

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general

assembly shall receive the mileage allowance in an amount equal to the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service for each mile necessarily traveled from the member's usual place of residence to the state capitol. However, if the member traveled by a means other than by motor vehicle, and the member's usual place of residence is more than one hundred (100) miles from the state capitol, the member is entitled to reimbursement in an amount equal to the lowest air travel cost incurred in traveling from the usual place of residence to the state capitol. During the period the general assembly is convened in regular or special session, the mileage allowance shall be limited to one (1) round trip each week per member.

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

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

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

LEGISLATORS' SUBSISTENCE		
LEGISLATORS' EXPENSES - HOUSE		
Total Operating Expense	**2,310,000**	**2,310,000**
LEGISLATORS' EXPENSES - SENATE		
Total Operating Expense	**1,140,935**	**986,734**

Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area:
(1) each day that the general assembly is not convened in regular or special session; and
(2) each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

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

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, $6,500; speaker pro tempore, $5,000; deputy speaker pro tempore, $1,500; majority leader, $5,000; majority caucus chair, $5,000; assistant majority caucus chair, $1,000; ways and means committee chair, $5,000; ways and means committee ranking majority member, $3,000; ways and means committee, chairman of the education subcommittee, $1,500; speaker pro tempore emeritus, $1,500; budget subcommittee chair, $3,000; majority whip, $3,500; assistant majority whip, $1,000; assistant majority leader, $1,000; minority leader, $5,500; minority caucus chair, $4,500; ways and means committee ranking minority member, $3,500; minority whip, $2,500; assistant minority leader, $4,500; second assistant minority leader, $1,500; and deputy assistant minority leader, $1,000.

If the senate or house of representatives eliminates a committee or officer referenced in this SECTION and replaces the committee or officer with a new committee or position, the foregoing appropriations for subsistence shall be used to pay for the new committee or officer. However, this does not permit any additional amounts to be paid under this SECTION for a replacement committee or officer than would have been spent for the eliminated committee or officer. If the senate or house of representatives creates a new additional committee or officer, or assigns additional duties to an existing officer, the foregoing appropriations for subsistence shall be used to pay for the new committee or officer, or to adjust the annual payments made to the existing officer, in amounts determined by the legislative council.

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

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	**9,244,000**	**9,605,000**
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	**610,000**	**635,000**

Included in the above appropriations for the legislative council and legislative services agency expenses are funds for usual and customary expenses associated with legislative services.

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

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of $75 per day during the 2007-2009 biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other

in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

LEGISLATIVE COUNCIL CONTINGENCY FUND			
Total Operating Expense			**223,614**

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

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: $900

Annual subscription to the session document service for sessions ending in even-numbered years: $500

Per page charge for copies of legislative documents: $0.15

Annual charge for interim calendar: $10

Daily charge for the journal of either house: $2

PRINTING AND DISTRIBUTION		
Total Operating Expense	**872,000**	**905,000**

The above funds are appropriated for the printing and distribution of documents published by the legislative council. These documents include journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 115th general assembly, the supplements to the Indiana Code for fiscal years 2007-2008 and 2008-2009, and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

COUNCIL OF STATE GOVERNMENTS ANNUAL DUES		
Other Operating Expense	**138,408**	**143,944**
NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES		

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Other Operating Expense	**176,357**	**190,337**	
NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ANNUAL DUES			
Other Operating Expense	**10,000**	**10,000**	
FOR THE INDIANA LOBBY REGISTRATION COMMISSION			
Total Operating Expense	**257,900**	**271,910**	
FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND			
LEGISLATORS' RETIREMENT FUND			
Total Operating Expense	**100,000**	**100,000**	

B. JUDICIAL

FOR THE SUPREME COURT			
Personal Services	**7,403,027**	**7,664,269**	
Other Operating Expense	**2,232,192**	**2,251,965**	

The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-38-5-8.

LOCAL JUDGES' SALARIES			
Personal Services	**50,674,246**	**50,812,798**	
Other Operating Expense	**39,000**	**39,000**	
COUNTY PROSECUTORS' SALARIES			
Personal Services	**23,821,199**	**23,821,199**	
Other Operating Expense	**31,000**	**31,000**	

The above appropriations for county prosecutors' salaries represent the amounts authorized by IC 33-39-6-5 and that are to be paid from the state general fund.

In addition to the appropriations for local judges' salaries and for county prosecutors' salaries, there are hereby appropriated for personal services the amounts that the state is required to pay for salary changes or for additional courts created by the 115th general assembly.

TRIAL COURT OPERATIONS			
Total Operating Expense	**612,850**	**618,850**	
INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY			
Total Operating Expense	**800,000**	**800,000**	

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-13-7.

PUBLIC DEFENDER COMMISSION			
Personal Services	**76,294**	**81,664**	
Other Operating Expense	**10,523,706**	**11,518,336**	

The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services

provided to a defendant. The division of state court administration of the supreme court of Indiana shall provide staff support to the commission and shall administer the public defense fund. The administrative costs may come from the public defense fund. Any balance in the public defense fund is appropriated to the public defender commission.

GUARDIAN AD LITEM		
Personal Services	**13,454**	**13,454**
Other Operating Expense	**3,222,658**	**3,222,658**

The division of state court administration shall use the foregoing appropriation to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds.

CIVIL LEGAL AID		
Total Operating Expense	**2,000,000**	**2,000,000**

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-12-7.

SPECIAL JUDGES - COUNTY COURTS		
Personal Services	**15,000**	**15,000**
Other Operating Expense	**134,000**	**134,000**

If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS		
Total Operating Expense	**370,996**	**380,996**

FOR THE COURT OF APPEALS		
Personal Services	**8,902,011**	**9,141,271**
Other Operating Expense	**1,467,625**	**1,249,470**

The above appropriations for the court of appeals personal services includes the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT		
Personal Services	**516,747**	**529,050**
Other Operating Expense	**128,927**	**143,963**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
FOR THE JUDICIAL CENTER			
Personal Services	**1,973,273**	**2,045,255**	
Other Operating Expense	**1,612,796**	**1,602,604**	

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

DRUG AND ALCOHOL PROGRAMS FUND			
Personal Services	**285,569**	**285,569**	
Other Operating Expense	**13,441**	**13,441**	

The above funds are appropriated under IC 33-37-7-9 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if the receipts are less than the appropriation, the center may not spend more than is collected.

INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION			
Personal Services	**81,540**	**81,540**	
Other Operating Expense	**61,307**	**61,307**	

Augmentation allowed from fee increases enacted in the 2003 general assembly under IC 11-13-4.5-4.

FOR THE PUBLIC DEFENDER			
Personal Services	**5,941,901**	**6,179,783**	
Other Operating Expense	**985,133**	**985,133**	
FOR THE PUBLIC DEFENDER COUNCIL			
Personal Services	**942,195**	**943,779**	
Other Operating Expense	**490,136**	**459,141**	
FOR THE PROSECUTING ATTORNEYS' COUNCIL			
Personal Services	**622,639**	**623,828**	
Other Operating Expense	**591,448**	**591,448**	
DRUG PROSECUTION			
Drug Prosecution Fund (IC 33-39-8-6)			
Total Operating Expense	**103,436**	**103,436**	

Augmentation allowed.

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND			
JUDGES' RETIREMENT FUND			
Other Operating Expense	**10,753,661**	**11,708,522**	
PROSECUTORS' RETIREMENT FUND			
Other Operating Expense	**170,000**	**170,000**	

C. EXECUTIVE

FOR THE GOVERNOR'S OFFICE			
Personal Services	**2,002,085**	**2,002,085**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Other Operating Expense	**375,000**	**375,000**	
GOVERNOR'S RESIDENCE			
Total Operating Expense	**148,724**	**148,724**	
GOVERNOR'S CONTINGENCY FUND			
Total Operating Expense			**170,000**

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

GOVERNOR'S FELLOWSHIP PROGRAM			
Total Operating Expense	**250,045**	**250,045**	
FOR THE WASHINGTON LIAISON OFFICE			
Total Operating Expense	**195,000**	**195,000**	
FOR THE LIEUTENANT GOVERNOR			
Personal Services	**1,780,280**	**1,780,280**	
Other Operating Expense	**724,410**	**724,410**	
CONTINGENCY FUND			
Total Operating Expense			**34,626**

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

FOR THE SECRETARY OF STATE			
ADMINISTRATION			
Personal Services	**2,148,297**	**2,148,297**	
Other Operating Expense	**255,919**	**255,919**	

FOR THE ATTORNEY GENERAL
ATTORNEY GENERAL
From the General Fund
14,463,506 14,463,506
From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
389,344 389,344
Augmentation allowed.

The amounts specified from the General Fund and the Tobacco Master Settlement Agreement Fund are for the following purposes:

Personal Services	**13,681,809**	**13,681,809**	
Other Operating Expense	**1,171,041**	**1,171,041**	
HOMEOWNER PROTECTION UNIT (IC 4-6-12-9)			
Total Operating Expense	**63,391**	**63,391**	
MEDICAID FRAUD UNIT			
Total Operating Expense	**829,789**	**829,789**	

The above appropriations to the Medicaid fraud unit are the state's matching share

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

of the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.

UNCLAIMED PROPERTY			
Abandoned Property Fund (IC 32-34-1-33)			
Personal Services	**1,317,228**	**1,317,228**	
Other Operating Expense	**3,172,360**	**3,172,360**	
Augmentation allowed.			

D. FINANCIAL MANAGEMENT

FOR THE AUDITOR OF STATE			
Personal Services	**4,587,218**	**4,587,218**	
Other Operating Expense	**1,388,632**	**1,388,632**	
GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS			
Total Operating Expense	**123,500**	**123,500**	

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

FOR THE STATE BOARD OF ACCOUNTS			
Personal Services	**20,798,302**	**20,798,302**	
Other Operating Expense	**1,340,277**	**1,340,277**	
GOVERNOR ELECT			
Total Operating Expense	**0**	**40,000**	
FOR THE STATE BUDGET COMMITTEE			
Total Operating Expense	**60,000**	**60,000**	

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

FOR THE OFFICE OF MANAGEMENT AND BUDGET			
Personal Services	**1,192,305**	**1,192,305**	
Other Operating Expense	**65,958**	**65,958**	
FOR THE STATE BUDGET AGENCY			
Personal Services	**3,118,097**	**3,118,097**	
Other Operating Expense	**512,409**	**512,409**	
BUILD INDIANA FUND ADMINISTRATION			
Build Indiana Fund (IC 4-30-17)			
Other Operating Expense	**1**	**1**	
DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND			
Total Operating Expense			**10,000,000**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

The foregoing departmental and institutional emergency contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. These allocations may be made upon written request of proper officials, showing that contingencies exist that require additional funds for meeting necessary expenses. The budget committee shall be advised of each transfer request and allotment.

OUTSIDE BILLS CONTINGENCY

Total Operating Expense			**1**

PERSONAL SERVICES/FRINGE BENEFITS CONTINGENCY FUND

Total Operating Expense			**89,000,000**

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

The foregoing personal services/fringe benefits contingency fund appropriation must be allocated to fund the following priorities in the order presented:
(1) Fully fund the growth in employee healthcare cost.
(2) Provide salary increases based on employment classification with the lowest paid classification receiving the largest percentage increase and the highest paid classification receiving the smallest percentage increase.
(3) Any money remaining may be used for an employee leave conversion program or a severance package for workers terminated through privatization in the 2007-2009 biennium and may not be used for any other purpose. Funding is prohibited for any and all merit related compensation programs not explicitly approved by the general assembly.

The foregoing personal services/fringe benefits contingency fund appropriation does not revert at the end of the biennium but remains in the personal services/fringe benefits contingency fund.

COMPREHENSIVE HEALTH INSURANCE ASSOCIATION STATE SHARE

Total Operating Expense	**44,300,000**	**46,500,000**	
Augmentation Allowed.			

SCHOOL AND LIBRARY INTERNET CONNECTION

Build Indiana Fund (IC 4-30-17)			
Other Operating Expense			**7,000,000**

Of the foregoing appropriations, $2,300,000 each year shall be used for schools under IC 4-34-3-4, and $1,200,000 each year shall be used for libraries under IC 4-34-3-2.

INSPIRE (IC 4-34-3-2)

Build Indiana Fund (IC 4-30-17)			
Other Operating Expense			**2,500,000**

AREA HEALTH EDUCATION CENTERS

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Total Operating Expense	**1,250,000**	**1,750,000**	

FOR THE TREASURER OF STATE

Personal Services	**827,756**	**827,756**	
Other Operating Expense	**42,350**	**42,350**	

The treasurer of state, the board for depositories, the Indiana commission for higher education, and the state student assistance commission shall cooperate and provide to the Indiana education savings authority the following:

(1) Clerical and professional staff and related support.

(2) Office space and services.

(3) Reasonable financial support for the development of rules, policies, programs, and guidelines, including authority operations and travel.

E. TAX ADMINISTRATION

FOR THE DEPARTMENT OF REVENUE

COLLECTION AND ADMINISTRATION

General Fund

54,187,575 53,427,575

Motor Carrier Regulation Fund (IC 8-2.1-23)

794,261 794,261

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

2,449,434 2,449,434

Augmentation allowed from the Motor Carrier Regulation Fund and the Motor Vehicle Highway Account.

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

Personal Services	**40,726,571**	**40,726,571**	
Other Operating Expense	**16,704,699**	**15,944,699**	

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

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

OUTSIDE COLLECTIONS

Total Operating Expense	**3,300,000**	**3,300,000**	

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

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

MOTOR CARRIER REGULATION

Motor Carrier Regulation Fund (IC 8-2.1-23)

Personal Services	**1,538,712**	**1,538,712**
Other Operating Expense	**4,354,961**	**4,354,961**

Augmentation allowed from the Motor Carrier Regulation Fund.

MOTOR FUEL TAX DIVISION

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

Personal Services	**8,772,328**	**8,772,328**
Other Operating Expense	**4,074,734**	**4,074,734**

Augmentation allowed from the Motor Vehicle Highway Account.

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

FOR THE INDIANA GAMING COMMISSION

State Gaming Fund (IC 4-33-13-3)

	3,463,789	**3,463,789**

Gaming Investigations

	525,000	**525,000**

The amounts specified from the state gaming fund and gaming investigations are for the following purposes:

Personal Services	**3,035,629**	**3,035,629**
Other Operating Expense	**953,160**	**953,160**

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

The foregoing appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.

Notwithstanding IC 4-33-18-8, the Indiana Gaming Commission shall impose an annual fee of twenty-five thousand dollars ($25,000) upon the following entities to support gaming research:

(1) Each licensed owner or operating agent operating a riverboat in Indiana.
(2) Each permit holder, as defined in IC 4-31-2-14, operating a live pari-mutual horse racing facility in Indiana.

FOR THE INDIANA DEPARTMENT OF GAMING RESEARCH

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Personal Services	**118,297**	**118,297**	
Other Operating Expense	**127,993**	**127,993**	

Augmentation allowed from fees accruing under IC 4-33-18-8.

FOR THE INDIANA HORSE RACING COMMISSION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)			
Personal Services	**2,192,335**	**2,192,335**	
Other Operating Expense	**673,974**	**673,974**	

The foregoing appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9. Retroactive to July 1, 2005.

Augmentation allowed.

STANDARDBRED ADVISORY BOARD			
Standardbred Horse Fund (IC 15-5-5.5-9.5)			
Total Operating Expense	**193,500**	**193,500**	

The foregoing appropriations to the standardbred board of regulation are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9. Retroactive to July 1, 2005.

Augmentation allowed.

STANDARDBRED BREED DEVELOPMENT FUND			
Standardbred Horse Fund (IC 15-5-5.5-9.5)			
Total Operating Expense	**3,963,811**	**3,963,811**	
Augmentation allowed.			
THOROUGHBRED BREED DEVELOPMENT FUND			
Standardbred Horse Fund (IC 15-5-5.5-9.5)			
Total Operating Expense	**2,686,139**	**2,686,139**	
Augmentation allowed.			
QUARTER HORSE BREED DEVELOPMENT FUND			
Standardbred Horse Fund (IC 15-5-5.5-9.5)			
Total Operating Expense	**233,155**	**233,155**	
Augmentation allowed.			
FINGERPRINT FEES			
Standardbred Horse Fund (IC 15-5-5.5-9.5)			
Total Operating Expense	**67,558**	**67,558**	
Augmentation allowed.			

FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Personal Services	**3,824,801**	**3,824,801**	
Other Operating Expense	**835,679**	**835,679**	

From the above appropriations for the department of local government finance, travel subsistence and mileage allowances may be paid for members of the local government tax control board created by IC 6-1.1-18.5-11 and the state school property tax control board created by IC 6-1.1-19-4.1, under state travel regulations.

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

FOR THE INDIANA BOARD OF TAX REVIEW

Personal Services	**1,280,166**	**1,280,166**
Other Operating Expense	**102,960**	**102,960**

Augmentation allowed from fee increases enacted by P.L.245-2003 and reimbursements from any county under IC 6-1.1-4-34(f), regardless of when the fees or reimbursements were received.

F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION

Personal Services	**12,799,660**	**12,799,660**
Other Operating Expense	**14,070,807**	**13,863,207**

FOR THE STATE PERSONNEL DEPARTMENT

Personal Services	**8,761,767**	**8,761,767**
Other Operating Expense	**623,200**	**623,200**

The state must provide a variety of healthcare plan options and not restrict employees to health savings account plans.

Personal Services	**163,650**	**163,650**
Other Operating Expense	**16,089**	**16,089**

FOR THE OFFICE OF TECHNOLOGY

Pay Phone Fund

Total Operating Expense	**2,490,000**	**2,490,000**

Augmentation allowed.

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

FOR THE COMMISSION ON PUBLIC RECORDS

Personal Services	**1,432,151**	**1,432,151**
Other Operating Expense	**132,099**	**132,099**

FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

Personal Services	**144,841**	**144,841**
Other Operating Expense	**6,004**	**6,004**

G. OTHER

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
FOR THE COMMISSION ON UNIFORM STATE LAWS			
Total Operating Expense	**43,584**	**43,584**	
FOR THE OFFICE OF INSPECTOR GENERAL			
Personal Services	**1,382,080**	**1,382,080**	
Other Operating Expense	**240,537**	**240,537**	
STATE ETHICS COMMISSION			
Personal Services	**260,816**	**261,006**	
Other Operating Expense	**2,596**	**2,596**	
FOR THE SECRETARY OF STATE			
ELECTION DIVISION			
Personal Services	**676,031**	**698,959**	
Other Operating Expense	**198,793**	**198,922**	
VOTER REGISTRATION AND PROCEDURES			
Total Operating Expense	**129,920**	**0**	
VOTER LIST MAINTENANCE			
Total Operating Expense	**112,500**	**112,500**	
H. COMMUNITY SERVICES			
FOR THE GOVERNOR'S OFFICE OF FAITH BASED & COMMUNITY INITIATIVES			
Personal Services	**244,064**	**244,064**	
Other Operating Expense	**71,488**	**71,488**	

SECTION 4. [EFFECTIVE JULY 1, 2007]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION			
CENTRAL OFFICE			
Personal Services	**8,365,099**	**8,371,234**	
Other Operating Expense	**2,392,191**	**2,392,191**	
ESCAPEE COUNSEL AND TRIAL EXPENSE			
Other Operating Expense	**198,000**	**198,000**	
COUNTY JAIL MISDEMEANANT HOUSING			
Total Operating Expense	**4,281,101**	**4,281,101**	
ADULT CONTRACT BEDS			
Total Operating Expense	**10,235,735**	**10,235,735**	
STAFF DEVELOPMENT AND TRAINING			
Personal Services	**1,404,251**	**1,405,258**	
Other Operating Expense	**448,388**	**448,388**	
PAROLE DIVISION			
Personal Services	**5,749,346**	**5,753,450**	
Other Operating Expense	**804,943**	**804,943**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
PAROLE BOARD			
Personal Services	**552,124**	**552,544**	
Other Operating Expense	**35,590**	**35,590**	
INFORMATION MANAGEMENT SERVICES			
Personal Services	**2,364,202**	**2,366,020**	
Other Operating Expense	**1,922,620**	**1,922,620**	
JUVENILE TRANSITION			
Personal Services	**1,181,277**	**1,182,115**	
Other Operating Expense	**4,051,694**	**4,051,694**	
COMMUNITY CORRECTIONS PROGRAMS			
Total Operating Expense			**55,763,764**

The above appropriation for community corrections programs is not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12, or any other law.

DRUG PREVENTION AND OFFENDER TRANSITION			
Total Operating Expense	**988,293**	**988,487**	

The above appropriation shall be used for minimum security release programs, transition programs, mentoring programs, and supervision of and assistance to adult and juvenile offenders to promote the successful integration of the offender into the community.

CENTRAL EMERGENCY RESPONSE			
Personal Services	**1,179,746**	**1,180,570**	
Other Operating Expense	**455,738**	**455,738**	
MEDICAL SERVICES			
Other Operating Expense	**27,260,811**	**27,260,811**	

The above appropriations for medical services shall be used only for services that are determined to be medically necessary.

DRUG ABUSE PREVENTION			
Drug Abuse Fund (IC 11-8-2-11)			
Personal Services	**40,716**	**40,742**	
Other Operating Expense	**113,000**	**113,000**	
Augmentation allowed.			
COUNTY JAIL MAINTENANCE CONTINGENCY FUND			
Other Operating Expense	**17,281,044**	**17,281,044**	

Disbursements from the fund shall be made for the purpose of reimbursing sheriffs for the cost of incarcerating in county jails persons convicted of felonies to the extent that such persons are incarcerated for more than five (5) days after the day of sentencing, at the rate of $35 per day. In addition to the per diem, the state shall reimburse the sheriffs for expenses determined by the sheriff to be incurred in providing medically necessary medical care to the convicted persons. However, if the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect

to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

Augmentation allowed.

MEDICAL SERVICE PAYMENTS		
Total Operating Expense	**25,000,000**	**25,000,000**

These appropriations for medical service payments are made to pay for services determined to be medically necessary for committed individuals, patients and students of institutions under the jurisdiction of the department of correction, the state department of health, the division of mental health, the school for the blind, the school for the deaf, or the division of disability, aging, and rehabilitative services if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health, the school for the blind, the school for the deaf, the division of disability, aging, and rehabilitative services, or the department of correction, or that are reimbursable from funds for medical assistance under IC 12-15. If these appropriations are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.

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

FOR THE DEPARTMENT OF ADMINISTRATION		
DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU		
Personal Services	**135,966**	**136,067**
Other Operating Expense	**13,124**	**13,124**
FOR THE DEPARTMENT OF CORRECTION		
INDIANA STATE PRISON		
Personal Services	**28,327,153**	**28,345,171**
Other Operating Expense	**5,819,137**	**5,819,137**
VOCATIONAL TRAINING PROGRAM		
Total Operating Expense	**257,291**	**257,291**
PENDLETON CORRECTIONAL FACILITY		
Personal Services	**28,133,124**	**28,152,801**
Other Operating Expense	**6,931,289**	**6,931,289**
CORRECTIONAL INDUSTRIAL FACILITY		
Personal Services	**19,842,899**	**19,856,310**
Other Operating Expense	**4,035,819**	**4,035,819**
INDIANA WOMEN'S PRISON		
Personal Services	**11,666,382**	**11,673,614**
Other Operating Expense	**1,928,211**	**1,928,211**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
PUTNAMVILLE CORRECTIONAL FACILITY			
Personal Services	**28,542,062**	**28,561,207**	
Other Operating Expense	**5,595,717**	**5,595,717**	
WABASH VALLEY CORRECTIONAL FACILITY			
Personal Services	**38,442,605**	**38,467,484**	
Other Operating Expense	**7,469,855**	**7,469,855**	
PLAINFIELD JUVENILE CORRECTIONAL FACILITY			
Personal Services	**13,401,073**	**13,410,386**	
Other Operating Expense	**2,386,012**	**2,386,012**	
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Personal Services	**14,618,497**	**14,626,547**	
Other Operating Expense	**1,711,469**	**1,711,469**	
BRANCHVILLE CORRECTIONAL FACILITY			
Personal Services	**17,856,336**	**17,868,319**	
Other Operating Expense	**2,945,374**	**2,945,374**	
WESTVILLE CORRECTIONAL FACILITY			
Personal Services	**42,249,577**	**42,278,476**	
Other Operating Expense	**7,690,288**	**7,690,288**	
WESTVILLE MAXIMUM CONTROL FACILITY			
Personal Services	**5,428,434**	**5,432,101**	
Other Operating Expense	**582,757**	**582,757**	
ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN			
Personal Services	**15,746,198**	**15,757,032**	
Other Operating Expense	**2,712,522**	**2,712,522**	
PLAINFIELD CORRECTIONAL FACILITY			
Personal Services	**25,173,242**	**25,190,068**	
Other Operating Expense	**5,464,545**	**5,464,545**	
RECEPTION AND DIAGNOSTIC CENTER			
Personal Services	**11,780,995**	**11,789,124**	
Other Operating Expense	**1,217,704**	**1,217,704**	
MIAMI CORRECTIONAL FACILITY			
Personal Services	**28,785,622**	**28,804,798**	
Other Operating Expense	**4,617,107**	**4,617,107**	
NEW CASTLE CORRECTIONAL FACILITY			
Personal Services	**12,203,968**	**12,212,345**	
Other Operating Expense	**2,779,105**	**2,779,105**	
SOCIAL SERVICES BLOCK GRANT			
General Fund			
Total Operating Expense	**9,948,380**	**9,955,962**	
Work Release - Study Release Special Revenue Fund (IC 11-10-8-6.5)			
Total Operating Expense	**466,014**	**466,014**	
Augmentation allowed from Work Release - Study Release Special Revenue Fund and Social Services Block Grant.			
HENRYVILLE CORRECTIONAL FACILITY			
Personal Services	**2,018,547**	**2,019,927**	
Other Operating Expense	**379,381**	**379,381**	
CHAIN O' LAKES CORRECTIONAL FACILITY			
Personal Services	**1,819,881**	**1,820,956**	
Other Operating Expense	**380,606**	**380,606**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
MEDARYVILLE CORRECTIONAL FACILITY			
Personal Services	**1,899,480**	**1,900,654**	
Other Operating Expense	**330,727**	**330,727**	
ATTERBURY CORRECTIONAL FACILITY			
Personal Services	**2,048,622**	**2,049,962**	
Other Operating Expense	**350,351**	**350,351**	
MADISON CORRECTIONAL FACILITY			
Personal Services	**3,114,891**	**3,116,892**	
Other Operating Expense	**468,019**	**468,019**	
EDINBURGH CORRECTIONAL FACILITY			
Personal Services	**2,849,220**	**2,851,122**	
Other Operating Expense	**363,155**	**363,155**	
LAKESIDE CORRECTIONAL FACILITY			
Personal Services	**4,904,199**	**4,907,478**	
Other Operating Expense	**732,602**	**732,602**	
FORT WAYNE JUVENILE CORRECTIONAL FACILITY			
Personal Services	**1,425,664**	**1,426,588**	
Other Operating Expense	**436,233**	**436,233**	
SOUTH BEND JUVENILE CORRECTIONAL FACILITY			
Personal Services	**4,343,067**	**4,345,596**	
Other Operating Expense	**2,886,037**	**2,886,037**	
LOGANSPORT INTAKE/DIAGNOSTIC FACILITY			
Personal Services	**2,868,870**	**2,870,666**	
Other Operating Expense	**536,690**	**536,690**	
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
Personal Services	**8,296,951**	**8,301,236**	
Other Operating Expense	**1,294,293**	**1,294,293**	
CAMP SUMMIT			
Personal Services	**2,545,249**	**2,546,766**	
Other Operating Expense	**362,040**	**362,040**	
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Personal Services	**14,161,982**	**14,170,029**	
Other Operating Expense	**2,530,172**	**2,530,172**	

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

From the General Fund

42,674,498 42,674,498

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

74,311,334 74,311,334

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

4,096,176 4,096,176

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

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

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Personal Services	**104,038,488**	**104,038,488**	
Other Operating Expense	**17,043,520**	**17,043,520**	

The above appropriations for personal services and other operating expense include funds to continue the state police minority recruiting program.

The foregoing appropriations for the Indiana state police and motor carrier inspection include funds for the police security detail to be provided to the Indiana state fair board. However, amounts actually expended to provide security for the Indiana state fair board as determined by the budget agency shall be reimbursed by the Indiana state fair board to the state general fund.

ODOMETER FRAUD INVESTIGATION

From the Motor Vehicle Odometer Fund (IC 9-29-1-5)		
Total Operating Expense	**25,000**	**25,000**

Augmentation allowed.

STATE POLICE TRAINING

From the State Police Training Fund (IC 5-2-8-5)		
Total Operating Expense	**300,100**	**300,100**

Augmentation allowed.

FORENSIC AND HEALTH SCIENCES LABORATORIES

From the General Fund		
	3,888,671	**3,888,671**
From the Motor Carrier Regulation Fund (IC 8-2.1-23)		
	386,658	**386,658**
From the Motor Vehicle Highway Account (IC 8-14-1)		
	6,772,031	**6,772,031**

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

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

Personal Services	**9,616,473**	**9,616,473**
Other Operating Expense	**1,430,887**	**1,430,887**

ENFORCEMENT AID

From the General Fund		
Total Operating Expense	**40,000**	**40,000**
From the Motor Vehicle Highway Account (IC 8-14-1)		
Total Operating Expense	**40,000**	**40,000**

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

PENSION FUND

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
From the General Fund			
Total Operating Expense	**4,736,246**	**4,736,246**	
From the Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**4,736,247**	**4,736,247**	

The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

BENEFIT FUND			
From the General Fund			
Total Operating Expense	**1,713,151**	**1,713,151**	
Augmentation allowed.			
From the Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**1,713,151**	**1,713,151**	
Augmentation allowed.			

All benefits to members shall be paid by warrant drawn on the treasurer of state by the auditor of state on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-12-2.

SUPPLEMENTAL PENSION			
General Fund			
Total Operating Expense	**1,900,753**	**1,900,753**	
Augmentation allowed.			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**1,900,753**	**1,900,753**	
Augmentation allowed.			

If the above appropriations for supplemental pension for any one (1) year are greater than the amount actually required under the provisions of IC 10-12-5, then the excess shall be returned proportionately to the funds from which the appropriations were made. If the amount actually required under IC 10-12-5 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund and the motor vehicle highway account.

ACCIDENT REPORTING			
Accident Report Account (IC 9-29-11-1)			
Total Operating Expense	**84,760**	**84,760**	
Augmentation allowed.			
DRUG INTERDICTION			
Drug Interdiction Fund (IC 10-11-7)			
Total Operating Expense	**273,420**	**273,420**	
Augmentation allowed.			

FOR THE INTEGRATED PUBLIC SAFETY COMMISSION
PROJECT SAFE-T

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Integrated Public Safety Communications Fund (IC 5-26-4-1)			
Total Operating Expense	**13,205,269**	**13,205,269**	
Augmentation allowed.			
FOR THE ADJUTANT GENERAL			
Personal Services	**8,253,098**	**8,253,098**	
Other Operating Expense	**2,868,184**	**2,868,184**	
DISABLED SOLDIERS' PENSION			
Other Operating Expense	**1**	**1**	
Augmentation allowed.			
MUTC - MUSCATATUCK URBAN TRAINING CENTER			
Total Operating Expense	**2,600,000**	**2,600,000**	
GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND			
Total Operating Expense			**320,000**

The above appropriations for the adjutant general governor's civil and military contingency fund are made under IC 10-16-11-1.

FOR THE CRIMINAL JUSTICE INSTITUTE			
ADMINISTRATIVE MATCH			
Total Operating Expense	**440,467**	**440,467**	
DRUG ENFORCEMENT MATCH			
Total Operating Expense	**2,846,955**	**2,846,955**	
VICTIM AND WITNESS ASSISTANCE FUND			
Victim and Witness Assistance Fund (IC 5-2-6-14)			
Total Operating Expense	**630,902**	**630,902**	
Augmentation allowed.			
ALCOHOL AND DRUG COUNTERMEASURES			
Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)			
Total Operating Expense	**386,000**	**386,000**	
Augmentation allowed.			
STATE DRUG FREE COMMUNITIES FUND			
State Drug Free Communities Fund (IC 5-2-10-2)			
Total Operating Expense	**527,477**	**527,477**	
Augmentation allowed.			
INDIANA SAFE SCHOOLS			
General Fund			
Total Operating Expense	**1,660,300**	**1,660,300**	
Indiana Safe Schools Fund (IC 5-2-10.1-2)			
Total Operating Expense	**400,052**	**400,052**	
Augmentation allowed from Indiana Safe Schools Fund.			

Of the above appropriations for the Indiana safe schools program, $1,317,000 is appropriated annually to provide grants to school corporations for school safe haven programs, emergency preparedness programs, and school safety programs, and $750,000 is appropriated annually for use in providing training to school safety specialists.

OFFICE OF TRAFFIC SAFETY			
Motor Vehicle Highway Account (IC 8-14-1)			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Personal Services	**571,560**	**571,560**	
Other Operating Expense	**11,069,560**	**11,069,560**	
Augmentation allowed.			

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

PROJECT IMPACT			
Total Operating Expense	**196,000**	**196,000**	
VICTIMS OF VIOLENT CRIME ADMINISTRATION			
Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)			
Personal Services	**142,988**	**195,890**	
Other Operating Expense	**2,318,098**	**2,331,298**	
Augmentation allowed.			

FOR THE CORONERS' TRAINING BOARD

Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)			
Personal Services	**10,000**	**10,000**	
Other Operating Expense	**390,000**	**390,000**	
Augmentation allowed.			

FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund			
	2,190,935	**2,190,935**	
From the Law Enforcement Academy Training Fund (IC 5-2-1-13(b))			
	2,220,046	**2,220,046**	
Augmentation allowed from Law Enforcement Academy Training Fund.			

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

Personal Services	**3,547,811**	**3,547,811**	
Other Operating Expense	**863,170**	**863,170**	

C. REGULATORY AND LICENSING

FOR THE BUREAU OF MOTOR VEHICLES

Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**20,312,250**	**20,312,250**	
Other Operating Expense	**15,357,889**	**15,357,889**	
Augmentation allowed.			
LICENSE PLATES			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**15,928,890**	**5,600,000**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Augmentation allowed.			
DEALER INVESTIGATOR EXPENSES			
Motor Vehicle Odometer Fund (IC 9-29-1-5)			
Total Operating Expense	**207,766**	**207,766**	
Augmentation allowed.			
FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION			
Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)			
Total Operating Expense	**6,858,480**	**6,858,480**	
Augmentation allowed.			
ABANDONED VEHICLES			
Abandoned Vehicle Fund (IC 9-22-1-28)			
Total Operating Expense	**463,207**	**463,207**	
Augmentation allowed.			
STATE MOTOR VEHICLE TECHNOLOGY			
State Motor Vehicle Technology Fund (IC 9-29-16-1)			
Total Operating Expense	**5,424,425**	**5,424,425**	
Augmentation allowed.			
FOR THE DEPARTMENT OF LABOR			
Personal Services	**918,171**	**918,171**	
Other Operating Expense	**124,192**	**124,192**	
INDUSTRIAL HYGIENE			
Personal Services	**1,256,421**	**1,256,421**	
Other Operating Expense	**152,287**	**152,287**	
BUREAU OF MINES AND MINE SAFETY			
Personal Services	**184,738**	**184,738**	
Other Operating Expense	**45,998**	**45,998**	
M.I.S. RESEARCH AND STATISTICS			
Personal Services	**239,744**	**239,744**	
Other Operating Expense	**26,014**	**26,014**	

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

The above appropriation for personal services to the Bureau of Mines and Mine Safety includes an amount for the employment of an additional mine safety inspector for the Bureau of Mines and Mine Safety at a salary of at least $53,000 and fringe benefits of $21,767. The above appropriation for other operating expense includes $30,000 for the purchase of additional mine rescue equipment. The amount provided for these purposes may not be used for any other purpose.

OCCUPATIONAL SAFETY AND HEALTH

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Personal Services	**2,278,287**	**2,278,287**	
Other Operating Expense	**326,318**	**326,318**	
EMPLOYMENT OF YOUTH			
Employment of Youth Fund (IC 20-33-3-42)			
Total Operating Expense	**75,473**	**75,473**	
Augmentation allowed.			
BUREAU OF SAFETY EDUCATION AND TRAINING			
Special Fund for Safety and Health Consultation Service (IC 22-8-1.1-48)			
Personal Services	**856,406**	**856,406**	
Other Operating Expense	**227,884**	**227,884**	
Augmentation allowed.			

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

FOR THE DEPARTMENT OF INSURANCE

From the General Fund

4,897,996 4,897,996

From the Department of Insurance Fund (IC 27-1-3-28)

1,916,149 1,916,149

Augmentation allowed from the Department of Insurance Fund.

The amounts specified from the General Fund and the Department of Insurance Fund are for the following purposes:

Personal Services	**5,544,812**	**5,544,812**	
Other Operating Expense	**1,269,333**	**1,269,333**	
BAIL BOND DIVISION			
Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)			
Personal Services	**177,215**	**177,215**	
Other Operating Expense	**11,280**	**11,280**	
Augmentation allowed.			
PATIENTS' COMPENSATION AUTHORITY			
Patient's Compensation Fund (IC 34-18-6-1)			
Personal Services	**722,263**	**722,263**	
Other Operating Expense	**1,322,435**	**1,322,435**	
Augmentation allowed.			
POLITICAL SUBDIVISION RISK MANAGEMENT			
Political Subdivision Risk Management Fund (IC 27-1-29-10)			
Personal Services	**109,874**	**109,874**	
Other Operating Expense	**802,850**	**802,850**	
Augmentation allowed.			
MINE SUBSIDENCE INSURANCE			
Mine Subsidence Insurance Fund (IC 27-7-9-7)			
Personal Services	**119,154**	**119,154**	
Other Operating Expense	**802,060**	**802,060**	
Augmentation allowed.			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
FOR THE ALCOHOL AND TOBACCO COMMISSION			
Enforcement and Administration Fund (IC 7.1-4-10-1)			
Personal Services	**8,108,248**	**8,108,248**	
Other Operating Expense	**2,424,940**	**2,424,940**	
Augmentation allowed.			
ALCOHOLIC BEVERAGE ENFORCEMENT OFFICERS' TRAINING			
Alcoholic Beverage Commission Enforcement Officers' Training Fund (IC 5-2-8-8)			
Total Operating Expense	**3,500**	**3,500**	
Augmentation allowed from the Alcoholic Beverage Enforcement Officers' Training Fund.			
FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS			
Financial Institutions Fund (IC 28-11-2-9)			
Personal Services	**6,787,643**	**6,787,643**	
Other Operating Expense	**1,764,048**	**1,703,411**	
Augmentation allowed.			
FOR THE PROFESSIONAL LICENSING AGENCY			
Personal Services	**4,769,078**	**4,769,078**	
Other Operating Expense	**1,130,056**	**1,130,056**	
PRENEED CONSUMER PROTECTION			
Preneed Consumer Protection Fund (IC 30-2-13-28)			
Total Operating Expense	**15,000**	**15,000**	
Augmentation allowed.			
EMBALMERS' AND FUNERAL DIRECTORS' EDUCATION			
Funeral Service Education Fund (IC 25-15-9-13)			
Total Operating Expense	**5,000**	**5,000**	
Augmentation allowed.			
FOR THE CIVIL RIGHTS COMMISSION			
Personal Services	**1,969,921**	**1,969,921**	
Other Operating Expense	**406,447**	**406,447**	

It is the intention of the general assembly that the civil rights commission shall apply to the federal government for funding based upon the processing of employment and housing discrimination complaints by the civil rights commission. Such federal funds received by the state shall be considered as a reimbursement of state expenditures and shall be deposited into the state general fund.

MARTIN LUTHER KING JR. HOLIDAY COMMISSION			
Total Operating Expense	**20,000**	**20,000**	
FOR THE UTILITY CONSUMER COUNSELOR			
Public Utility Fund (IC 8-1-6-1)			
Personal Services	**4,524,732**	**4,524,732**	
Other Operating Expense	**1,081,422**	**1,081,422**	
Augmentation allowed.			
EXPERT WITNESS FEES AND AUDIT			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Public Utility Fund (IC 8-1-6-1)			
Total Operating Expense			**1,550,000**
Augmentation allowed.			
FOR THE UTILITY REGULATORY COMMISSION			
Public Utility Fund (IC 8-1-6-1)			
Personal Services	**6,454,330**	**6,454,330**	
Other Operating Expense	**2,192,411**	**2,192,411**	
Augmentation allowed.			
FOR THE WORKERS' COMPENSATION BOARD			
From the General Fund			
	2,062,635	**2,062,635**	
Workers' Compensation Supplemental Administration Fund (IC 22-3-5-6)			
	114,210	**114,210**	
Augmentation allowed.			
The amounts specified from the general fund and the workers' compensation supplemental administrative fund are for the following purposes:			
Personal Services	**1,983,762**	**1,983,762**	
Other Operating Expense	**193,083**	**193,083**	
FOR THE STATE BOARD OF ANIMAL HEALTH			
Personal Services	**4,395,935**	**4,395,935**	
Other Operating Expense	**1,023,027**	**925,027**	
INDEMNITY FUND			
Total Operating Expense			**45,788**
Augmentation allowed.			
MEAT & POULTRY INSPECTION			
Total Operating Expense	**1,861,010**	**1,861,010**	
FOR THE DEPARTMENT OF HOMELAND SECURITY			
From the General Fund			
	1,646,556	**1,646,556**	
From the Fire and Building Services Fund (IC 22-12-6-1)			
	14,996,403	**14,996,403**	
Augmentation allowed from the fire and building services fund.			
The amounts specified from the general fund and the fire and building services fund are for the following purposes:			
Personal Services	**12,649,394**	**12,649,394**	
Other Operating Expense	**3,993,565**	**3,993,565**	
REGIONAL PUBLIC SAFETY TRAINING			
Total Operating Expense	**1,000,000**	**1,000,000**	
Augmentation allowed, not to exceed revenues collected from the public safety fee imposed by IC 22-11-14-12.			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

Any unexpended balances in the FY 2006-2007 appropriation for regional public safety training remain appropriated and are available for expenditure.

EMERGENCY MANAGEMENT CONTINGENCY FUND		
Total Operating Expense	**242,500**	**242,500**

The above appropriations for the emergency management contingency fund are made under IC 10-14-3-28. The above appropriations shall be in addition to any unexpended balances in the fund as of June 30, 2007.

DIRECTION CONTROL AND WARNING		
Total Operating Expense	**30,182**	**30,182**
INDIVIDUAL AND FAMILY ASSISTANCE		
Total Operating Expense	**1**	**1**
Augmentation allowed.		
PUBLIC ASSISTANCE		
Total Operating Expense	**1**	**1**
Augmentation allowed.		
INDIANA HOMELAND SECURITY FUND		
From the Indiana Homeland Security Fund (IC 10-15-3-1)		
Total Operating Expense	**520,000**	**520,000**
Augmentation allowed.		
INDIANA EMERGENCY RESPONSE COMMISSION		
From the Emergency Planning and Right to Know Fund (IC 6-6-10-5 & 7)		
Total Operating Expense	**45,408**	**45,408**
Augmentation allowed.		
STATE DISASTER RELIEF FUND		
From the State Disaster Relief Fund (IC 10-14-4-5)		
Total Operating Expense	**1,000,000**	**1,000,000**
Augmentation allowed, not to exceed revenues collected from the public safety fee imposed by IC 22-11-14-12.		
INDIANA INTELLIGENCE FUSION CENTER		
From the Fire and Building Services Fund (IC 22-12-6-1)		
Total Operating Expense	**399,585**	**2,110,730**
Augmentation allowed.		

SECTION 5. [EFFECTIVE JULY 1, 2007]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION		
Personal Services	**7,778,972**	**7,778,972**
Other Operating Expense	**1,185,019**	**1,185,019**
ENTOMOLOGY AND PLANT PATHOLOGY DIVISION		
Personal Services	**653,552**	**653,552**
Other Operating Expense	**161,137**	**161,137**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
ENTOMOLOGY AND PLANT PATHOLOGY FUND (IC 14-24-10-3)			
Total Operating Expense			**693,756**
Augmentation allowed.			
ENGINEERING DIVISION			
Personal Services	**1,644,141**	**1,644,141**	
Other Operating Expense	**123,151**	**123,151**	
STATE MUSEUM			
Personal Services	**5,593,509**	**5,593,509**	
Other Operating Expense	**1,931,841**	**1,931,841**	
HISTORIC PRESERVATION DIVISION			
Personal Services	**879,579**	**879,579**	
Other Operating Expense	**72,484**	**72,484**	
HISTORIC PRESERVATION - FEDERAL			
Total Operating Expense	**70,000**	**70,000**	
STATE HISTORIC SITES			
Personal Services	**2,483,942**	**2,483,942**	
Other Operating Expense	**627,287**	**627,287**	

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

WABASH RIVER HERITAGE CORRIDOR			
Total Operating Expense	**91,000**	**91,000**	
OUTDOOR RECREATION DIVISION			
Personal Services	**625,218**	**625,218**	
Other Operating Expense	**42,800**	**42,800**	
NATURE PRESERVES DIVISION			
Personal Services	**906,847**	**906,847**	
Other Operating Expense	**76,303**	**76,303**	
WATER DIVISION			
Personal Services	**4,369,300**	**4,369,300**	
Other Operating Expense	**479,605**	**479,605**	

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

GREAT LAKES COMMISSION			
Other Operating Expense	**61,000**	**61,000**	
DEER RESEARCH AND MANAGEMENT			
Deer Research and Management Fund (IC 14-22-5-2)			
Total Operating Expense	**268,788**	**268,788**	
Augmentation allowed.			
OIL AND GAS DIVISION			
From the General Fund			
	876,949	**876,949**	
From the Oil and Gas Fund (IC 6-8-1-27)			

528,269 528,269

Augmentation allowed from Oil and Gas Fund.

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

Personal Services	**1,145,545**	**1,145,545**
Other Operating Expense	**259,673**	**259,673**

STATE PARKS AND RESERVOIRS

From the General Fund

12,463,162 12,463,162

From the State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)

20,340,440 20,340,440

Augmentation allowed from State Parks and Reservoirs Special Revenue Fund.

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

Personal Services	**24,161,700**	**24,161,700**
Other Operating Expense	**8,641,902**	**8,641,902**

OFF-ROAD VEHICLE AND SNOWMOBILE FUND

Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)

Total Operating Expense	**300,000**	**300,000**

Augmentation allowed.

LAW ENFORCEMENT DIVISION

From the General Fund

9,802,550 9,802,550

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

11,757,240 11,757,240

Augmentation allowed from the Fish and Wildlife Fund.

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

Personal Services	**17,737,843**	**17,737,843**
Other Operating Expense	**3,821,947**	**3,821,947**

FISH AND WILDLIFE DIVISION

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

Personal Services	**12,516,802**	**12,516,802**
Other Operating Expense	**5,306,937**	**5,306,937**

Augmentation allowed.

FORESTRY DIVISION

From the General Fund

1,087,227 1,087,227

From the State Forestry Fund (IC 14-23-3-2)

11,327,465 11,327,465

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

Augmentation allowed from the State Forestry Fund.

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

Personal Services	**7,912,404**	**7,912,404**
Other Operating Expense	**4,502,288**	**4,502,288**

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

RECLAMATION DIVISION

From the General Fund

1,478 1,478

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

4,931,999 4,931,999

Augmentation allowed from the Natural Resources Reclamation Division Fund.

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

Personal Services	**4,253,559**	**4,253,559**
Other Operating Expense	**679,918**	**679,918**

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

LAKE MICHIGAN COASTAL PROGRAM

Cigarette Tax Fund (IC 6-7-1-29.1)

Total Operating Expense	**134,547**	**134,547**	

Augmentation allowed.

LAKE AND RIVER ENHANCEMENT

Lake and River Enhancement Fund (IC 6-6-11-12.5)

Total Operating Expense			**4,685,856**

Augmentation allowed.

CONSERVATION OFFICERS' MARINE ENFORCEMENT FUND

Lake and River Enhancement Fund (IC 6-6-11-12.5)

Total Operating Expense	**820,000**	**820,000**

Augmentation allowed.

B. OTHER NATURAL RESOURCES

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

FOR THE WORLD WAR MEMORIAL COMMISSION

Personal Services	**1,001,309**	**1,001,309**
Other Operating Expense	**534,125**	**534,125**

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

FOR THE WHITE RIVER PARK COMMISSION

Total Operating Expense	**1,218,267**	**1,218,267**

FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	**75,000**	**75,000**

FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	**65,127**	**65,127**

C. ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
ADMINISTRATION

From the General Fund		
	4,320,865	**4,320,865**
From the State Solid Waste Management Fund (IC 13-20-22-2)		
	111,482	**122,493**
From the Waste Tire Management Fund (IC 13-20-13-8)		
	44,784	**46,088**
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
	720,075	**615,736**
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
	812,454	**825,445**
From the Environmental Management Special Fund (IC 13-14-12-1)		
	83,604	**93,766**
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
	199,570	**206,379**
From the Asbestos Trust Fund (IC 13-17-6-3)		
	28,829	**32,854**
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
	36,678	**37,746**
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
	1,949,685	**2,006,468**
From the Lead Trust Fund (IC 13-17-14-6)		
	1,330	**1,516**

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund,

Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund.

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

Personal Services	**5,829,424**	**5,829,424**
Other Operating Expense	**2,479,932**	**2,479,932**

LABORATORY CONTRACTS

General Fund

244,886 113,746

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

671,809 802,949

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

1,565,126 1,565,126

Augmentation allowed from the Environmental Management Special Fund and the Hazardous Substances Response Trust Fund.

The amounts specified from the General Fund, Environmental Management Special Fund, and the Hazardous Substance Response Trust Fund are for the following purpose:

Total Operating Expense	**2,481,821**	**2,481,821**

NORTHWEST REGIONAL OFFICE

From the General Fund

589,301 589,601

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

34,569 40,242

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

18,810 20,232

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

434,188 393,452

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

280,387 297,510

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

29,198 34,682

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

81,723 88,280

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

17,383 20,993

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

15,405 16,570

From the Lead Trust Fund (IC 13-17-14-6)

802 969

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

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

Personal Services	**1,275,506**	**1,275,506**
Other Operating Expense	**226,260**	**227,025**

NORTHERN REGIONAL OFFICE

From the General Fund

431,985 462,585

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

45,014 55,768

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

12,246 14,019

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

376,914 363,498

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

288,572 326,712

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

29,549 36,621

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

57,061 65,943

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

15,090 19,395

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

10,030 11,481

From the Lead Trust Fund (IC 13-17-14-6)

696 895

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

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

Personal Services	**1,082,790**	**1,082,790**

	FY 2007-2008 Appropriation	*FY 2008-2009 Appropriation*	*Biennial Appropriation*
Other Operating Expense	**184,367**	**274,127**	

SOUTHWEST REGIONAL OFFICE

From the General Fund

424,876 424,876

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

121,800 126,933

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

16,630 17,443

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

191,931 169,603

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

190,303 196,487

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

40,662 44,735

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

87,872 91,902

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

7,684 9,050

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

13,620 14,286

From the Lead Trust Fund (IC 13-17-14-6)

355 418

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

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

Personal Services	**911,741**	**911,741**
Other Operating Expense	**183,992**	**183,992**

LEGAL AFFAIRS

From the General Fund

532,441 532,441

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

27,157 31,023

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

8,708 9,158

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

111,467 99,121

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

167,294 174,261
From the Environmental Management Special Fund (IC 13-14-12-1)
17,879 20,559
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
39,744 42,151
From the Asbestos Trust Fund (IC 13-17-6-3)
4,463 5,289
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
7,132 7,500
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
379,114 398,678
From the Lead Trust Fund (IC 13-17-14-6)
206 244
Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund.

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

Personal Services	**806,542**	**806,542**
Other Operating Expense	**489,063**	**513,883**

ENFORCEMENT
From the General Fund
1,093,915 1,093,915
From the State Solid Waste Management Fund (IC 13-20-22-2)
3,592 4,118
From the Waste Tire Management Fund (IC 13-20-13-8)
77,266 80,138
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)
308,247 275,056
From the Environmental Management Special Fund (IC 13-14-12-1)
78,809 92,721
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
312,003 323,089
From the Asbestos Trust Fund (IC 13-17-6-3)
12,341 14,676
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
63,281 65,633
From the Lead Trust Fund (IC 13-17-14-6)
569 677

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

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

Personal Services	**1,837,953**	**1,837,953**
Other Operating Expense	**112,070**	**112,070**

INVESTIGATIONS

From the General Fund

191,714 191,714

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

6,215 6,258

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

15,522 16,179

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

39,350 30,724

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

123,334 125,580

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

13,478 16,015

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

63,620 66,158

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

1,575 1,639

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

12,713 13,251

From the Lead Trust Fund (IC 13-17-14-6)

73 76

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

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

Personal Services	**373,135**	**373,135**
Other Operating Expense	**94,459**	**94,459**

MEDIA AND COMMUNICATIONS

From the General Fund

446,898 446,898

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

10,068 10,137

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

5,710 5,941

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

63,743 49,770

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

78,335 79,708

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

8,391 9,403

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

24,734 25,637

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

2,552 2,656

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

4,676 4,866

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

248,571 258,657

From the Lead Trust Fund (IC 13-17-14-6)

118 123

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

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

Personal Services	**833,910**	**833,910**
Other Operating Expense	**59,886**	**59,886**

COMMUNITY RELATIONS

From the General Fund

462,989 462,989

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

15,009 15,112

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

8,512 8,858

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

95,031 74,199
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
116,785 118,832
From the Environmental Management Special Fund (IC 13-14-12-1)
12,509 14,018
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
36,875 38,220
From the Asbestos Trust Fund (IC 13-17-6-3)
3,805 3,959
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
6,972 7,254
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
370,579 385,618
From the Lead Trust Fund (IC 13-17-14-6)
176 183
Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund.

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

Personal Services	**1,020,294**	**1,020,294**
Other Operating Expense	**108,948**	**108,948**

OHIO RIVER VALLEY WATER SANITATION COMMISSION
Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	**252,500**	**252,500**

Augmentation allowed.

OFFICE OF ENVIRONMENTAL RESPONSE

Personal Services	**2,177,219**	**2,177,219**
Other Operating Expense	**321,248**	**353,248**

POLLUTION PREVENTION AND TECHNICAL ASSISTANCE

Personal Services	**1,300,207**	**1,300,207**
Other Operating Expense	**808,621**	**808,621**

PCB INSPECTIONS
Environmental Management Permit Operation Fund (IC 13-15-11-1)

Total Operating Expense	**30,561**	**30,561**

Augmentation allowed.

U.S. GEOLOGICAL SURVEY CONTRACTS
Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	**62,890**	**62,890**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Augmentation allowed.			
STATE SOLID WASTE GRANTS MANAGEMENT			
State Solid Waste Management Fund (IC 13-20-22-2)			
Personal Services	**385,092**	**385,092**	
Other Operating Expense	**1,378,808**	**1,378,808**	
Augmentation allowed.			
RECYCLING OPERATING			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Personal Services	**259,711**	**259,711**	
Other Operating Expense	**90,292**	**90,292**	
Augmentation allowed.			
VOLUNTARY CLEAN-UP PROGRAM			
Voluntary Remediation Fund (IC 13-25-5-21)			
Personal Services	**665,627**	**665,627**	
Other Operating Expense	**229,900**	**229,900**	
Augmentation allowed.			
TITLE V AIR PERMIT PROGRAM			
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)			
Personal Services	**7,265,027**	**7,265,027**	
Other Operating Expense	**4,501,920**	**1,564,171**	
Augmentation allowed.			
WATER MANAGEMENT PERMITTING			
From the General Fund			
	2,548,364	**2,527,288**	
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
	5,593,375	**5,547,117**	
Augmentation allowed from the Environmental Management Permit Operation Fund.			

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

Personal Services	**6,882,416**	**6,882,416**
Other Operating Expense	**1,259,323**	**1,191,989**

SOLID WASTE MANAGEMENT PERMITTING			
From the General Fund			
	2,337,961	**2,311,961**	
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
	3,656,812	**3,163,482**	
Augmentation allowed from the Environmental Management Permit Operation Fund.			

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

Personal Services	**4,723,666**	**4,723,666**
Other Operating Expense	**1,271,107**	**751,777**

HAZARDOUS WASTE MANAGEMENT PERMITTING

From the General Fund

2,380,469 2,370,335
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
2,899,411 2,487,311
Augmentation allowed from the Environmental Management Permit Operation Fund.

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

Personal Services	**4,245,060**	**4,245,060**
Other Operating Expense	**1,034,820**	**612,586**

SAFE DRINKING WATER PROGRAM
From the General Fund
438,561 415,228
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
2,280,509 2,159,176
Augmentation allowed from the Environmental Management Permit Operation Fund.

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

Personal Services	**1,955,356**	**1,955,356**
Other Operating Expense	**763,714**	**619,048**

CLEAN VESSEL PUMPOUT
Environmental Management Special Fund (IC 13-14-12-1)
Total Operating Expense **129,618** **47,122**
Augmentation allowed.
GROUNDWATER PROGRAM
Environmental Management Special Fund (IC 13-14-12-1)
Total Operating Expense **128,839** **128,839**
Augmentation allowed.
UNDERGROUND STORAGE TANK PROGRAM
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
Total Operating Expense **135,959** **135,959**
Augmentation allowed.
AIR MANAGEMENT OPERATING
Personal Services **466,703** **468,372**
Other Operating Expense **354,057** **324,817**
WATER MANAGEMENT NONPERMITTING
Personal Services **2,528,259** **2,528,259**
Other Operating Expense **708,888** **708,888**
GREAT LAKES INITIATIVE
Environmental Management Special Fund (IC 13-14-12-1)
Total Operating Expense **57,207** **57,207**
Augmentation allowed.
OUTREACH OPERATOR TRAINING
General Fund
Total Operating Expense **3,059** **3,059**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**6,116**	**6,116**	
Augmentation allowed.			
LEAKING UNDERGROUND STORAGE TANKS			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Personal Services	**145,472**	**145,472**	
Other Operating Expense	**18,201**	**18,201**	
Augmentation allowed.			
CORE SUPERFUND			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**28,337**	**20,737**	
Augmentation allowed.			
AUTO EMISSIONS TESTING PROGRAM			
Personal Services	**111,387**	**111,387**	
Other Operating Expense	**5,628,528**	**5,826,564**	

The above appropriations for auto emissions testing are the maximum amounts available for this purpose. If it becomes necessary to conduct additional tests in other locations, the above appropriations shall be prorated among all locations.

HAZARDOUS WASTE SITE - STATE CLEAN-UP			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	**1,407,860**	**1,407,860**	
Other Operating Expense	**594,171**	**594,171**	
Augmentation allowed.			
HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	**181,465**	**181,465**	
Other Operating Expense	**320,752**	**320,752**	
Augmentation allowed.			
SUPERFUND MATCH			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**150,000**	**150,000**	
Augmentation allowed.			
HOUSEHOLD HAZARDOUS WASTE			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Other Operating Expense	**302,000**	**302,000**	
Augmentation allowed.			
ASBESTOS TRUST - OPERATING			
Asbestos Trust Fund (IC 13-17-6-3)			
Personal Services	**314,003**	**314,003**	
Other Operating Expense	**157,097**	**157,097**	
Augmentation allowed.			
UNDERGROUND PETROLEUM STORAGE TANK - OPERATING			
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Personal Services	**1,009,924**	**1,009,924**	
Other Operating Expense	**44,876,323**	**44,876,323**	
Augmentation allowed.			
WASTE TIRE MANAGEMENT			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Waste Tire Management Fund (IC 13-20-13-8)			
Total Operating Expense	**1,054,000**	**1,054,000**	
Augmentation allowed.			
VOLUNTARY COMPLIANCE			
Environmental Management Special Fund (IC 13-14-12-1)			
Personal Services	**166,994**	**166,994**	
Other Operating Expense	**183,752**	**183,752**	
Augmentation allowed.			
ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**400,000**	**400,000**	
Augmentation allowed.			
SMALL TOWN COMPLIANCE			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**60,000**	**60,000**	
Augmentation allowed.			
STATE INNOVATION - CLEAN COMMUNITIES CHALLENGE			
Total Operating Expense	**21,682**	**0**	
PETROLEUM TRUST - OPERATING			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Personal Services	**185,637**	**185,637**	
Other Operating Expense	**377,962**	**377,962**	
Augmentation allowed.			
LEAD BASED PAINT ACTIVITIES PROGRAM			
Lead Trust Fund (IC 13-17-14-6)			
Total Operating Expense	**21,736**	**21,736**	
Augmentation allowed.			

Notwithstanding any other law, with the approval of the Governor and the budget agency, the above appropriations for hazardous waste management - permitting, wetlands protection, watershed management, groundwater program, underground storage tanks, air management operating, asbestos trust operating, lead based paint activities program, water management nonpermitting, pollution prevention incentives for states, safe drinking water program, and any other appropriation eligible to be included in a performance partnership grant may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the department of environmental management.

FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION		
Personal Services	**361,013**	**361,013**
Other Operating Expense	**108,158**	**90,282**

SECTION 6. [EFFECTIVE JULY 1, 2007]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Personal Services	**1,880,083**	**1,880,083**	
Other Operating Expense	**605,366**	**605,366**	
CLEAN WATER INDIANA			
General Fund			
Total Operating Expense	**2,500,000**	**2,500,000**	
Cigarette Tax Fund (IC 6-7-1-29.1)			
Total Operating Expense	**3,750,000**	**3,750,000**	
Augmentation allowed.			
SOIL CONSERVATION DIVISION			
Cigarette Tax Fund (IC 6-7-1-29.1)			
Total Operating Expense	**1,937,652**	**1,937,652**	
Augmentation allowed.			
B. COMMERCE			
FOR THE LIEUTENANT GOVERNOR			
OFFICE OF RURAL AFFAIRS			
Personal Services	**1,514,377**	**1,514,377**	
Other Operating Expense	**410,322**	**410,322**	
RURAL ECONOMIC DEVELOPMENT FUND			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,603,480**	**3,603,480**	
OFFICE OF TOURISM			
Total Operating Expense	**4,813,369**	**4,813,369**	
RECYCLING PROMOTION AND ASSISTANCE PROGRAM			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Total Operating Expense	**1,395,000**	**1,395,000**	
Augmentation allowed.			
STATE ENERGY PROGRAM			
Total Operating Expense	**263,788**	**263,788**	
FOOD ASSISTANCE PROGRAM			
Total Operating Expense	**145,506**	**145,506**	
FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION			
ADMINISTRATIVE AND FINANCIAL SERVICES			
From the General Fund			
	6,611,741	**6,611,741**	
From the Training 2000 Fund (IC 5-28-7-5)			
	185,630	**185,630**	
From the Industrial Development Grant Fund (IC 5-28-25-4)			
	52,139	**52,139**	
The amounts specified from the General Fund, Training 2000 Fund, and Industrial Development Grant Fund are for the following purposes:			
Total Operating Expense	**6,849,510**	**6,849,510**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
INTERNATIONAL TRADE			
Total Operating Expense	**1,297,049**	**1,297,049**	
ENTERPRISE ZONE PROGRAM			
Indiana Enterprise Zone Fund (IC 5-28-15-6)			
Total Operating Expense	**241,860**	**241,860**	
Augmentation allowed.			
LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/ REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION (LEDO/REDO) MATCHING GRANT PROGRAM			
Total Operating Expense			**1,767,000**
TRAINING 2000			
General Fund			
Total Operating Expense			**21,529,536**
Training 2000 Fund (IC 5-28-7-5)			
Total Operating Expense			**4,470,464**
Augmentation allowed.			
BUSINESS PROMOTION PROGRAM			
Total Operating Expense			**2,112,502**
TRADE PROMOTION PROGRAM			
Total Operating Expense	**186,000**	**186,000**	
ECONOMIC DEVELOPMENT GRANT AND LOAN PROGRAM			
General Fund			
Total Operating Expense			**1,116,000**
Economic Development Fund (IC 5-28-8-5)			
Total Operating Expense			**384,000**
Augmentation allowed.			
INDUSTRIAL DEVELOPMENT GRANT PROGRAM			
General Fund			
Total Operating Expense			**11,045,000**
Industrial Development Grant Fund (IC 5-28-25-4)			
Total Operating Expense			**1,555,000**
Augmentation allowed.			
STRATEGIC DEVELOPMENT FUND			
Strategic Development Fund			
Total Operating Expense			**30,000**
FOR THE INDIANA FINANCE AUTHORITY (IFA)			
CAPITAL ACCESS PROGRAM			
Total Operating Expense			**1,155,524**
ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM			
Total Operating Expense			**2,325,000**
PROJECT GUARANTY PROGRAM			
Total Operating Expense			**1,674,000**
BUSINESS DEVELOPMENT LOAN PROGRAM			
Total Operating Expense			**1,860,000**
FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY			
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS			
Total Operating Expense	**1,600,000**	**1,800,000**	

The housing and community development authority shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

Family and social services administration, division of family resources shall apply all qualifying expenditures for individual development accounts deposits toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

C. EMPLOYMENT SERVICES

FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT		
ADMINISTRATION		
Total Operating Expense	**1,681,603**	**1,681,603**
SEXUAL ASSAULT VICTIMS ASSISTANCE		
Sexual Assault Victims Assistance Account (IC 4-23-25-11(i))		
Total Operating Expense	**49,000**	**49,000**
WOMEN'S COMMISSION		
Personal Services	**91,480**	**91,480**
Other Operating Expense	**23,300**	**23,300**
NATIVE AMERICAN INDIAN AFFAIRS COMMISSION		
Total Operating Expense	**100,000**	**100,000**
COMMISSION ON HISPANIC/LATINO AFFAIRS		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**115,599**	**115,599**

The above appropriations are in addition to any funding for the commission derived from funds appropriated to the department of workforce development.

D. OTHER ECONOMIC DEVELOPMENT

FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM	
I-LIGHT 2 - BLACK FIBER	
Total Operating Expense	**9,000,000**

SECTION 7. [EFFECTIVE JULY 1, 2007]

A. TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

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

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

INTERMODAL OPERATING
From the State Highway Fund (IC 8-23-9-54)
491,232 491,232
From the Department of Transportation Administration Fund
13,680 13,680
From the Public Mass Transportation Fund (IC 8-23-3-8)
336,609 336,609
From the Industrial Rail Service Fund (IC 8-3-1.7-2)
336,609 336,609
Augmentation allowed from the State Highway Fund, Public Mass Transportation Fund and Industrial Rail Service Fund.

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

Personal Services	**1,096,965**	**1,096,965**
Other Operating Expense	**81,165**	**81,165**

INTERMODAL GRANT PROGRAM
Department of Transportation Administration Fund

Total Operating Expense	**42,000**	**42,000**

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

Total Operating Expense	**37,500**	**37,500**

Augmentation allowed from Public Mass Transportation Fund.
RAILROAD GRADE CROSSING IMPROVEMENT
State Highway Fund (IC 8-23-9-54)

Total Operating Expense	**500,000**	**500,000**

HIGH SPEED RAIL
Industrial Rail Service Fund
Matching Funds **40,000**
Augmentation allowed.
PUBLIC MASS TRANSPORTATION
Public Mass Transportation Fund (IC 8-23-3-8)

Total Operating Expense	**34,874,267**	**35,583,434**

Augmentation allowed.

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

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

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

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency after review by the budget

committee and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

HIGHWAY OPERATING		
State Highway Fund (IC 8-23-9-54)		
Personal Services	**256,004,351**	**268,000,991**
Other Operating Expense	**54,953,221**	**56,348,993**

The above appropriations for personal services and other operating expense include an increase of $4,325,383 each year to add additional professional staff and equipment to increase the department's plan design and right-of-way capability.

HIGHWAY BUILDINGS AND GROUNDS	
State Highway Fund (IC 8-23-9-54)	
Total Operating Expense	**35,700,000**

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

HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT		
State Highway Fund (IC 8-23-9-54)		
Other Operating Expense	**20,420,600**	**20,420,600**

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

HIGHWAY MAINTENANCE WORK PROGRAM		
State Highway Fund (IC 8-23-9-54)		
Other Operating Expense	**75,480,000**	**76,989,600**

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

HIGHWAY CAPITAL IMPROVEMENTS
State Highway Fund (IC 8-23-9-54)

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Right-of-Way Expense	**30,000,000**	**43,200,000**	
Formal Contracts Expense	**64,897,733**	**46,652,354**	
Consulting Services Expense	**48,000,000**	**47,200,000**	
Institutional Road Construction	**5,000,000**	**5,000,000**	

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

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

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

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

If the department of transportation finds that an emergency exists or that an appropriation will be insufficient to cover expenses incurred in the normal operation of the department, the budget agency may, upon request of the department, and with the approval of the governor, transfer funds from revenue sources set out above from one (1) appropriation

to the deficient appropriation. No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

HIGHWAY PLANNING AND RESEARCH PROGRAM
State Highway Fund (IC 8-23-9-54)

Total Operating Expense	**3,605,000**	**3,713,150**

STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM
State Highway Road Construction Improvement Fund (IC 8-14-10-5)

Lease Rental Payments Expense	**63,487,461**	**64,806,454**

Augmentation allowed.

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

CROSSROADS 2000 PROGRAM
Crossroads 2000 Fund (IC 8-14-10-9)

Lease Rental Payment Expense	**35,928,754**	**36,288,042**

Augmentation allowed.

The above appropriations for the crossroads 2000 program are appropriated from the crossroads 2000 fund provided in IC 8-14-10-9 and may include any unencumbered funds carried forward from any previous fiscal year. The funds may be used for:
(1) road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, grade separations;
(3) relocation and modernization of existing roads;
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects; and
(5) payment of rentals and leases relating to projects under IC 8-14.5.

FEDERAL APPORTIONMENT

Right-of-Way Expense	**64,000,000**	**74,700,000**
Formal Contracts Expense	**425,788,221**	**492,103,311**
Consulting Engineers Expense	**149,121,779**	**108,804,989**
Highway Planning and Research	**13,390,000**	**13,791,700**
Local Government Revolving Acct.	**180,000,000**	**180,000,000**

The department may establish an account to be known as the "local government revolving

account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

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

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

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2007-2009 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

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

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

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

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

Under IC 8-14-1-3(7) there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:
(1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
(2) for counties and for those cities and towns with a population greater than five

thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

SECTION 8. [EFFECTIVE JULY 1, 2007]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE BUDGET AGENCY

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

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

INDIANA PRESCRIPTION DRUG PROGRAM		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**7,900,000**	**7,900,000**

With the approval of the governor and the budget agency, the above appropriations for the Indiana prescription drug program may be augmented by leveraging for each fiscal year federal Medicaid dollars.

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

CHILDREN'S HEALTH INSURANCE PROGRAM		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**31,363,603**	**33,863,603**
FAMILY AND SOCIAL SERVICES ADMINISTRATION		
Total Operating Expense	**13,816,018**	**13,823,693**
COMMISSION ON THE SOCIAL STATUS OF BLACK MALES		
Total Operating Expense	**131,628**	**131,711**
OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION		
Total Operating Expense	**5,462,653**	**5,462,653**
MEDICAID ADMINISTRATION		
Total Operating Expense	**49,500,000**	**49,500,000**
MEDICAID - CURRENT OBLIGATIONS		
General Fund		
Total Operating Expense	**1,467,000,000**	**1,467,000,000**

The foregoing appropriations for Medicaid current obligations and for Medicaid administration are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of Medicaid policy and planning for the respective purposes for which the money was allocated and paid to the state. Subject to the provisions of P.L.46-1995, if the sums herein

appropriated for Medicaid current obligations and for Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

After June 30, 2008, no allotment of the funds can be made to a private vendor unless approved by the Indiana General Assembly.

HOSPITAL CARE FOR THE INDIGENT FUND		
Hospital Care for the Indigent Fund (IC 12-16-14-6)		
Total Operating Expense	**56,900,000**	**56,900,000**
Augmentation allowed.		

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

MEDICAID DISABILITY ELIGIBILITY EXAMS		
Total Operating Expense	**3,195,000**	**3,195,000**
MENTAL HEALTH ADMINISTRATION		
Other Operating Expense	**2,365,294**	**2,365,294**
SERIOUSLY EMOTIONALLY DISTURBED		
Total Operating Expense	**16,469,493**	**16,469,493**
SERIOUSLY MENTALLY ILL		
General Fund		
Total Operating Expense	**93,862,579**	**93,862,579**
Mental Health Centers Fund (IC 6-7-1)		
Total Operating Expense	**4,445,000**	**4,445,000**
Augmentation allowed.		
COMMUNITY MENTAL HEALTH CENTERS		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**2,000,000**	**2,000,000**

The above appropriation from the Tobacco Master Settlement Agreement Fund is in addition to other funds. The above appropriations for comprehensive community mental health services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

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

GAMBLERS' ASSISTANCE		
Gamblers' Assistance Fund (IC 4-33-12-6)		
Total Operating Expense	**4,250,000**	**4,250,000**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
SUBSTANCE ABUSE TREATMENT			
Total Operating Expense	**5,018,500**	**5,018,500**	

The above appropriation for total operating expense for Substance Abuse Treatment includes an amount of $12,500 each year of the biennium for the employment of a drug and alcohol abuse counselor for the Jefferson County Transitional Services, Inc. The amount provided for these purposes may not be used for any other purpose.

QUALITY ASSURANCE/RESEARCH			
Total Operating Expense	**884,304**	**884,304**	
PREVENTION			
Gamblers' Assistance Fund (IC 4-33-12-6)			
Total Operating Expense	**2,946,936**	**2,946,936**	
Augmentation allowed.			
METHADONE DIVERSION CONTROL OVERSIGHT (MDCO) PROGRAM			
MDCO Fund (IC 12-23-18)			
Total Operating Expense	**26,269**	**26,269**	
Augmentation allowed.			
DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM			
Gamblers' Assistance Fund (IC 4-33-12-6)			
Total Operating Expense	**54,000**	**54,000**	
Augmentation allowed.			
EVANSVILLE STATE HOSPITAL			
General Fund			
	22,395,551	**22,407,654**	
Mental Health Fund (IC 12-24-14-4)			
	1,235,014	**1,235,682**	
Augmentation allowed.			

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	**18,516,201**	**18,528,972**
Other Operating Expense	**5,114,364**	**5,114,364**

LARUE CARTER MEMORIAL HOSPITAL			
General Fund			
	18,887,386	**18,895,892**	
Mental Health Fund (IC 12-24-14-4)			
	443,622	**443,822**	
Augmentation allowed.			

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	**12,562,778**	**12,571,484**
Other Operating Expense	**6,768,230**	**6,768,230**

LOGANSPORT STATE HOSPITAL

General Fund
38,746,342 38,765,733
Mental Health Fund (IC 12-24-14-4)
1,764,662 1,765,546
Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	**29,854,331**	**29,874,606**
Other Operating Expense	**10,656,673**	**10,656,673**

FARM REVENUE

Total Operating Expense	**53,857**	**53,857**

MADISON STATE HOSPITAL
General Fund
20,947,363 20,959,654
Mental Health Fund (IC 12-24-14-4)
811,461 811,937
Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	**18,439,326**	**18,452,093**
Other Operating Expense	**3,319,498**	**3,319,498**

RICHMOND STATE HOSPITAL
General Fund
30,590,520 30,605,663
Mental Health Fund (IC 12-24-14-4)
876,500 876,934
Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	**25,548,982**	**25,564,559**
Other Operating Expense	**5,918,038**	**5,918,038**

PATIENT PAYROLL

Total Operating Expense	**316,800**	**316,800**

The federal share of revenue accruing to the state mental health institutions under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established by IC 12-24-14-1, and the remainder shall be deposited in the general fund.

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

In addition to the above appropriations each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%), but not to exceed $50,000 in each fiscal year, of the amount by which actual net collections exceed an amount specified in writing by the division of mental health and addiction before July 1 of each year beginning July 1, 2007.

None of the appropriations in this act may be used to pay expenditures under a management agreement or any other contract that provides for the management or operation of Richmond State Hospital by individuals or an entity other than the state of Indiana.

DIVISION OF FAMILY RESOURCES ADMINISTRATION		
Personal Services	**4,814,750**	**4,820,468**
Other Operating Expense	**810,328**	**810,328**
CENTRAL REIMBURSEMENT OFFICE PROGRAM ADMINISTRATION		
Total Operating Expense	**6,399,705**	**6,399,705**
CHILD CARE LICENSING FUND		
Child Care Fund		
Total Operating Expense	**100,000**	**100,000**
Augmentation allowed.		
ELECTRONIC BENEFIT TRANSFER PROGRAM		
Total Operating Expense	**1,800,766**	**1,800,766**

The foregoing appropriations for the division of family resources Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

STATE WELFARE - COUNTY ADMINISTRATION		
Total Operating Expense	**49,501,684**	**49,501,684**

The foregoing appropriation may be transferred from FSSA to the department of child services with the approval of the budget agency.

INDIANA CLIENT ELIGIBILITY SYSTEM (ICES)		
Total Operating Expense	**7,007,662**	**7,007,662**
IMPACT PROGRAM		
Total Operating Expense	**2,449,580**	**2,449,683**
TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)		
Total Operating Expense	**40,457,943**	**40,457,943**
IMPACT - TANF		
Total Operating Expense	**5,768,527**	**5,768,672**
CHILD CARE & DEVELOPMENT FUND		
Total Operating Expense	**35,056,200**	**35,056,200**

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

respective purposes for which such money was allocated and paid to the state.

DOMESTIC VIOLENCE PREVENTION AND TREATMENT		
General Fund		
Total Operating Expense	**1,000,000**	**1,000,000**
Domestic Violence Prevention and Treatment Fund (IC 12-18-4)		
Total Operating Expense	**1,000,000**	**1,000,000**
Augmentation allowed.		
STEP AHEAD		
Total Operating Expense	**1,789,082**	**1,789,312**
SCHOOL AGE CHILD CARE PROJECT FUND		
Total Operating Expense	**850,000**	**950,000**
DIVISION OF DISABILITY, AGING, AND REHABILITATIVE SERVICES ADMINISTRATION		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**3,012,462**	**3,012,462**

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

ROOM AND BOARD ASSISTANCE (R-CAP)		
Total Operating Expense	**11,421,472**	**11,421,472**
C.H.O.I.C.E. IN-HOME SERVICES		
Total Operating Expense	**50,000,000**	**50,000,000**

The foregoing appropriations for C.H.O.I.C.E. In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver. The intragovernmental transfers for use in the Medicaid aged and disabled waiver shall not exceed seven million nine hundred thousand dollars ($7,900,000) in the state fiscal year ending June 30, 2008, and the intragovernmental transfers shall not exceed seven million nine hundred thousand dollars ($7,900,000) in the state fiscal year ending June 30, 2009.

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

The division of disability, aging, and rehabilitative services shall conduct an annual evaluation of the cost effectiveness of providing home care. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following: (1) the number and demographic characteristics of the recipients of home care during

the preceding fiscal year;
(2) the total cost and per recipient cost of providing home care services during the preceding fiscal year;
(3) the number of recipients of home care services who would have been placed in long term care facilities had they not received home care services; and
(4) the total cost savings during the preceding fiscal year realized by the state due to recipients of home care services (including Medicaid) being diverted from long term care facilities.
The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6.

OLDER HOOSIERS ACT		
Total Operating Expense	**1,842,109**	**1,842,109**
ADULT PROTECTIVE SERVICES		
Total Operating Expense	**2,021,540**	**2,021,540**
ADULT GUARDIANSHIP SERVICES		
Total Operating Expense	**491,863**	**491,892**
TITLE V EMPLOYMENT GRANT (OLDER WORKERS)		
Total Operating Expense	**6,436**	**6,436**
TITLE III ADMINISTRATION GRANT		
Total Operating Expense	**307,282**	**307,446**
OMBUDSMAN		
Total Operating Expense	**305,226**	**305,226**
VOCATIONAL REHABILITATION SERVICES		
Personal Services	**3,440,619**	**3,443,026**
Other Operating Expense	**14,133,156**	**14,133,156**

From the above appropriations, at least $233,000 in each state fiscal year shall be used for the Attain Program.

AID TO INDEPENDENT LIVING		
Total Operating Expense	**22,008**	**22,008**
OFFICE OF DEAF AND HEARING IMPAIRED		
Personal Services	**285,036**	**285,235**
Other Operating Expense	**211,396**	**211,396**
BLIND VENDING OPERATIONS		
Total Operating Expense	**129,879**	**129,905**
DEVELOPMENTAL DISABILITY RESIDENTIAL FACILITIES COUNCIL		
Personal Services	**2,970**	**2,970**
Other Operating Expense	**13,168**	**13,168**
OFFICE OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED		
Personal Services	**255,036**	**255,036**
Other Operating Expense	**73,907**	**73,907**
EMPLOYEE TRAINING		
Total Operating Expense	**6,112**	**6,112**
MEDICAID WAIVER		
Total Operating Expense	**316,333**	**316,390**
OBRA/PASSARR		

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Total Operating Expense	**90,212**	**90,268**	
BUREAU OF QUALITY IMPROVEMENT SERVICES - BQIS			
Total Operating Expense	**1,919,027**	**1,919,027**	
DAY SERVICES - DEVELOPMENTALLY DISABLED			
Other Operating Expense	**22,976,381**	**22,976,381**	
DIAGNOSIS AND EVALUATION			
Other Operating Expense	**930,788**	**930,788**	
SUPPORTED EMPLOYMENT			
Other Operating Expense	**3,117,498**	**3,117,498**	
EPILEPSY PROGRAM			
Other Operating Expense	**460,954**	**460,954**	
FAMILY SUBSIDY PROGRAM			
Other Operating Expense	**1,004,700**	**1,004,700**	
RESIDENTIAL SERVICES - CASE MANAGEMENT			
General Fund			
Total Operating Expense	**4,436,985**	**4,436,985**	
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**2,050,626**	**2,050,626**	
Augmentation allowed.			
RESIDENTIAL SERVICES FOR DEVELOPMENTALLY DISABLED PERSONS			
General Fund			
Total Operating Expense	**91,749,831**	**107,967,677**	
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**22,300,000**	**22,300,000**	

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

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

FORT WAYNE STATE DEVELOPMENTAL CENTER		
General Fund		
	359,900	**359,900**
Mental Health Fund (IC 12-24-14-4)		
	1,838,145	**1,839,050**
Augmentation allowed.		

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	**1,625,184**	**1,626,089**
Other Operating Expense	**572,861**	**572,861**

The federal share of revenue accruing to the state developmental centers under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established under IC 12-24-14, and the remainder shall be deposited in the general fund.

In addition to the above appropriations, each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%) but not to exceed $50,000, of the amount in which actual net collections exceed an amount specified in writing by the division of disability, aging, and rehabilitative services before July 1 of each year beginning July 1, 2007.

The director of the division of disability and rehabilitative services shall calculate, after consultation with the budget agency and the state department of health, the savings realized from the closure of the Fort Wayne State Developmental Center for state fiscal years 2007, 2008, and 2009. The calculation of the savings realized from the closure of the Fort Wayne State Developmental Center must be consistent with the financial analysis that informed the decision to close the Fort Wayne State Developmental Center. The director of the division of disability and rehabilitative services shall administer the savings realized from the closure of the Fort Wayne State Developmental Center and shall only use the savings realized to provide services to developmentally disabled clients. Any savings realized from the closure of the Fort Wayne State Developmental Center under administration of the director of the division of disability and rehabilitative services does not revert to the state general fund at the end of any state fiscal year.

FOR THE DEPARTMENT OF CHILD SERVICES

DEPARTMENT OF CHILD SERVICES - ADMINISTRATION		
Personal Services	**89,381,694**	**95,834,780**
Other Operating Expense	**19,266,922**	**18,512,996**
DEPARTMENT OF CHILD SERVICES - STATE ADMINISTRATION		
Personal Services	**8,437,193**	**8,437,193**
Other Operating Expense	**814,900**	**787,540**
CHILD WELFARE SERVICES STATE GRANTS		
General Fund		
Total Operating Expense	**10,048,884**	**10,048,884**
Excise and Financial Institution Taxes		
Total Operating Expense	**6,275,000**	**6,275,000**
Augmentation allowed.		
TITLE IV-D OF THE FEDERAL SOCIAL SECURITY ACT (STATE MATCH)		
Total Operating Expense	**5,282,841**	**5,282,841**

The foregoing appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

YOUTH SERVICE BUREAU		
Total Operating Expense	**1,650,000**	**1,650,000**

PROJECT SAFEPLACE

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Total Operating Expense	**250,000**	**250,000**	
HEALTHY FAMILIES INDIANA			
Total Operating Expense	**6,223,086**	**6,223,086**	
CHILD WELFARE TRAINING			
Total Operating Expense	**1,537,864**	**1,537,864**	
SPECIAL NEEDS ADOPTION II			
Personal Services	**342,669**	**342,669**	
Other Operating Expense	**377,009**	**377,009**	
ADOPTION ASSISTANCE			
Total Operating Expense	**12,159,147**	**13,883,265**	

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

SOCIAL SERVICES BLOCK GRANT (SSBG)			
Total Operating Expense	**20,863,880**	**20,863,880**	

The funds appropriated above to the social services block grant are allocated in the following manner during the biennium:

Division of Disability, Aging, and Rehabilitative Services	**1,030,877**	**1,030,877**
Division of Family Resources	**12,168,423**	**12,168,423**
Department of Child Services	**6,072,726**	**6,072,726**
Department of Health	**296,504**	**296,504**
Department of Correction	**1,295,350**	**1,295,350**

NON-RECURRING ADOPTION ASSISTANCE			
Total Operating Expense	**625,000**	**625,000**	
INDIANA SUPPORT ENFORCEMENT TRACKING (ISETS)			
Total Operating Expense	**4,972,285**	**5,312,285**	
CHILD PROTECTION AUTOMATION PROJECT (ICWIS)			
Total Operating Expense	**5,421,817**	**5,421,817**	

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH

General Fund	**23,048,061**	**31,848,061**
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)	**8,800,000**	**0**

The amounts specified from the General Fund and the Tobacco Master Settlement Agreement Fund are for the following purposes:

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Personal Services	**21,945,887**	**21,945,887**	
Other Operating Expense	**9,902,174**	**9,902,174**	

All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund. Augmentation allowed in amounts not to exceed revenue from penalties or fees collected by the state department of health.

CANCER REGISTRY			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**648,739**	**648,739**	
MINORITY HEALTH INITIATIVE			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,000,000**	**3,000,000**	

The foregoing appropriations shall be allocated to the Indiana Minority Health Coalition to work with the state department on the implementation of IC 16-46-11.

AID TO COUNTY TUBERCULOSIS HOSPITALS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**449,879**	**449,879**	

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

MEDICARE-MEDICAID CERTIFICATION			
Total Operating Expense	**6,546,029**	**6,546,029**	

Personal services augmentation allowed in amounts not to exceed revenue from health facilities license fees or from health care providers (as defined in IC 16-18-2-163) fee increases or those adopted by the Executive Board of the Indiana State Department of health pursuant to IC 16-19-3.

AIDS EDUCATION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Personal Services	**421,851**	**422,146**	
Other Operating Expense	**277,953**	**277,953**	
HIV/AIDS SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**2,162,254**	**2,162,254**	
TEST FOR DRUG AFFLICTED BABIES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**62,496**	**62,496**	

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

(1) All newborn infants shall be tested for the presence of a controlled substance in the infant's meconium if they meet the criteria established by the state department

of health. These criteria will, at a minimum, include all newborns, if at birth:
(A) the infant's weight is less than two thousand five hundred (2,500) grams;
(B) the infant's head is smaller than the third percentile for the infant's gestational age; and
(C) there is no medical explanation for the conditions described in clauses (A) and (B).
(2) If a meconium test determines the presence of a controlled substance in the infant's meconium, the infant may be declared a child in need of services as provided in IC 31-34-1-10 through IC 31-34-1-13. However, the child's mother may not be prosecuted in connection with the results of the test.
(3) The state department of health shall provide forms on which the results of a meconium test performed on an infant under subdivision (1) must be reported to the state department of health by physicians and hospitals.
(4) The state department of health shall, at least semi-annually:
(A) ascertain the extent of testing under this chapter; and
(B) report its findings under subdivision (1) to:
(i) all hospitals;
(ii) physicians who specialize in obstetrics and gynecology or work with infants and young children; and
(iii) any other group interested in child welfare that requests a copy of the report from the state department of health.
(5) The state department of health shall designate at least one (1) laboratory to perform the meconium test required under subdivisions (1) through (8). The designated laboratories shall perform a meconium test on each infant described in subdivision (1) to detect the presence of a controlled substance.
(6) Subdivisions (1) through (7) do not prevent other facilities from conducting tests on infants to detect the presence of a controlled substance.
(7) Each hospital and physician shall:
(A) take or cause to be taken a meconium sample from every infant born under the hospital's and physician's care who meets the description under subdivision (1); and
(B) transport or cause to be transported each meconium sample described in clause (A) to a laboratory designated under subdivision (5) to test for the presence of a controlled substance as required under subdivisions (1) through (7).
(8) The state department of health shall establish guidelines to carry out this program, including guidance to physicians, medical schools, and birthing centers as to the following:
(A) Proper and timely sample collection and transportation under subdivision (7) of this appropriation.
(B) Quality testing procedures at the laboratories designated under subdivision (5) of this appropriation.
(C) Uniform reporting procedures.
(D) Appropriate diagnosis and management of affected newborns and counseling and support programs for newborns' families.
(9) A medically appropriate discharge of an infant may not be delayed due to the results of the test described in subdivision (1) or due to the pendency of the results of the test described in subdivision (1).

STATE CHRONIC DISEASES		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Personal Services	**49,014**	**49,014**
Other Operating Expense	**681,286**	**681,286**

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

WOMEN, INFANTS, AND CHILDREN SUPPLEMENT		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**176,700**	**176,700**

MATERNAL AND CHILD HEALTH SUPPLEMENT		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**176,700**	**176,700**

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

CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**93,000**	**93,000**
CANCER EDUCATION AND DIAGNOSIS - PROSTATE CANCER		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**93,000**	**93,000**
ADOPTION HISTORY		
Adoption History Fund (IC 31-19-18-6)		
Total Operating Expense	**190,796**	**190,796**
Augmentation allowed.		
CHILDREN WITH SPECIAL HEALTH CARE NEEDS		
General Fund		
Total Operating Expense	**1,700,000**	**1,700,000**
Children with Special Health Care Needs (IC 16-35-4-1)		
Total Operating Expense	**8,297,591**	**8,297,591**
Augmentation allowed.		
NEWBORN SCREENING PROGRAM		
Newborn Screening Fund (IC 16-41-17-11)		
Personal Services	**357,071**	**357,071**
Other Operating Expense	**1,003,887**	**1,003,887**
Augmentation allowed.		
RADON GAS TRUST FUND		
Radon Gas Trust Fund (IC 16-41-38-8)		
Total Operating Expense	**12,700**	**12,700**
Augmentation allowed.		
BIRTH PROBLEMS REGISTRY		
Birth Problems Registry Fund (IC 16-38-4-17)		
Personal Services	**58,292**	**58,292**
Other Operating Expense	**30,012**	**30,012**
Augmentation allowed.		
MOTOR FUEL INSPECTION PROGRAM		
Motor Fuel Inspection Fund (IC 16-44-3-10)		
Total Operating Expense	**127,701**	**127,701**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Augmentation allowed.			
PROJECT RESPECT			
Total Operating Expense	**554,540**	**554,540**	
DONATED DENTAL SERVICES			
Total Operating Expense	**42,932**	**42,932**	

The above appropriation shall be used by the Indiana foundation for dentistry for the handicapped.

OFFICE OF WOMEN'S HEALTH			
Total Operating Expense	**133,463**	**133,463**	
SOLDIERS' AND SAILORS' CHILDREN'S HOME			
Personal Services	**9,100,938**	**9,100,938**	
Other Operating Expense	**1,322,500**	**1,322,500**	
FARM REVENUE			
Total Operating Expense	**22,715**	**22,715**	

INDIANA VETERANS' HOME

From the General Fund

13,917,781 13,399,178

From the Comfort-Welfare Fund (IC 10-17-9-7(c))

9,764,000 9,764,000

Augmentation allowed from the comfort-welfare fund in amounts not to exceed revenue collected for Medicaid and Medicare reimbursement.

The amounts specified from the General Fund and the Comfort-Welfare Fund are for the following purposes:

Personal Services	**19,880,493**	**19,880,493**	
Other Operating Expense	**3,801,288**	**3,282,685**	
COMFORT AND WELFARE PROGRAM			
Comfort-Welfare Fund (IC 10-17-9-7(c))			
Total Operating Expense	**111,000**	**111,000**	
Augmentation allowed.			
WEIGHTS AND MEASURES FUND			
Weights and Measures Fund (IC 16-19-5-4)			
Total Operating Expense	**25,300**	**25,300**	
Augmentation allowed.			
MINORITY EPIDEMIOLOGY			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**750,000**	**750,000**	
COMMUNITY HEALTH CENTERS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**30,000,000**	**30,000,000**	

Of the above appropriation for community health centers, $30,000,000 may be used for capital projects in fiscal year 2007-2008 and fiscal year 2008-2009.

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
PRENATAL SUBSTANCE USE & PREVENTION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**150,000**	**150,000**	
LOCAL HEALTH MAINTENANCE FUND			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,860,000**	**3,860,000**	
Augmentation allowed.			

The amount appropriated from the tobacco master settlement agreement fund is in lieu of the appropriation provided for this purpose in IC 6-7-1-30.5 or any other law. Of the above appropriations for the local health maintenance fund, $60,000 each year shall be used to provide additional funding to adjust funding through the formula in IC 16-46-10 to reflect population increases in various counties. Money appropriated to the local health maintenance fund must be allocated under the following schedule each year to each local board of health whose application for funding is approved by the state department of health:

COUNTY POPULATION	AMOUNT OF GRANT
over 499,999	94,112
100,000 - 499,999	72,672
50,000 - 99,999	48,859
under 50,000	33,139

LOCAL HEALTH DEPARTMENT ACCOUNT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,000,000**	**3,000,000**	

The foregoing appropriations for the local health department account are statutory distributions pursuant to IC 4-12-7.

FOR THE TOBACCO USE PREVENTION AND CESSATION BOARD			
TOBACCO USE PREVENTION AND CESSATION PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**15,000,000**	**15,000,000**	

A minimum of 75% of the above appropriations shall be used for grants to local agencies and other entities with programs designed to reduce smoking.

FOR THE INDIANA SCHOOL FOR THE BLIND			
Personal Services	**10,746,019**	**10,746,019**	
Other Operating Expense	**1,055,964**	**1,055,964**	
FOR THE INDIANA SCHOOL FOR THE DEAF			
Personal Services	**16,892,896**	**16,892,896**	
Other Operating Expense	**1,959,367**	**1,959,367**	

C. VETERANS' AFFAIRS

FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS			
Personal Services	**527,049**	**527,049**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Other Operating Expense	**134,632**	**134,632**	
DISABLED AMERICAN VETERANS OF WORLD WARS			
Total Operating Expense	**40,000**	**40,000**	
AMERICAN VETERANS OF WORLD WAR II, KOREA, AND VIETNAM			
Total Operating Expense	**30,000**	**30,000**	
VETERANS OF FOREIGN WARS			
Total Operating Expense	**30,000**	**30,000**	
VIETNAM VETERANS OF AMERICA			
Total Operating Expense			**20,000**
MILITARY FAMILY RELIEF FUND			
Total Operating Expense	**450,000**	**450,000**	

SECTION 9. [EFFECTIVE JULY 1, 2007]

EDUCATION

A. HIGHER EDUCATION

FOR INDIANA UNIVERSITY		
BLOOMINGTON CAMPUS		
Total Operating Expense	**195,692,339**	**199,606,185**
Fee Replacement	**24,822,802**	**26,825,043**
FOR INDIANA UNIVERSITY REGIONAL CAMPUSES		
EAST		
Total Operating Expense	**7,879,890**	**8,037,487**
Fee Replacement	**2,038,168**	**2,001,956**
KOKOMO		
Total Operating Expense	**10,326,734**	**10,533,269**
Fee Replacement	**2,394,273**	**2,351,735**
NORTHWEST		
Total Operating Expense	**17,706,917**	**17,856,970**
Fee Replacement	**4,316,246**	**4,239,561**
SOUTH BEND		
Total Operating Expense	**23,002,877**	**23,619,000**
Fee Replacement	**5,967,558**	**5,861,535**
SOUTHEAST		
Total Operating Expense	**19,637,000**	**20,029,740**
Fee Replacement	**5,266,033**	**5,172,474**
TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES	**98,535,696**	**99,703,727**
FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)		
HEALTH DIVISIONS		
Total Operating Expense	**89,601,670**	**91,393,704**
Fee Replacement	**4,332,751**	**4,692,914**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE ON			
THE CAMPUS OF THE UNIVERSITY OF SOUTHERN INDIANA			
Total Operating Expense	**1,512,954**	**1,543,213**	
THE CAMPUS OF INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE			
Total Operating Expense	**1,391,822**	**1,419,658**	
THE CAMPUS OF INDIANA UNIVERSITY-NORTHWEST			
Total Operating Expense	**1,977,273**	**2,016,819**	
THE CAMPUS OF PURDUE UNIVERSITY			
Total Operating Expense	**1,764,995**	**1,800,295**	
THE CAMPUS OF BALL STATE UNIVERSITY			
Total Operating Expense	**1,587,018**	**1,618,758**	
THE CAMPUS OF THE UNIVERSITY OF NOTRE DAME			
Total Operating Expense	**1,471,769**	**1,501,205**	
THE CAMPUS OF INDIANA STATE UNIVERSISTY			
Total Operating Expense	**1,754,667**	**1,789,761**	

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

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)			
GENERAL ACADEMIC DIVISIONS			
Total Operating Expense	**92,323,938**	**94,165,417**	
Fee Replacement	**20,727,099**	**22,450,049**	
TOTAL APPROPRIATIONS - IUPUI			
	218,445,956	**224,391,792**	

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

FOR INDIANA UNIVERSITY			
ABILENE NETWORK OPERATIONS CENTER			
Total Operating Expense	**833,852**	**850,529**	
SPINAL CORD AND HEAD INJURY RESEARCH CENTER			
Total Operating Expense	**525,021**	**535,521**	
OPTOMETRY BOARD EDUCATION FUND			
Total Operating Expense	**1,530**	**1,561**	
STATE DEPARTMENT OF TOXICOLOGY			
Total Operating Expense	**656,939**	**670,078**	
INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES			
Total Operating Expense	**2,481,177**	**2,530,800**	
GEOLOGICAL SURVEY			
Total Operating Expense	**3,106,922**	**3,169,060**	
INDUSTRIAL RESEARCH LIAISON PROGRAM			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Total Operating Expense	**254,963**	**260,063**	
LOCAL GOVERNMENT ADVISORY COMMISSION			
Total Operating Expense	**56,628**	**57,761**	
LIFE SCIENCES INITIATIVE			
Total Operating Expense	**20,400,000**	**20,808,000**	
SCHOOL OF EDUCATION PATHWAYS PROGRAM			
Total Operating Expense	**2,550,000**	**2,601,000**	
REIMBURSEMENT OF SCHOLARSHIP COSTS			
Total Operating Expense	**900,000**	**0**	

Indiana University shall report to the budget committee on the feasibility of creating a center for research on adult stem cells.

FOR PURDUE UNIVERSITY			
WEST LAFAYETTE			
Total Operating Expense	**246,084,101**	**251,005,783**	
Fee Replacement	**23,928,533**	**28,131,118**	
FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES			
CALUMET			
Total Operating Expense	**27,118,194**	**27,660,558**	
Fee Replacement	**1,549,834**	**1,493,233**	
NORTH CENTRAL			
Total Operating Expense	**10,950,537**	**11,325,613**	
Fee Replacement	**0**	**88,962**	
TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES	**39,618,565**	**40,479,404**	
FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY			
AT FORT WAYNE (IPFW)			
Total Operating Expense	**36,764,051**	**37,499,332**	
Fee Replacement	**4,223,331**	**4,143,785**	

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

FOR PURDUE UNIVERSITY			
ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM			
Total Operating Expense	**3,454,909**	**3,524,008**	

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

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY		
Total Operating Expense	**5,578,339**	**5,689,906**
COUNTY AGRICULTURAL EXTENSION EDUCATORS		
Total Operating Expense	**7,245,516**	**7,390,426**
AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS		
Total Operating Expense	**7,249,878**	**7,394,876**
CENTER FOR PARALYSIS RESEARCH		
Total Operating Expense	**523,347**	**533,814**
UNIVERSITY-BASED BUSINESS ASSISTANCE		
Total Operating Expense	**1,122,729**	**1,145,184**
NORTH CENTRAL - VALPO NURSING PARTNERSHIP		
Total Operating Expense		
FOR INDIANA STATE UNIVERSITY		
Total Operating Expense	**75,327,970**	**76,774,333**
Fee Replacement	**9,465,483**	**9,479,684**
FOR UNIVERSITY OF SOUTHERN INDIANA		
Total Operating Expense	**36,372,283**	**37,545,629**
Fee Replacement	**9,488,222**	**11,706,740**
HISTORIC NEW HARMONY		
Total Operating Expense	**565,184**	**576,488**
FOR BALL STATE UNIVERSITY		
Total Operating Expense	**125,401,982**	**127,910,022**
Fee Replacement	**12,408,664**	**12,194,555**
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES		
Total Operating Expense	**4,280,282**	**4,365,888**
FOR VINCENNES UNIVERSITY		
Total Operating Expense	**37,131,232**	**37,873,857**
Fee Replacement	**5,364,551**	**6,375,082**
FOR IVY TECH COMMUNITY COLLEGE		
Total Operating Expense	**153,209,449**	**162,415,053**
Fee Replacement	**20,738,001**	**23,077,786**

Of the above appropriations for IVY Tech total operating expense, $135,000 each year shall be used for the Community Learning Center in Portage.

VALPO NURSING PARTNERSHIP		
Total Operating Expense	**100,635**	**102,648**
FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)		
Total Operating Expense	**4,780,342**	**4,875,949**

The above appropriations do not include funds for the course development grant program.

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

All such income and all such fees, earnings, and receipts on hand June 30, 2007, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and IHETS and may be expended for any necessary expenses of the respective institutions and IHETS, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures only if approved by the governor and the budget agency.

The foregoing appropriations and allocations for fee replacement are for replacement of student fees deducted during the 2007-2009 biennium to cover bond or lease-purchase principal, interest, and other obligations of debt costs of facility construction and acquisition for those projects authorized by the general assembly. These fee replacement appropriations and allocations shall be allotted by the budget agency after receipt of verification of payment of such debt cost expense.

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

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

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

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

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College on the basis of vouchers stating the total amount claimed against each fund or account, or both, but not to exceed the legally made appropriations.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

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

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

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

If an early payment of an amount appropriated to any of the aforementioned institutions or IHETS is made in either state fiscal year of the biennium to eliminate an otherwise authorized payment delay to a later state fiscal year, the amount may be used only for the purposes approved by the budget agency after review by the budget committee.

FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND

Total Operating Expense	**2,294,787**	**2,340,683**

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

FOR THE COMMISSION FOR HIGHER EDUCATION

Total Operating Expense	**1,508,104**	**1,538,266**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation

Before October 31, 2007, the budget committee shall review the commission for higher education's research incentive funding formula.

INDIANA CAREER AND POSTSECONDARY ADVANCEMENT CENTER		
Total Operating Expense	**1**	**1**
FOR THE DEPARTMENT OF ADMINISTRATION		
ANIMAL DISEASE DIAGNOSTIC LABORATORY LEASE RENTAL		
Total Operating Expense	**1,066,535**	**1,087,866**
ANIMAL DISEASE DIAGNOSTIC LABORATORY (BSL-3) LEASE RENTAL		
Total Operating Expense	**2,652,000**	**2,705,040**
COLUMBUS LEARNING CENTER LEASE PAYMENT		
Total Operating Expense	**4,022,931**	**4,103,390**
FOR THE STATE BUDGET AGENCY		
GIGAPOP PROJECT		
Total Operating Expense	**787,390**	**803,138**
SOUTH CENTRAL EDUCATIONAL ALLIANCE BEDFORD SERVICE AREA		
Total Operating Expense	**395,266**	**403,172**
SOUTHEAST INDIANA EDUCATION SERVICES		
Total Operating Expense	**695,226**	**709,130**

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

DEGREE LINK		
Total Operating Expense	**541,465**	**552,294**

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

WORKFORCE CENTERS		
Total Operating Expense	**905,732**	**923,847**
MIDWEST HIGHER EDUCATION COMMISSION		
Total Operating Expense	**96,900**	**98,838**
FOR THE STATE STUDENT ASSISTANCE COMMISSION		
Total Operating Expense	**1,306,618**	**1,332,750**
FREEDOM OF CHOICE GRANTS		
Total Operating Expense	**47,573,703**	**48,525,177**
HIGHER EDUCATION AWARD PROGRAM		
Total Operating Expense	**139,487,903**	**142,277,661**
NURSING SCHOLARSHIP PROGRAM		

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Total Operating Expense	**410,185**	**418,389**	
HOOSIER SCHOLAR PROGRAM			
Total Operating Expense	**408,000**	**416,160**	

For the higher education awards and freedom of choice grants made for the 2007-2009 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:
(1) Financial Need: For purposes of these awards, financial need shall be limited to actual undergraduate tuition and fees for the prior academic year as established by the commission.
(2) Maximum Base Award: The maximum award shall not exceed the lesser of:
(A) eighty percent (80%) of actual prior academic year undergraduate tuition and fees; or
(B) eighty percent (80%) of the sum of the highest prior academic year undergraduate tuition and fees at any public institution of higher education and the lowest appropriation per full-time equivalent (FTE) undergraduate student at any public institution of higher education.
(3) Minimum Award: No actual award shall be less than $200.
(4) Award Size: A student's maximum award shall be reduced one (1) time:
(A) for dependent students, by the expected contribution from parents based upon information submitted on the financial aid application form; and
(B) for independent students, by the expected contribution derived from information submitted on the financial aid application form.
(5) Award Adjustment: The maximum base award may be adjusted by the commission, for any eligible recipient who fulfills college preparation requirements defined by the commission.
(6) Adjustment:
(A) If the dollar amounts of eligible awards exceed appropriations and program reserves, all awards may be adjusted by the commission by reducing the maximum award under subdivision (2)(A) or (2)(B).
(B) If appropriations and program reserves are sufficient and the maximum awards are not at the levels described in subdivision (2)(A) and (2)(B), all awards may be adjusted by the commission by proportionally increasing the awards to the maximum award under that subdivision so that parity between those maxima is maintained but not exceeded.

For the Hoosier scholar program for the 2007-2009 biennium, each award shall not exceed five hundred dollars ($500) and shall be made available for one (1) year only. Receipt of this award shall not reduce any other award received under any state funded student assistance program.

STATUTORY FEE REMISSION			
Total Operating Expense	**20,553,902**	**20,964,980**	
PART-TIME STUDENT GRANT DISTRIBUTION			
Total Operating Expense	**5,355,000**	**5,462,100**	

Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and

social services administration and second to eligible students who received awards from the part time grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 20-12-21 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources shall apply all qualifying expenditures for the part time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

CONTRACT FOR INSTRUCTIONAL OPPORTUNITIES IN SOUTHEASTERN INDIANA		
Total Operating Expense	**615,475**	**627,785**
MINORITY TEACHER SCHOLARSHIP FUND		
Total Operating Expense	**407,763**	**415,919**
COLLEGE WORK STUDY PROGRAM		
Total Operating Expense	**821,293**	**837,719**
21ST CENTURY ADMINISTRATION		
Total Operating Expense	**2,061,420**	**2,102,648**
21ST CENTURY SCHOLAR AWARDS		
Total Operating Expense	**26,496,079**	**27,026,001**

Augmentation for 21st Century Scholar Awards allowed from the general fund.

The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR 265.

Family and social services administration, division of family resources, shall apply all qualifying expenditures for the 21st century scholars program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.)

NATIONAL GUARD SCHOLARSHIP		
Total Operating Expense	**3,365,817**	**3,433,134**

The above appropriations for national guard scholarship and any program reserves existing on June 30, 2007, shall be the total allowable state expenditure for the program in the 2007-2009 biennium. If the dollar amounts of eligible awards exceed appropriations and program reserves, the state student assistance commission shall develop a plan to ensure that the total dollar amount does not exceed the above appropriations and any program reserves.

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
STATE BOARD OF EDUCATION			
Total Operating Expense	**3,152,112**	**3,152,112**	

The foregoing appropriations for the Indiana state board of education are for the education roundtable established by IC 20-19-4; for the academic standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks; for special evaluation and research projects including national and international assessments; and for state board and roundtable administrative expenses.

SUPERINTENDENT'S OFFICE			
Personal Services	**686,467**	**686,877**	
Other Operating Expense	**1,439,160**	**1,437,682**	
PUBLIC TELEVISION DISTRIBUTION			
Total Operating Expense	**2,557,563**	**2,357,563**	

These appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the eight Indiana public education television stations that shall be approved by the budget agency after review by the budget committee. The above appropriation includes the costs of transmission for the "GED-on-TV" program. Of the above appropriations, $100,000 each year shall be distributed equally among the eight radio stations.

RESEARCH AND DEVELOPMENT PROGRAMS			
Personal Services	**86,958**	**86,959**	
Other Operating Expense	**300,390**	**300,390**	

Of the foregoing appropriations for Research and Development Programs, up to $140,000 each year is dedicated for the Center for Evaluation and Education Policy.

DEPUTY SUPERINTENDENT'S OFFICE			
Personal Services	**457,320**	**457,562**	
Other Operating Expense	**92,839**	**92,603**	
RILEY HOSPITAL			
Total Operating Expense	**27,900**	**27,900**	
BEST BUDDIES			
Total Operating Expense	**250,000**	**250,000**	
ADMINISTRATION AND FINANCIAL MANAGEMENT			
Personal Services	**2,143,064**	**2,144,538**	
Other Operating Expense	**298,207**	**296,808**	
MOTORCYCLE OPERATOR SAFETY EDUCATION FUND			
Safety Education Fund (IC 20-30-13-11)			
Personal Services	**132,303**	**132,397**	
Other Operating Expense	**892,177**	**892,087**	

The foregoing appropriations for the motorcycle operator safety education fund are from the motorcycle operator safety education fund created by IC 20-30-13-11.

SCHOOL TRAFFIC SAFETY

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**242,813**	**242,989**	
Other Operating Expense	**30,405**	**30,236**	
Augmentation allowed.			
CENTER FOR SCHOOL ASSESSMENT			
Personal Services	**310,777**	**311,004**	
Other Operating Expense	**706,025**	**705,800**	
ACCREDITATION SYSTEM			
Personal Services	**471,390**	**471,732**	
Other Operating Expense	**489,547**	**489,210**	
SPECIAL EDUCATION (S-5)			
Total Operating Expense	**30,000,000**	**30,000,000**	

The foregoing appropriations for special education are made under IC 20-35-6-2.

CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS			
Personal Services	**234,467**	**234,580**	
Other Operating Expense	**78,988**	**78,879**	
SPECIAL EDUCATION EXCISE			
Alcoholic Beverage Excise Tax Funds (IC 20-35-4-4)			
Personal Services	**344,177**	**344,351**	
Augmentation allowed.			
GED-ON-TV PROGRAM			
Other Operating Expense	**229,500**	**229,500**	

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

VOCATIONAL EDUCATION			
Personal Services	**1,318,379**	**1,319,338**	
Other Operating Expense	**40,532**	**39,599**	
ADVANCED PLACEMENT PROGRAM			
Other Operating Expense	**894,400**	**894,400**	

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

PSAT PROGRAM			
Other Operating Expense	**717,449**	**717,449**	

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

CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE			
Personal Services	**1,701,420**	**1,701,447**	
Other Operating Expense	**978,089**	**978,089**	
PRINCIPAL LEADERSHIP ACADEMY			
Personal Services	**320,628**	**320,632**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Other Operating Expense	**142,204**	**142,204**	
EDUCATION SERVICE CENTERS			
Total Operating Expense	**1,721,287**	**1,721,287**	

No appropriation made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least three dollars ($3) per student for fiscal year 2007-2008 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2006, and at least three dollars ($3) per student for fiscal year 2008-2009, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 2007. Before notification of education service centers of the formula and components of the formula for distributing funds for education service centers, review and approval of the formula and components must be made by the budget agency.

TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)			
Total Operating Expense	**50,000**	**50,000**	

The foregoing appropriations for transfer tuition (state employees' children and eligible children in mental health facilities) are made under IC 20-26-11-10 and IC 20-26-11-8.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION			
Total Operating Expense	**2,403,792**	**2,403,792**	

The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area vocational schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT			
General Fund			
Total Operating Expense	**2,165,440,147**	**2,223,685,270**	
Property Tax Replacement Fund (IC 6-1.1-21)			
Total Operating Expense	**1,717,564,666**	**1,775,809,790**	

The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, vocational education programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2005 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are

required under this SECTION, one-half (1/2) of any excess shall revert to the general fund and one-half (1/2) of any excess shall revert to the property tax replacement fund.

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

DISTRIBUTION FOR SUMMER SCHOOL		
Other Operating Expense	**18,360,000**	**18,360,000**

It is the intent of the 2007 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

EARLY INTERVENTION PROGRAM		
Personal Services	**13,000**	**13,000**
Other Operating Expense	**3,707,000**	**3,707,000**

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

READING DIAGNOSTIC ASSESSMENT		
Total Operating Expense	**1,000,000**	**1,000,000**

The foregoing appropriations shall be used by the department for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and non-public school first and second grade students upon the approval of the governing body of school corporations. The board shall determine how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board and the education roundtable.

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

It is the intent of the 2007 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

NATIONAL SCHOOL LUNCH PROGRAM

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Total Operating Expense	**5,400,000**	**5,400,000**	
MARION COUNTY DESEGREGATION COURT ORDER			
Total Operating Expense	**18,200,000**	**18,200,000**	

The foregoing appropriations for court ordered desegregation costs are made pursuant to order No. IP 68-C-225-S of the United States District Court for the Southern District of Indiana. If the sums herein appropriated are insufficient to enable the state to meet its obligations, then there are hereby appropriated from the state general fund such further sums as may be necessary for such purpose.

TEXTBOOK REIMBURSEMENT			
Total Operating Expense	**37,014,402**	**40,809,194**	

Before a school corporation or an accredited non-public school may receive a distribution under the textbook reimbursement program, the school corporation or accredited non-public school shall provide to the department the requirements established in IC 20-33-5-2. The department shall provide to the family and social services administration (FSSA) all data required for FSSA to meet the data collection reporting requirement in 45 CFR 265. Family and social services administration, division of family resources, shall apply all qualifying expenditures for the textbook reimbursement program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

The foregoing appropriations for textbook reimbursement include the appropriation of the common school fund interest balance. The remainder of the above appropriations are provided from the state general fund.

FULL DAY KINDERGARTEN			
Total Operating Expense	**57,500,000**	**103,500,000**	
TESTING			
Other Operating Expense	**22,000,000**	**22,000,000**	
REMEDIATION			
Other Operating Expense	**29,918,503**	**29,947,334**	

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

The above appropriation for testing and remediation shall be used by school corporations to provide remediation programs for students who attend public and nonpublic schools. For purposes of tuition support, these students are not to be counted in the average daily membership.

GRADUATION EXAM REMEDIATION

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Other Operating Expense	**4,958,910**	**4,958,910**	

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

SPECIAL EDUCATION PRESCHOOL			
Total Operating Expense	**27,173,300**	**27,173,300**	

The above appropriations shall be distributed to guarantee a minimum of $2,750 per child enrolled in special education preschool programs from state and local sources in school corporations that levy the maximum special education tax rate for this purpose. It is the intent of the 2007 general assembly that the above appropriations for special education preschool shall be the total allowable expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

NON-ENGLISH SPEAKING PROGRAM			
Other Operating Expense	**6,929,246**	**6,965,055**	

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

The grant amount is two hundred dollars ($200) per pupil. It is the intent of the 2007 general assembly that the above appropriations for the non-English speaking program shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

GIFTED AND TALENTED EDUCATION PROGRAM			
Personal Services	**211,199**	**211,348**	
Other Operating Expense	**5,625,138**	**5,624,992**	

DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION			
Total Operating Expense	**250,000**	**250,000**	

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

PRIMETIME			
Personal Services	**172,564**	**172,566**	
Other Operating Expense	**34,467**	**34,467**	

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
DRUG FREE SCHOOLS			
Personal Services	**52,360**	**52,361**	
Other Operating Expense	**20,093**	**20,093**	
PROFESSIONAL DEVELOPMENT DISTRIBUTION			
Other Operating Expense	**13,812,500**	**13,812,500**	

The foregoing appropriations for professional development distributions include schools defined under IC 20-31-2-8.

ALTERNATIVE SCHOOLS			
Total Operating Expense	**6,380,059**	**6,380,319**	
EDUCATIONAL TECHNOLOGY PROGRAM AND FUND (INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM)			
Total Operating Expense	**2,109,031**	**2,109,036**	

Of the foregoing appropriations, $825,000 shall be allocated to the buddy system each state fiscal year during the biennium. The remaining amounts shall be allocated for technology programs and resources for kindergarten through twelfth grade, and the operation of the office of the special assistant to the superintendent of public instruction for technology.

TECHNOLOGY PLAN GRANT PROGRAM (IC 20-20-13)			
Total Operating Expense			**5,000,000**

Notwithstanding IC 20-20-13-17, the department of education may adjust the grant amount to reflect available funding.

PROFESSIONAL STANDARDS DIVISION			
General Fund			
Personal Services	**1,053,602**	**1,054,199**	
Other Operating Expense	**262,900**	**1,762,303**	
Professional Standards Board Licensing Fund			
Total Operating Expense	**2,400,000**	**900,000**	
Augmentation allowed.			

The above appropriations for the Professional Standards Division do not include funds to pay stipends for mentor teachers.

FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND			
POSTRETIREMENT PENSION INCREASES			
Other Operating Expense	**52,784,909**	**55,952,004**	

The appropriations for postretirement pension increases are made for those benefits and adjustments provided in IC 5-10.4 and IC 5-10.2-5.

TEACHERS' RETIREMENT FUND DISTRIBUTION			
Other Operating Expense	**568,372,000**	**602,474,320**	
Augmentation allowed.			

If the amount actually required under the pre-1996 account of the teachers' retirement fund for actual benefits for the Post Retirement Pension Increases that are funded on a "pay as you go" basis plus the base benefits under the pre-1996 account of the teachers' retirement fund is:

(1) greater than the above appropriations for a year, after notice to the governor and the budget agency of the deficiency, the above appropriation for the year shall be augmented from the general fund. Any augmentation shall be included in the required pension stabilization calculation under IC 5-10.4; or

(2) less than the above appropriations for a year, the excess shall be retained in the general fund. The portion of the benefit funded by the annuity account and the actuarially funded Post Retirement Pension Increases shall not be part of this calculation.

C. OTHER EDUCATION

FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD		
Personal Services	**617,646**	**617,646**
Other Operating Expense	**68,940**	**68,940**
PUBLIC EMPLOYEE RELATIONS BOARD		
Total Operating Expense	**32,550**	**32,550**
FOR THE STATE LIBRARY		
Personal Services	**2,867,740**	**2,869,750**
Other Operating Expense	**729,954**	**729,954**
LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES		
Other Operating Expense	**20,000**	**20,000**
DISTRIBUTION TO PUBLIC LIBRARIES		
Other Operating Expense	**607,936**	**607,936**

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

INDIANA COOPERATIVE LIBRARY SERVICES AUTHORITY			
Total Operating Expense	**2,408,848**	**2,408,848**	
ACADEMY OF SCIENCE			
Total Operating Expense	**8,811**	**8,811**	
FOR THE ARTS COMMISSION			
Personal Services	**406,217**	**406,217**	
Other Operating Expense	**2,971,742**	**2,971,742**	
INDIANA ARTS COMMISSION TRUST FUND			
Total Operating Expense			**1,250,000**

The foregoing appropriation to the Indiana arts commission trust fund is to provide grants under IC 4-23-2.5 to:
(1) the arts organizations that have most recently qualified for general operating support as major arts organizations as determined by the Indiana arts commission; and
(2) the significant regional organizations that have most recently qualified for general operating support as mid-major arts organizations, as determined by the Indiana arts commission and its regional re-granting partners.

The money appropriated to the Indiana arts commission trust fund does not revert to the state general fund at the close of any state fiscal year but remains available to the Indiana arts commission until the purpose for which it was appropriated is fulfilled.

FOR THE HISTORICAL BUREAU			
Personal Services	**392,583**	**392,583**	
Other Operating Expense	**6,875**	**6,875**	
HISTORICAL MARKER PROGRAM			
Total Operating Expense			**31,898**
FOR THE COMMISSION ON PROPRIETARY EDUCATION			
Personal Services	**447,806**	**448,129**	
Other Operating Expense	**6,865**	**6,865**	

SECTION 10. [EFFECTIVE JULY 1, 2007]

DISTRIBUTIONS

FOR THE PROPERTY TAX REPLACEMENT FUND BOARD		
Property Tax Replacement Fund (IC 6-1.1-21)		
Total Operating Expense	**2,082,509,197**	**2,143,509,197**

Notwithstanding IC 6-1.1-21, the foregoing appropriations (less the amount set aside for child services (as defined in IC 12-19-7-1) are the maximum amount that may be distributed. If the amount determined under IC 6-1.1-21 exceeds the amount appropriated, the board shall reduce the credit percentages proportionately so that the distributions equal the appropriation.

The above appropriation for the state fiscal year beginning July 1, 2007, and ending June 30, 2008, includes an amount equal to the amount that: (1) is necessary to pay the cost of child services (as defined in IC 12-19-7-1) provided in the period beginning January 1, 2008, and ending June 30, 2008; (2) is not paid from other sources of revenue; and (3) exceeds fifty percent (50%) of the lesser of the costs payable from property taxes (including cash balances the proceeds of bonds or loans payable from property taxes) incurred by each county for child services (as defined in IC 12-19-7-1) provided in 2005 or the costs incurred by each county for child services (as defined in IC 12-19-7-1) provided in 2007, as determined by the department of child services.

The above appropriation for the state fiscal year beginning July 1, 2008, and ending June 30, 2009, includes an amount equal to the amount that: (1) is necessary to pay the cost of child services (as defined in IC 12-19-7-1) provided in the period beginning July 1, 2008, and ending December 31, 2008; (2) is not paid from other sources of revenue; and (3) exceeds fifty percent (50%) of the lesser of the costs incurred by each county for child services (as defined in IC 12-19-7-1) provided in 2005 or the costs payable from property taxes (including cash balances the proceeds of bonds or loans payable from property taxes) incurred by each county for child services (as defined in IC 12-19-7-1) provided in 2007, as determined by the department of child services, and an amount equal to the amount that: (1) is necessary to pay the cost of child services (as defined in IC 12-19-7-1) provided in the period beginning January 1, 2009, and ending June 30, 2009; (2) is not paid from other sources of revenue; and (3) exceeds fifty percent (50%) of the lesser of the costs incurred by each county for child services (as defined in IC 12-19-7-1) provided in 2005 or the costs incurred by each county for child services (as defined in IC 12-19-7-1) provided in 2007, as determined by the department of child services.

In addition to the purposes for the property tax replacement fund specified in IC 6-1.1-21, the property tax replacement fund board shall in each state fiscal year transfer from the state property tax replacement fund to the state general fund for use by the department of child services the amounts needed to pay the costs of child services (as defined in IC 12-19-7-1) that are payable from the above appropriation. Notwithstanding IC 4-13-2-20, the department of child services shall distribute to each county the amount needed by that county to pay the costs of child services (as defined in IC 12-19-7-1) that are payable from the above appropriation on a schedule that permits the county to pay claims for child services (as defined in IC 12-19-7-1) as they become due without issuing bonds or entering into a loan to raise necessary funds. If the amount available from the property tax replacement fund is insufficient to expend the total amount appropriated from the property tax replacement fund, the amount of any deficiency attributable to the costs of child services (as defined in IC 12-19-7-1) that are payable from the above appropriation shall be paid from the state general fund in the manner provided by IC 6-1.1-21-4 for other deficiencies related to the property tax replacement fund. Notwithstanding any other law, the budget agency may not transfer the appropriation for child services (as defined in IC 12-19-7-1) to any other purpose or withhold or reduce an allotment related to the distribution for child services (as defined in IC 12-19-7-1). The county shall use the money distributed under this paragraph for payments of child services (as defined in IC 12-19-7-1). The money distributed shall be treated as if the money were property taxes and shall be used to reduce the property tax levy that would otherwise be imposed under IC 12-19-7-4.

SECTION 11. [EFFECTIVE JULY 1, 2007]

The following allocations of federal funds are available for vocational and technical education under the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301, et seq. for Vocational and Technical Education) (20 U.S.C. 2371 for Tech Prep Education). These funds shall be received by the department of workforce development, commission on vocational and technical education, and shall be allocated

by the budget agency after consultation with the commission on vocational and technical education, the department of education, the commission for higher education, and the department of correction. Funds shall be allocated to these agencies in accordance with the allocations specified below:

STATE PROGRAMS AND LEADERSHIP	**2,655,188**	**2,655,188**
SECONDARY VOCATIONAL PROGRAMS	**14,878,845**	**14,878,845**
POSTSECONDARY VOCATIONAL PROGRAMS	**8,522,925**	**8,522,925**
TECHNOLOGY - PREPARATION EDUCATION	**2,465,494**	**2,465,494**

SECTION 12. [EFFECTIVE JULY 1, 2007]

In accordance with IC 22-4.1-13, the budget agency, with the advice of the commission on vocational and technical education and the budget committee, may augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2007]

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

SECTION 14. [EFFECTIVE JULY 1, 2007]

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

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel

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

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

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

SECTION 15. [EFFECTIVE JULY 1, 2007]

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

SECTION 16. [EFFECTIVE JULY 1, 2007]

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

SECTION 17. [EFFECTIVE JULY 1, 2007]

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

SECTION 18. [EFFECTIVE JULY 1, 2007]

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

SECTION 19. [EFFECTIVE JULY 1, 2007]

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

SECTION 20. [EFFECTIVE JULY 1, 2007]

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

SECTION 21. [EFFECTIVE JULY 1, 2007]

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

SECTION 22. [EFFECTIVE JULY 1, 2007]

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

SECTION 23. [EFFECTIVE JULY 1, 2007]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided

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

SECTION 24. [EFFECTIVE JULY 1, 2007]

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

SECTION 25. [EFFECTIVE JULY 1, 2007]

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

SECTION 26. [EFFECTIVE JULY 1, 2007]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds

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

SECTION 27. [EFFECTIVE JULY 1, 2007]

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

SECTION 28. [EFFECTIVE JULY 1, 2007]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director.

SECTION 29. [EFFECTIVE JULY 1, 2007]

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

SECTION 30. [EFFECTIVE JULY 1, 2007]

Subject to SECTION 25 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2007-2009 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 31. [EFFECTIVE JULY 1, 2006 (RETROACTIVE)]

The following deficiency appropriation for the state fiscal year beginning July 1, 2006, and ending June 30, 2007, is made in addition to the appropriations in P.L.246-2005, SECTION 9:

FOR THE DEPARTMENT OF EDUCATION
DISTRIBUTION FOR TUITION SUPPORT
General Fund
Total Operating Expense 56,100,000

The deficiency appropriation made by this SECTION is not subject to transfer to any other fund or subject to transfer, assignment, or reassignment for any other use or purpose by the state board of finance, notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23, or by the budget agency, notwithstanding IC 4-12-1-12, or any other law.

SECTION 32. [EFFECTIVE JULY 1, 2007]

CONSTRUCTION

For the 2007-2009 biennium, the following amounts, from the funds listed as follows, are hereby appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals and the purchase and sale of land, including equipment for such properties.

State General Fund - Lease Rentals
192,901,910
State General Fund - Construction
264,389,919
State Police Building Commission Fund (IC 9-29-1-4)
6,200,000
Law Enforcement Academy Building Fund (IC 5-2-1-13)
1,319,300
Cigarette Tax Fund (IC 6-7-1-29.1)
3,600,000
Veterans' Home Building Fund (IC 10-17-9-7)
5,269,167
Postwar Construction Fund (IC 7.1-4-8-1)
29,560,000
Regional Health Care Construction Account (IC 4-12-8.5)
11,964,998

TOTAL 515,205,294

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

A. GENERAL GOVERNMENT

FOR THE HOUSE OF REPRESENTATIVES	
Repair and Rehabilitation	**425,000**
FOR THE SENATE	
Senate Renovation	**1,500,000**
FOR THE STATE BUDGET AGENCY	
Health and safety contingency	**5,000,000**
Aviation Technology Center	**2,428,284**
Airport Facilities Lease	**52,991,552**
DEPARTMENT OF ADMINISTRATION - PROJECTS	
Preventive Maintenance	**6,691,790**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Repair and Rehabilitation			**13,905,000**
DEPARTMENT OF ADMINISTRATION - LEASES			
General Fund			
Lease - Government Center North			**24,111,955**
Lease - Government Center South			**29,631,910**
Lease -State Museum			**15,234,934**
Lease -McCarty Street Warehouse			**1,458,200**
Lease -Parking Garages			**10,061,358**
Lease -Toxicology Lab			**11,070,106**
Lease -Wabash Valley Correctional			**26,229,390**
Lease -Rockville Correctional			**11,040,071**
Lease -Miami Correctional			**30,570,823**
Lease -Pendleton Juvenile Correctional			**10,064,168**
Lease -New Castle Correctional			**23,428,995**
Regional Health Care Construction Account (IC 4-12-8.5)			
Lease -Evansville State Hospital			**3,284,468**
Lease -Southeast Regional Treatment			**5,297,588**
Lease -Logansport State Hospital			**3,382,942**
B. PUBLIC SAFETY			
(1) LAW ENFORCEMENT			
INDIANA STATE POLICE			
State Police Building Commission Fund (IC 9-29-1-4)			
Preventive Maintenance			**1,015,000**
Repair and Rehabilitation			**5,185,000**
LAW ENFORCEMENT TRAINING BOARD			
Law Enforcement Academy Building Fund (IC 5-2-1-13)			
Preventive Maintenance			**936,000**
Repair and Rehabilitation			**383,300**
ADJUTANT GENERAL			
Preventive Maintenance			**250,000**
Repair and Rehabilitation			**1,650,000**
(2) CORRECTIONS			
DEPARTMENT OF CORRECTION - PROJECTS			
Postwar Construction Fund (IC 7.1-4-8-1)			
Environmental Response			**150,000**
Repair and Rehabilitation			**200,000**
CORRECTIONAL UNITS			
Preventive Maintenance			**1,515,598**
Postwar Construction Fund (IC 7.1-4-8-1)			
Administration/Program Bldg.-Henryville			**100,000**
Repair and Rehabilitation			**400,000**
STATE PRISON			
Preventive Maintenance			**954,492**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**5,200,000**
PENDLETON CORRECTIONAL FACILITY			
Preventive Maintenance			**1,257,064**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**1,200,000**
WOMEN'S PRISON			
Preventive Maintenance			**538,832**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**100,000**
NEW CASTLE CORRECTIONAL FACILITY			
Preventive Maintenance			**350,388**
PUTNAMVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**864,822**
Postwar Construction Fund (IC 7.1-4-8-1)			
Central Water Softener System			**300,000**
Repair and Rehabilitation			**140,000**
PLAINFIELD EDUCATION RE-ENTRY FACILITY			
Preventive Maintenance			**322,804**
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**395,510**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**100,000**
BRANCHVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**272,932**
Postwar Construction Fund (IC 7.1-4-8-1)			
Education building addition			**1,800,000**
WESTVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**806,330**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**3,500,000**
ROCKVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**357,296**
PLAINFIELD CORRECTIONAL FACILITY			
Preventive Maintenance			**663,704**
Postwar Construction Fund (IC 7.1-4-8-1)			
Steam distribution center			**12,000,000**
Repair and Rehabilitation			**420,000**
RECEPTION-DIAGNOSTIC CENTER			
Preventive Maintenance			**214,464**
Postwar Construction Fund (IC 7.1-4-8-1)			
Fire egress stairwell			**400,000**
CORRECTIONAL INDUSTRIAL FACILITY			
Preventive Maintenance			**584,172**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**750,000**
WORK RELEASE CENTERS			
Preventive Maintenance			**76,828**
WABASH VALLEY CORRECTIONAL FACILITY			

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Preventive Maintenance			**608,820**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**2,800,000**
MIAMI CORRECTIONAL FACILITY			
Preventive Maintenance			**664,560**
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**228,738**
C. CONSERVATION AND ENVIRONMENT			
DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION			
Preventive Maintenance			**300,000**
Repair and Rehabilitation			**1,500,000**
FISH AND WILDLIFE			
Preventive Maintenance			**2,000,000**
Repair and Rehabilitation			**4,500,000**
FORESTRY			
Preventive Maintenance			**2,000,000**
Repair and Rehabilitation			**6,500,000**
MUSEUMS AND HISTORIC SITES			
Preventive Maintenance			**365,559**
Repair and Rehabilitation			**4,500,000**
Tippecanoe Battlefield - Fence Restoration			**430,000**
NATURE PRESERVES			
Preventive Maintenance			**200,000**
Repair and Rehabilitation			**1,350,000**
OUTDOOR RECREATION			
Preventive Maintenance			**50,000**
Repair and Rehabilitation			**375,000**
STATE PARKS AND RESERVOIR MANAGEMENT			
Preventive Maintenance			**2,900,000**
Repair and Rehabilitation			**29,000,000**
Cigarette Tax Fund (IC 6-7-1-29.1)			
Preventive Maintenance			**3,600,000**
DIVISION OF WATER			
Preventive Maintenance			**250,000**
Repair and Rehabilitation			**8,925,000**
Dredging of Cedar Lake in Lake County			**2,000,000**
ENFORCEMENT			
Preventive Maintenance			**250,000**
STATE MUSEUM			
Preventive Maintenance			**650,000**
Repair and Rehabilitation			**300,000**
OIL AND GAS			
Repair and Rehabilitation			**400,000**
ENTOMOLOGY			
Repair and Rehabilitation			**1,000,000**
WHITE RIVER STATE PARK			
Preventive Maintenance			**500,000**

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Repair and Rehabilitation			**480,000**
WAR MEMORIALS COMMISSION			
Preventive Maintenance			**1,512,094**
Civil War Battle Flags			**238,500**
Repair and Rehabilitation			**815,300**
LITTLE CALUMET RIVER BASIN COMMISSION			
Repair and Rehabilitation			**2,000,000**

D. TRANSPORTATION

AIRPORT DEVELOPMENT			
Airport Development			**2,400,000**

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

E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION

FSSA CONSTRUCTION			
Repair and Rehabilitation			**1,000,000**
EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER			
Preventive Maintenance			**45,000**
Repair and Rehabilitation			**100,000**
EVANSVILLE STATE HOSPITAL			
Preventive Maintenance			**500,000**
Consult/Design for Forensic Pts.			**100,000**
Repair and Rehabilitation			**858,000**
MADISON STATE HOSPITAL			
Preventive Maintenance			**971,409**
LOGANSPORT STATE HOSPITAL			
Preventive Maintenance			**963,144**
Repair and Rehabilitation			**4,228,000**
RICHMOND STATE HOSPITAL			
Preventive Maintenance			**1,210,724**
Operational Support Building			**649,250**
Repair and Rehabilitation			**3,329,000**
LARUE CARTER MEMORIAL HOSPITAL			
Preventive Maintenance			**5,000,000**

(2) PUBLIC HEALTH

DEPARTMENT OF HEALTH

	FY 2007-2008 Appropriation	FY 2008-2009 Appropriation	Biennial Appropriation
Preventive Maintenance			**15,303**
Repair and Rehabilitation			**1,684,697**
SCHOOL FOR THE BLIND			
Preventive Maintenance			**565,714**
Repair and Rehabilitation			**2,964,671**
SCHOOL FOR THE DEAF			
Preventive Maintenance			**553,120**
Repair and Rehabilitation			**3,046,357**
SOLDIERS' AND SAILORS' CHILDREN'S HOME			
Preventive Maintenance			**400,000**
Repair and Rehabilitation			**925,000**
(3) VETERANS' AFFAIRS			
INDIANA VETERANS' HOME			
Veterans' Home Building Fund (IC 10-17-9-7)			
Preventive Maintenance			**1,000,000**
Replacement of Busses			**485,000**
Repair and Rehabilitation			**3,784,167**
F. EDUCATION			
HIGHER EDUCATION			
INDIANA UNIVERSITY - TOTAL SYSTEM			
General Repair and Rehab			**25,202,564**
PURDUE UNIVERSITY - TOTAL SYSTEM			
General Repair and Rehab			**19,777,318**
INDIANA STATE UNIVERSITY			
General Repair and Rehab			**4,681,980**
UNIVERSITY OF SOUTHERN INDIANA			
General Repair and Rehab			**1,121,925**
BALL STATE UNIVERSITY			
General Repair and Rehab			**6,726,301**
VINCENNES UNIVERSITY			
General Repair and Rehab			**2,272,968**
IVY TECH COMMUNITY COLLEGE			
General Repair and Rehab			**2,287,041**

SECTION 33. [EFFECTIVE JULY 1, 2007]

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

SECTION 34. [EFFECTIVE JULY 1, 2007]

If any part of a construction or rehabilitation and repair appropriation made by this act or any previous acts has not been allotted or encumbered before the expiration

of two (2) biennia, the budget agency may determine that the balance of the appropriation is not available for allotment. The appropriation may be terminated, and the balance may revert to the fund from which the original appropriation was made.

SECTION 35. [EFFECTIVE UPON PASSAGE]

The budget agency may retain balances in the mental health fund at the end of any fiscal year to ensure there are sufficient funds to meet the service needs of the developmentally disabled and the mentally ill in any year.

SECTION 36. [EFFECTIVE JULY 1, 2007]

If the budget director determines at any time during the biennium that the executive branch of state government cannot meet its statutory obligations due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with the approval of the governor and after review by the budget committee, may transfer from the counter-cyclical revenue and economic stabilization fund to the general fund an amount necessary to maintain a positive balance in the general fund.

SECTION 37. IC 2-5-1.1-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 20. (a) The legislative services agency shall do the following:**

(1) Annually review changes to tax laws in Indiana and other states that were enacted in the preceding year.

(2) Annually analyze and evaluate Indiana's tax laws compared with the tax laws of:

(A) the other states in the Midwest; and

(B) other states.

(3) Not later than June 1, 2009, and June 1 of each year thereafter, present a comprehensive report containing the results of the review and comparison conducted under this subsection to the governor and the legislative council.

(b) The legislative services agency may do the following to carry out subsection (a):

(1) Solicit information from:

(A) private individuals and entities;

(B) tax policy experts; and

(C) any other source considered appropriate by the legislative services agency.

(2) Pay any travel expenses, per diem, and expert witness fees for individuals or entities providing information solicited under subdivision (1).

(3) Contract with one (1) or more individuals or entities to carry out any part of the requirements in subsection (a).

SECTION 38. IC 2-5-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 1.3. General Accountability Office

Sec. 1. As used in this chapter, "appointing authority" refers to the speaker of the house of representatives and the president pro tempore of the senate acting jointly.

Sec. 2. As used in this chapter, "comptroller general" refers to the head of the office appointed under section 7 of this chapter.

Sec. 3. As used in this chapter, "office" refers to the general accountability office established by section 6 of this chapter.

Sec. 4. As used in this chapter, "privatization" refers to the transfer to a private sector person of a program currently provided or performed directly by the employees of a state agency.

Sec. 5. As used in this chapter, "privatization contract" refers to a contract entered into by a state agency with a private sector person for the privatization of a program. The term does not include contracting with a private sector person to provide services on a temporary or an emergency basis.

Sec. 6. The general accountability office is established as an agency of the general assembly.

Sec. 7. (a) The appointing authority shall appoint an individual to be the comptroller general.

(b) The individual appointed as comptroller general serves at the pleasure of the appointing authority.

(c) The comptroller general is the administrative head of the general accountability office.

Sec. 8. The office shall do the following:

(1) At the request of a member of the general assembly, review and audit entities:

(A) established by law; or

(B) that receive money derived from appropriations made by the general assembly.

(2) Evaluate programs established by Indiana law as directed by the appointing authority.

(3) Review all privatization contracts entered into after December 31, 2004, as directed by the appointing authority.

Sec. 9. The office shall publish reports of its audits and evaluations as directed by the appointing authority.

SECTION 39. IC 4-4-10.9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The definitions in this chapter apply throughout this chapter, IC 4-4-11, **IC 4-4-11.7,** and IC 4-4-31.

SECTION 40. IC 4-4-11-15, AS AMENDED BY P.L.181-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) The authority is granted all powers necessary or appropriate to carry out and effectuate its public and corporate purposes under the affected statutes, including but not limited to the following:

(1) Have perpetual succession as a body politic and corporate and an independent instrumentality exercising essential public functions.

(2) Without complying with IC 4-22-2, adopt, amend, and repeal bylaws, rules, guidelines, and policies not inconsistent with the affected statutes, and necessary or convenient to regulate its affairs and to carry into effect the powers, duties, and purposes of the authority and conduct its business under the affected statutes. These bylaws, rules, guidelines, and policies must be made by a resolution of the authority introduced at one (1) meeting and approved at a subsequent meeting of the authority.

(3) Sue and be sued in its own name.

(4) Have an official seal and alter it at will.

(5) Maintain an office or offices at a place or places within the state as it may designate.

(6) Make, execute, and enforce contracts and all other instruments necessary, convenient, or desirable for the purposes of the authority or pertaining to:

(A) a purchase, acquisition, or sale of securities or other investments; or

(B) the performance of the authority's duties and execution of any of the authority's powers under the affected statutes.

(7) Employ architects, engineers, attorneys, inspectors, accountants, agriculture experts, silviculture experts, aquaculture experts, and financial experts, and such other advisors, consultants, and agents as may be necessary in its judgment and to fix their compensation.

(8) Procure insurance against any loss in connection with its property and other assets, including loans and loan notes in amounts and from insurers as it may consider advisable.

(9) Borrow money, make guaranties, issue bonds, and otherwise incur indebtedness for any of the authority's purposes, and issue debentures, notes, or other evidences of indebtedness, whether secured or unsecured, to any person, as provided by the affected statutes. Notwithstanding any

other law, the:

(A) issuance by the authority of any indebtedness that establishes a procedure for the authority or a person acting on behalf of the authority to certify to the general assembly the amount needed to restore a debt service reserve fund or another fund to required levels; or

(B) execution by the authority of any other agreement that creates a moral obligation of the state to pay all or part of any indebtedness issued by the authority;

is subject to review by the budget committee and approval by the budget director.

(10) Procure insurance or guaranties from any public or private entities, including any department, agency, or instrumentality of the United States, for payment of any bonds issued by the authority or for reinsurance on amounts paid from the industrial development project guaranty fund, including the power to pay premiums on any insurance or reinsurance.

(11) Purchase, receive, take by grant, gift, devise, bequest, or otherwise, and accept, from any source, aid or contributions of money, property, labor, or other things of value to be held, used, and applied to carry out the purposes of the affected statutes, subject to the conditions upon which the grants or contributions are made, including but not limited to gifts or grants from any department, agency, or instrumentality of the United States, and lease or otherwise acquire, own, hold, improve, employ, use, and otherwise deal in and with real or personal property or any interest in real or personal property, wherever situated, for any purpose consistent with the affected statutes.

(12) Enter into agreements with any department, agency, or instrumentality of the United States or this state and with lenders and enter into loan agreements, sales contracts, and leases with contracting parties, including participants (as defined in IC 13-11-2-151.1) for any purpose permitted under IC 13-18-13 or IC 13-18-21, borrowers, lenders, developers, or users, for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise (as defined in IC 15-7-4.9-2), rural development project (as defined in IC 15-7-4.9-19.5), industrial development project, purpose permitted under IC 13-18-13 and IC 13-18-21, or international exports, and distribute data and information concerning the encouragement and improvement of agricultural enterprises and agricultural employment, rural development projects, industrial development projects, international exports, and other types of employment in the state undertaken with the assistance of the authority under this chapter.

(13) Enter into contracts or agreements with lenders and lessors for the servicing and processing of loans and leases pursuant to the affected statutes.

(14) Provide technical assistance to local public bodies and to profit and nonprofit entities in the development or operation of agricultural enterprises, rural development projects, and industrial development projects.

(15) To the extent permitted under its contract with the holders of the bonds of the authority, consent to any modification with respect to the rate of interest, time, and payment of any installment of principal or interest, or any other term of any contract, loan, loan note, loan note commitment, contract, lease, or agreement of any kind to which the authority is a party.

(16) To the extent permitted under its contract with the holders of bonds of the authority, enter into contracts with any lender containing provisions enabling it to reduce the rental or carrying charges to persons unable to pay the regular schedule of charges when, by reason of other income or payment by any department, agency, or instrumentality of the United States of America or of this state, the reduction can be made without jeopardizing the economic stability of the agricultural enterprise, rural development project, or industrial development project being financed.

(17) Notwithstanding IC 5-13, but subject to the requirements of any trust agreement entered into by the authority, invest:

(A) the authority's money, funds, and accounts;

(B) any money, funds, and accounts in the authority's custody; and
(C) proceeds of bonds or notes;
in the manner provided by an investment policy established by resolution of the authority.
(18) Fix and revise periodically, and charge and collect, fees and charges as the authority determines to be reasonable in connection with:
(A) the authority's loans, guarantees, advances, insurance, commitments, and servicing; and
(B) the use of the authority's services or facilities.
(19) Cooperate and exchange services, personnel, and information with any federal, state, or local government agency, or instrumentality of the United States or this state.
(20) Sell, at public or private sale, with or without public bidding, any loan or other obligation held by the authority.
(21) Enter into agreements concerning, and acquire, hold, and dispose by any lawful means, land or interests in land, building improvements, structures, personal property, franchises, patents, accounts receivable, loans, assignments, guarantees, and insurance needed for the purposes of the affected statutes.
(22) Take assignments of accounts receivable, loans, guarantees, insurance, notes, mortgages, security agreements securing notes, and other forms of security, attach, seize, or take title by foreclosure or conveyance to any industrial development project when a guaranteed loan thereon is clearly in default and when in the opinion of the authority such acquisition is necessary to safeguard the industrial development project guaranty fund, and sell, or on a temporary basis, lease or rent such industrial development project for any use.
(23) Expend money, as the authority considers appropriate, from the industrial development project guaranty fund created by section 16 of this chapter.
(24) Purchase, lease as lessee, construct, remodel, rebuild, enlarge, or substantially improve industrial development projects, including land, machinery, equipment, or any combination thereof.
(25) Lease industrial development projects to users or developers, with or without an option to purchase.
(26) Sell industrial development projects to users or developers, for consideration to be paid in installments or otherwise.
(27) Make direct loans from the proceeds of the bonds to users or developers for:
(A) the cost of acquisition, construction, or installation of industrial development projects, including land, machinery, equipment, or any combination thereof; or
(B) eligible expenditures for an educational facility project described in IC 4-4-10.9-6.2(a)(2);
with the loans to be secured by the pledge of one (1) or more bonds, notes, warrants, or other secured or unsecured debt obligations of the users or developers.
(28) Lend or deposit the proceeds of bonds to or with a lender for the purpose of furnishing funds to such lender to be used for making a loan to a developer or user for the financing of industrial development projects under this chapter.
(29) Enter into agreements with users or developers to allow the users or developers, directly or as agents for the authority, to wholly or partially construct industrial development projects to be leased from or to be acquired by the authority.
(30) Establish reserves from the proceeds of the sale of bonds, other funds, or both, in the amount determined to be necessary by the authority to secure the payment of the principal and interest on the bonds.
(31) Adopt rules and guidelines governing its activities authorized under the affected statutes.
(32) Use the proceeds of bonds to make guaranteed participating loans.
(33) Purchase, discount, sell, and negotiate, with or without guaranty, notes and other evidences of indebtedness.

(34) Sell and guarantee securities.
(35) Make guaranteed participating loans under IC 4-4-21-26.
(36) Procure insurance to guarantee, insure, coinsure, and reinsure against political and commercial risk of loss, and any other insurance the authority considers necessary, including insurance to secure the payment of principal and interest on notes or other obligations of the authority.
(37) Provide performance bond guarantees to support eligible export loan transactions, subject to the terms of the affected statutes.
(38) Provide financial counseling services to Indiana exporters.
(39) Accept gifts, grants, or loans from, and enter into contracts or other transactions with, any federal or state agency, municipality, private organization, or other source.
(40) Sell, convey, lease, exchange, transfer, or otherwise dispose of property or any interest in property, wherever the property is located.
(41) Cooperate with other public and private organizations to promote export trade activities in Indiana.
(42) Make guarantees and administer the agricultural loan and rural development project guarantee fund established by IC 15-7-5.
(43) Take assignments of notes and mortgages and security agreements securing notes and other forms of security, and attach, seize, or take title by foreclosure or conveyance to any agricultural enterprise or rural development project when a guaranteed loan to the enterprise or rural development project is clearly in default and when in the opinion of the authority the acquisition is necessary to safeguard the agricultural loan and rural development project guarantee fund, and sell, or on a temporary basis, lease or rent the agricultural enterprise or rural development project for any use.
(44) Expend money, as the authority considers appropriate, from the agricultural loan and rural development project guarantee fund created by IC 15-7-5-19.5.
(45) Reimburse from bond proceeds expenditures for industrial development projects under this chapter.
(46) Acquire, hold, use, and dispose of the authority's income, revenues, funds, and money.
(47) Purchase, acquire, or hold debt securities or other investments for the authority's own account at prices and in a manner the authority considers advisable, and sell or otherwise dispose of those securities or investments at prices without relation to cost and in a manner the authority considers advisable.
(48) Fix and establish terms and provisions with respect to:
(A) a purchase of securities by the authority, including dates and maturities of the securities;
(B) redemption or payment before maturity; and
(C) any other matters that in connection with the purchase are necessary, desirable, or advisable in the judgment of the authority.
(49) To the extent permitted under the authority's contracts with the holders of bonds or notes, amend, modify, and supplement any provision or term of:
(A) a bond, a note, or any other obligation of the authority; or
(B) any agreement or contract of any kind to which the authority is a party.
(50) Subject to the authority's investment policy, do any act and enter into any agreement pertaining to a swap agreement (as defined in IC 8-9.5-9-4) related to the purposes of the affected statutes in accordance with IC 8-9.5-9-5 and IC 8-9.5-9-7, whether the action is incidental to the issuance, carrying, or securing of bonds or otherwise.
(51) Construct or reconstruct a water project and lease the water project to the department of natural resources under IC 4-4-11.7.
~~(51)~~ **(52)** Do any act necessary or convenient to the exercise of the powers granted by the affected

statutes, or reasonably implied from those statutes, including but not limited to compliance with requirements of federal law imposed from time to time for the issuance of bonds.

(b) The authority's powers under this chapter shall be interpreted broadly to effectuate the purposes of this chapter and may not be construed as a limitation of powers. The omission of a power from the list in subsection (a) does not imply that the authority lacks that power. The authority may exercise any power that is not listed in subsection (a) but is consistent with the powers listed in subsection (a) to the extent that the power is not expressly denied by the Constitution of the State of Indiana or by another statute.

(c) This chapter does not authorize the financing of industrial development projects for a developer unless any written agreement that may exist between the developer and the user at the time of the bond resolution is fully disclosed to and approved by the authority.

(d) The authority shall work with and assist the Indiana health and educational facility financing authority established by IC 5-1-16-2, the Indiana housing and community development authority established by IC 5-20-1-3, the Indiana port commission established under IC 8-10-1, and the state fair commission established by IC 15-1.5-2-1 in the issuance of bonds, notes, or other indebtedness. The Indiana health and educational facility financing authority, the Indiana housing and community development authority, the Indiana port commission, and the state fair commission shall work with and cooperate with the authority in connection with the issuance of bonds, notes, or other indebtedness.

SECTION 41. IC 4-4-11-15.6, AS ADDED BY P.L.214-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15.6. In addition to the powers listed in section 15 of this chapter, the authority may:

(1) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire obligations issued by any entity authorized to acquire, finance, construct, or lease capital improvements under IC 5-1-17; ~~and~~

(2) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to acquire any obligations issued by the northwest Indiana regional development authority established by IC 36-7.5-2-1; and

(3) issue bonds under terms and conditions determined by the authority and use the proceeds of the bonds to construct or reconstruct a water project, acquire or provide a site for a water project, or pay any other costs of a water project under IC 4-4-11.7.

SECTION 42. IC 4-4-11.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 11.7. Construction and Financing of Water Projects

Sec. 1. As used in this chapter, "cost of a water project" means the cost of construction, reconstruction, equipment, lands, property rights, easements, financing charges, interest cost during construction, engineering and legal services, plans, specifications, surveys, cost estimates, studies, and other expenses as may be necessary or incident to the development, construction, financing, and placing in operation of a water project.

Sec. 2. As used in this chapter, "water project" means any infrastructure, improvements, or facilities, including dams, reservoirs, water storage facilities, pumps, or transmission mains, that can be used to provide water to:

(1) an economic development project that the Indiana economic development corporation estimates will employ at least two thousand (2,000) persons; and

(2) the communities surrounding the site of the economic development project described in subdivision (1).

Sec. 3. As used in this chapter, "department" refers to the department of natural resources.

Sec. 4. (a) The authority:

(1) shall construct or reconstruct a water project and lease the water project to the

department; and

(2) may issue bonds;

as provided in this chapter.

(b) Except as otherwise provided in this chapter, the authority may exercise the powers set forth in IC 4-4-11 in carrying out this chapter.

Sec. 5. (a) For the purpose of providing funds to carry out this chapter with respect to:

(1) the construction or reconstruction of the water project;

(2) acquiring or providing a site for the water project;

(3) paying any other cost of the water project; or

(4) the refunding of any bonds issued under this chapter;

the authority may, by resolution, issue and sell bonds of the authority, in an amount not to exceed thirty million dollars ($30,000,000).

(b) Bonds issued by the authority under this chapter are payable solely from:

(1) the lease rentals from the lease of the water project for which the bonds were issued, insurance proceeds, and any other funds of the authority pledged or available; and

(2) any revenues from the water project.

(c) This chapter contains full and complete authority for the issuance of bonds by the authority. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the authority or any officer, department, agency, or instrumentality of the state are required to issue any bonds, except as required by this chapter.

Sec. 6. (a) A lease entered into under this chapter by the authority and the department concerning a water project must include the following:

(1) A provision plainly stating that the lease does not constitute an indebtedness of the state within the meaning or application of any constitutional provision or limitation, and that lease rentals are payable by the department solely from biennial appropriations, for the actual use or availability for use of a water project provided by the authority, with payment beginning not earlier than the time the use or availability of the water project commences.

(2) Provisions requiring the department to make lease rental payments at times and in amounts sufficient to pay in full:

(A) the debt service payable under the terms of any bonds or notes issued by the authority and outstanding with respect to the water project, including any required additions to reserves for the bonds or notes maintained by the authority; and

(B) additional lease rental payments as provided by the lease;

subject to appropriation of money to pay lease rentals.

(3) Provisions requiring the department to operate and maintain the water project during the term of the lease.

(4) A provision specifying the term of the lease, which may not exceed the estimated useful life of the water project.

(5) A provision specifing that the department may purchase the water project upon the terms stated in the lease during the term of the lease for a price equal to the amount required to pay all indebtedness incurred on account of the water project, including indebtedness incurred for the refunding of that indebtedness.

(6) A provision requiring the plans and specifications of the water project to be submitted to and approved by all agencies of state government designated by law to review plans and specifications concerning the components of the water project.

(b) A lease entered into under this section may contain other terms and conditions that the authority and the department consider appropriate.

(c) A lease may be entered into by the authority and the department before the construction or reconstruction of the water project.

(d) The department shall pay lease rentals for leases entered into under this chapter and securing bonds issued by the authority under this chapter from appropriations made by the general assembly and from any revenues from the water project.

(e) The department shall request in writing an appropriation for payment of lease rentals on any lease entered into under this chapter at a time sufficiently in advance of the date for payment of the lease rentals so that an appropriation may be made in the normal state budgetary process.

(f) If the department fails at any time to pay to the authority when due any lease rentals on any lease under this chapter, the chairman of the authority shall immediately report the unpaid amount in writing to the governor and in an electronic format under IC 5-14-6 to the general assembly.

Sec. 7. This chapter contains full and complete authority for leases between the authority and the department. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the authority or the department or any other officer, department, agency, or instrumentality of the state are required to enter leases under this chapter, except as required by this chapter.

Sec. 8. (a) Bonds issued under this chapter by the authority are legal investments for private trust funds and the funds of banks, trust companies, insurance companies, building and loan associates, credit unions, savings banks, private banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

(b) An action to contest the validity of bonds to be issued under this chapter may not be brought after the time limitations set forth in IC 5-1-14-13.

(c) The general assembly covenants that it will not repeal or amend this chapter in a manner that would adversely affect or in any way impair the rights of owners of bonds issued under this chapter.

Sec. 9. The department may sell, transfer, convey, or lease by any means any property to the authority to carry out this chapter.

Sec. 10. The plans and specifications of the water project that will be constructed or reconstructed by the authority and leased to the department must be submitted to and approved by all governmental agencies designated by law to review and approve plans and specifications for the components of the water project.

SECTION 43. IC 4-30-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. **(a)** There is created a state lottery commission as a body politic and corporate separate from the state.

(b) The commission is composed of five (5) members selected as provided in IC 4-30-4.

(c) The commission has the authority to sue and be sued in the name of the commission and to adopt a commission seal and symbol.

(d) The commission shall supervise and administer the operation of the Indiana state lottery in accordance with this article. **Except as specifically provided by this article, these functions may not be delegated or contracted to another entity.**

SECTION 44. IC 4-30-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The commission may enter into contracts for the purchase, lease, or lease-purchase of goods or services necessary to carry out this article.

(b) The commission may not **enter into a management agreement or franchise agreement or otherwise** contract with any person or entity:

(1) for the total operation and administration **or substantially all operation and administration**

of the lottery established by this article; ~~but may~~ **or**

(2) to share or otherwise pay any part of the surplus revenue (as defined in IC 4-30-16-1) to any person or entity that provides any operation or administration functions for the lottery established by this article, other than the state.

The commission shall enter into contracts and make purchases that integrate functions such as lottery game design, supply of goods and services, and advertisement.

~~(b)~~ **(c)** In all procurement decisions, the director, or the commission, if the commission chooses to make the decision, shall take into account the particularly sensitive nature of the lottery and shall consider the competence, quality of product, experience, and timely performance of the vendors in order to promote and ensure security, honesty, fairness, and integrity in the operation and administration of the lottery and the objective of raising net revenues for the benefit of the public purposes described in this article.

SECTION 45. IC 4-33-6.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. After selecting the most appropriate operating agent applicant, the commission may enter into an operating agent contract with the person. The operating agent contract must comply with this article and include the following terms and conditions:

(1) The operating agent must pay a nonrefundable initial fee of one million dollars ($1,000,000) to the commission. The fee must be deposited by the commission into the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(2) The operating agent must post a bond as required in section 6 of this chapter.

(3) The operating agent must implement flexible scheduling.

(4) The operating agent must locate the riverboat in a historic hotel district at a location approved by ~~both~~ the commission. ~~and the historic hotel preservation commission established under IC 36-7-11.5.~~

(5) The operating agent must comply with any requirements concerning the exterior design of the riverboat that are approved by ~~both~~ the commission. ~~and the historic hotel preservation commission established under IC 36-7-11.5.~~

(6) Notwithstanding any law limiting the maximum length of contracts:

(A) the initial term of the contract may not exceed twenty (20) years; and

(B) any renewal or extension period permitted under the contract may not exceed twenty (20) years.

(7) The operating agent must collect and remit all taxes under IC 4-33-12 and IC 4-33-13.

(8) The operating agent must comply with the restrictions on the transferability of the operating agent contract under section 12 of this chapter.

SECTION 46. IC 4-33-6.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) An operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic hotel district.

(b) The bond must be furnished in:

(1) cash or negotiable securities;

(2) a surety bond:

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the operating agent.

(d) The bond:

(1) is subject to the approval of the commission;

(2) must be in an amount that the commission determines will adequately reflect the amount that

a local community will expend for infrastructure and other facilities associated with a riverboat operation; and

(3) must be payable to the commission as obligee for use in payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

Any bond proceeds remaining after the payments shall be deposited in the ~~community trust~~ **West Baden Springs historic hotel preservation and maintenance** fund established by ~~IC 36-7-11.5-8.~~ **IC 36-7-11.5-11.**

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of an operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require an operating agent to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's contract. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the operating agent remains at the site of the riverboat operating within the historic hotel district:

(1) for five (5) years; or

(2) until the date the commission enters into a contract with another operating agent to operate from the site for which the bond was posted;

whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission and used in the same manner as specified in subsection (d).

(j) The total liability of the surety on a bond is limited to the amount specified in the bond, and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time specified under subsection (h); and

(2) a written request is submitted by the operating agent.

SECTION 47. IC 4-33-12-6, AS AMENDED BY P.L.4-2005, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city

described in clause (A).

(2) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar ($1) is in addition to the one dollar ($1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents ($0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents ($0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents ($0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents ($0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following amounts:

(1) ~~Twenty-five~~ **Twenty-two** percent ~~(25%)~~ **(22%)** of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) ~~Twenty~~ **Twenty-two and seventy-five hundredths** percent ~~(20%)~~ **(22.75%)** shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) ~~Twenty~~ **Twenty-two and seventy-five hundredths** percent ~~(20%)~~ **(22.75%)** shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) ~~Sixty~~ **Fifty-four and five tenths** percent ~~(60%)~~ **(54.5%)** shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. ~~The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:~~

~~(i)~~ **(2) Five percent (5%) of the admissions tax collected during the quarter shall be paid to** a town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). **At least twenty percent (20%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(ii)~~ **(3) Five percent (5%) of the admissions tax collected during the quarter shall be paid to** a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). **At least twenty percent (20%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(2) Sixteen~~ **(4) Twenty** percent ~~(16%)~~ **(20%)** of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

(A) is located in the county in which the riverboat docks; and

(B) contains a historic hotel.

~~The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.~~ **At least twenty percent (20%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(3) Nine~~ **(5) Ten** percent ~~(9%)~~ **(10%)** of the admissions tax collected during the quarter shall be paid to the ~~historic hotel preservation~~ **Orange County development** commission established under IC 36-7-11.5. **At least one-third (1/3) of the taxes paid to the Orange County development commission under this subdivision must be transferred in equal parts to the French Lick tourism commission, the West Baden tourism commission, and the Orange County convention and visitors bureau.**

~~(4) Twenty-five~~ **(6) Thirteen** percent ~~(25%)~~ **(13%)** of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund

established by IC 36-7-11.5-11(b).

~~(5)~~ **(7)** Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(A) Job creation and retention.

(B) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(C) Housing.

(D) Workforce training.

(E) Health care.

(F) Local planning.

(G) Land use.

(H) Assistance to regional economic development groups.

(I) Other regional development issues as determined by the Indiana economic development corporation.

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.

(2) Except as provided in subsection (k), one dollar ($1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents ($0.09) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent ($0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents ($0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under

IC 4-33-6-21;

shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(6) Except as provided in subsection (k), ten cents ($0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k), sixty-five cents ($0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through ~~(c)(2),~~ **(c)(4),** or (d)(1) through (d)(2):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the

money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b).

(2) Each entity receiving money under subsection (d)(1) through (d)(2).

(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5(g).

(k) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

(1) exceed a particular entity's base year revenue; and

(2) would otherwise be due to the entity under this section;

to the property tax replacement fund instead of to the entity.

SECTION 48. IC 4-33-13-5, AS AMENDED BY P.L.91-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first thirty-three million dollars ($33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

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

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the

month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue ~~deposited in the state gaming fund~~ **remitted by the operating agent** under this chapter as follows:

(1) Thirty-seven and one-half percent (37.5%) shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(2) ~~Thirty-seven and one-half~~ **Nineteen** percent ~~(37.5%)~~ **(19%)** shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars ($20,000,000), the amount described in this subdivision shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(3) ~~Five~~ **Eight** percent ~~(5%)~~ **(8%)** shall be paid to the ~~historic hotel preservation~~ **Orange County development** commission established under IC 36-7-11.5.

(4) ~~Ten~~ **Sixteen** percent ~~(10%)~~ **(16%)** shall be paid in equal amounts to each town that ~~(A)~~ is located in the county in which the riverboat docks and ~~(B)~~ contains a historic hotel. ~~The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.~~ **The following apply to taxes received by a town under this subdivision:**

(A) At least twenty-five percent (25%) of the taxes must be transferred to the school corporation in which the town is located.

(B) At least twelve and five-tenths percent (12.5%) of the taxes must be transferred to the town's tourism commission.

(5) ~~Ten~~ **Nine** percent ~~(10%)~~ **(9%)** shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) ~~Twenty~~ **Twenty-two and twenty-five hundredths** percent ~~(20%)~~ **(22.25%)** shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) ~~Twenty~~ **Twenty-two and twenty-five hundredths** percent ~~(20%)~~ **(22.25%)** shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) ~~Sixty~~ **Fifty-five and five tenths** percent ~~(60%)~~ **(55.5%)** shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. ~~The county fiscal body shall provide for the~~

~~distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:~~

~~(i)~~ **(6) Five percent (5%) shall be paid to** a town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). **At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(ii)~~ **(7) Five percent (5%) shall be paid to** a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). **At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

(8) Five-tenths percent (0.5%) shall be paid to the Orange County convention and visitors bureau.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city's or county's base year revenue; and

(2) would otherwise be due to the city or county under this section;

to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars ($250,000,000):

(1) Surplus lottery revenues under IC 4-30-17-3.

(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.

(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property

tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property tax replacement in property tax increment allocation areas or debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to:

(1) the entity's base year revenue (as determined under IC 4-33-12-6); minus

(2) the sum of:

(A) the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6; plus

(B) any amounts deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

SECTION 49. IC 5-1-14-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 15. (a) A county or municipality may issue bonds, notes, or other obligations for the purpose of providing funds to pay pension benefits under IC 36-8-6, IC 36-8-7, or IC 36-8-7.5.**

(b) Notwithstanding any other law:

(1) bonds, notes, or other obligations issued for the purpose described in this section may have a final maturity date up to, but not exceeding, forty (40) years from the date of original issuance;

(2) the amount of bonds, notes, or other obligations that may be issued for the purpose described in this section may not exceed two percent (2%) of the true tax value of property located within the county or municipality; and

(3) the proceeds of bonds, notes, or other obligations issued for the purpose described in this section may be deposited to the issuing county's or municipality's separate account described in IC 5-10.3-11-6.

(c) This section is supplemental to all other laws but does not relieve a county or municipality from complying with other procedural requirements for the issuance of bonds, notes, or other obligations.

SECTION 50. IC 5-23-8 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 8. Feasibility Studies

Sec. 1. As used in this chapter, "build-operate-transfer agreement" means any agreement between a governmental body and an operator to construct, operate, and maintain a public facility and to transfer the public facility back to the governmental body at an established future date.

Sec. 2. As used in this chapter, "feasibility study" means plans, estimates, proposal development, identification of contractors, purchasers, or vendors, and other studies and reports necessary or incidental to determining the financial, marketing or other feasibility or practicability of a project.

Sec. 3. As used in this chapter, "governmental body" refers to a state agency or a separate body corporate and politic.

Sec. 4. As used in this chapter, "operating agreement" means an agreement between a person and a governmental body for:

(1) the operation, maintenance, repair, or management of a public facility; or

(2) administration, supervision, or operation of a public service or a major component of a public service.

Sec. 5. As used in this chapter, "person" means an association, a corporation, a limited liability company, a fiduciary, an individual, a joint stock company, a joint venture, a partnership, a sole proprietorship, or any other private legal entity.

Sec. 6 As used in this chapter, "project" means the following:

(1) Operation, maintenance, repair, or management of a public facility.

(2) Administration, supervision, or operation of a public service or a major component of a public service.

Sec. 7. As used in this chapter, "public facility" means a facility or other improvement to land that is located on, or to be located on, real property owned or leased by a governmental body and upon which a public service is or may be provided, including a highway, street, or road.

Sec. 8. "Public-private agreement" means any of the following:

(1) A build-operate-transfer agreement.

(2) An operating agreement.

(3) Any other agreement between a person and a governmental entity under which the person, acting on behalf of the governmental entity as lessee, licensee, or franchisee, will:

(1) plan, design, acquire, construct, reconstruct, improve, extend, expand, lease, operate, repair, manage, maintain, or finance a public facility; or

(2) perform substantially all of the operation, administration or supervision of a public service or a major component of a public service.

Sec. 9. As used in this chapter, "public service" means the following:

(1) Any service customarily provided by a governmental body.

(2) Any services provided by a governmental body for which revenues and expenditures would generally be reported using generally accepted governmental accounting principles in a proprietary fund, including a lottery.

Sec. 10. As used in this chapter, "separate body corporate and politic" refers to an entity established by the general assembly as a body corporate and politic, including the Indiana finance authority.

Sec. 11. As used in this chapter, "state agency" refers to any elected or appointed officer, authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government.

Sec. 12. A governmental entity may not:

(1) contract with a person;
(2) solicit the services of a person; or
(3) accept the services of a person;
to perform a feasibility study for a project or a public-private agreement without the prior approval of the general assembly enacted in a bill, regardless of whether the services are provided for a fee or without charge.

Sec. 13. The attorney general and the inspector general shall enforce this chapter.

SECTION 51. IC 6-1.1-12.4-2, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) For purposes of this section, an increase in the assessed value of real property is determined in the same manner that an increase in the assessed value of real property is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to a development, redevelopment, or rehabilitation that is first assessed after March 1, 2005, and before March 2, ~~2009.~~ **2007.** Except as provided in subsection (h) and sections 4, 5, and 8 of this chapter, an owner of real property that:

(1) develops, redevelops, or rehabilitates the real property; and
(2) creates or retains employment from the development, redevelopment, or rehabilitation;

is entitled to a deduction from the assessed value of the real property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the development, redevelopment, or rehabilitation occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to real property located in a county for a particular year equals the lesser of:

(1) two million dollars ($2,000,000); or
(2) the product of:
(A) the increase in assessed value resulting from the development, rehabilitation, or redevelopment; multiplied by
(B) the percentage from the following table:

YEAR OF DEDUCTION	PERCENTAGE
1st	75%
2nd	50%
3rd	25%

(d) A property owner that qualifies for the deduction under this section must file a notice to claim the deduction in the manner prescribed by the department of local government finance under rules adopted by the department of local government finance under IC 4-22-2 to implement this chapter. The township assessor shall:

(1) inform the county auditor of the real property eligible for the deduction as contained in the notice filed by the taxpayer under this subsection; and
(2) inform the county auditor of the deduction amount.

(e) The county auditor shall:

(1) make the deductions; and
(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(f) The amount of the deduction determined under subsection (c)(2) is adjusted to reflect the percentage increase or decrease in assessed valuation that results from:

(1) a general reassessment of real property under IC 6-1.1-4-4; or
(2) an annual adjustment under IC 6-1.1-4-4.5.

(g) If an appeal of an assessment is approved that results in a reduction of the assessed value of the real property, the amount of the deduction under this section is adjusted to reflect the percentage decrease that results from the appeal.

(h) The deduction under this section does not apply to a facility listed in IC 6-1.1-12.1-3(e).

SECTION 52. IC 6-1.1-12.4-3, AS AMENDED BY P.L.154-2006, SECTION 37, AND AS AMENDED BY P.L.169-2006, SECTION 7, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) For purposes of this section, an increase in the assessed value of personal property is determined in the same manner that an increase in the assessed value of new manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

(b) This subsection applies only to personal property that the owner purchases after March 1, 2005, and before March 2, ~~2009.~~ **2007.** Except as provided in sections 4, 5, and 8 of this chapter, an owner that purchases personal property other than inventory (as defined in 50 IAC 4.2-5-1, as in effect on January 1, 2005) that:

(1) was never before used by its owner for any purpose in Indiana; and

(2) creates or retains employment;

is entitled to a deduction from the assessed value of the personal property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the purchase of the personal property occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

(1) two million dollars ($2,000,000); or

(2) the product of:

(A) the increase in assessed value resulting from the purchase of the personal property; multiplied by

(B) the percentage from the following table:

YEAR OF DEDUCTION	PERCENTAGE
1st	75%
2nd	50%
3rd	25%

(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The township assessor shall:

(1) identify the personal property eligible for the deduction to the county auditor; and

(2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

(1) make the deductions; and

(2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(g) The deduction under this section does not apply to *personal property at* a facility listed in IC 6-1.1-12.1-3(e).

SECTION 53. IC 6-2.5-5-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 26. (a) Sales of tangible personal property are exempt from the state gross retail tax, if:

(1) the seller is an organization that is described in section 21(b)(1) of this chapter;

(2) the organization makes the sale to make money to carry on a not-for-profit purpose; and

(3) the organization does not make those sales during more than thirty (30) days in a calendar year.

(b) Sales of tangible personal property are exempt from the state gross retail tax, if:

(1) the seller is an organization described in section 21(b)(1) of this chapter;

(2) the seller is not operated predominantly for social purposes;

(3) the property sold is designed and intended primarily either for the organization's educational, cultural, or religious purposes, or for improvement of the work skills or professional

qualifications of the organization's members; and

(4) the property sold is not designed or intended primarily for use in carrying on a private or proprietary business.

(c) The exemption provided by this section does not apply to an accredited college or university's sales of **the following:**

(1) Books **other than textbooks exempt under section 42 of this chapter.**

(2) Stationery.

(3) Haberdashery.

(4) Supplies. ~~or~~

(5) Other property.

SECTION 54. IC 6-2.5-5-42 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 42. Sales of textbooks are exempt from the state gross retail tax if:**

(1) the textbooks are required for an undergraduate or graduate course at an accredited college or university; and

(2) the purchaser is a student enrolled in an accredited college or university or the parent or guardian of a student enrolled in an accredited college or university.

SECTION 55. IC 6-2.5-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) In determining the amount of state gross retail and use taxes which a retail merchant must remit under section 7 of this chapter, the retail merchant shall, subject to subsections (c) and (d), deduct from the retail merchant's gross retail income from retail transactions made during a particular reporting period, an amount equal to the retail merchant's receivables which:

(1) resulted from retail transactions in which the retail merchant did not collect the state gross retail or use tax from the purchaser;

(2) resulted from retail transactions on which the retail merchant has previously paid the state gross retail or use tax liability to the department; and

(3) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code during the particular reporting period.

(b) If a retail merchant deducts a receivable under subsection (a) and subsequently collects all or part of that receivable, then the retail merchant shall, subject to subsection (d)(6), include the amount collected as part of the retail merchant's gross retail income from retail transactions for the particular reporting period in which the retail merchant makes the collection.

(c) This subsection applies only to retail transactions occurring after ~~December 31, 2006. As used in this subsection, "affiliated group" means any combination of the following:~~

~~(1) An affiliated group within the meaning provided in Section 1504 of the Internal Revenue Code, except that the ownership percentage in Section 1504(a)(2) of the Internal Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%).~~

~~(2) Two (2) or more partnerships (as defined in IC 6-3-1-19), including limited liability companies and limited liability partnerships, that have the same degree of mutual ownership as an affiliated group described in subdivision (1), as determined under the rules adopted by the department.~~

June 30, 2004. The right to a deduction under this section is ~~not~~ assignable ~~to an individual or entity that is not part of the same affiliated group as the assignor.~~ **only if the retail merchant that paid the state gross retail or use tax liability assigns the right to the deduction in writing.**

(d) The following provisions apply to a deduction for a receivable treated as uncollectible debt under subsection (a):

(1) The deduction does not include interest.

(2) The amount of the deduction shall be determined in the manner provided by Section 166 of

the Internal Revenue Code for bad debts but shall be adjusted to:

(A) exclude:

(A) financing charges or interest;

(B) sales or use taxes charged on the purchase price;

(C) uncollectible amounts on property that remain in the possession of the seller until the full purchase price is paid;

(D) expenses incurred in attempting to collect any debt; and

(E) repossessed property.

(3) The deduction shall be claimed on the return for the period during which the receivable is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subdivision, a claimant who is not required to file federal income tax returns may deduct an uncollectible receivable on a return filed for the period in which the receivable is written off as uncollectible in the claimant's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the claimant were required to file a federal income tax return.

(4) If the amount of uncollectible receivables claimed as a deduction by a retail merchant for a particular reporting period exceeds the amount of the retail merchant's taxable sales for that reporting period, the retail merchant may file a refund claim under IC 6-8.1-9. However, the deadline for the refund claim shall be measured from the due date of the return for the reporting period on which the deduction for the uncollectible receivables could first be claimed.

(5) If a retail merchant's filing responsibilities have been assumed by a certified service provider (as defined in IC 6-2.5-11-2), the certified service provider may claim, on behalf of the retail merchant, any deduction or refund for uncollectible receivables provided by this section. The certified service provider must credit or refund the full amount of any deduction or refund received to the retail merchant.

(6) For purposes of reporting a payment received on a previously claimed uncollectible receivable, any payments made on a debt or account shall be applied first proportionally to the taxable price of the property and the state gross retail tax or use tax thereon, and secondly to interest, service charges, and any other charges.

(7) A retail merchant claiming a deduction for an uncollectible receivable may allocate that receivable among the states that are members of the streamlined sales and use tax agreement if the books and records of the retail merchant support that allocation.

SECTION 56. IC 6-2.5-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects.

(b) The department shall deposit those collections in the following manner:

(1) Fifty percent (50%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.

(2) Forty-nine and ~~one hundred ninety-two~~ **sixty-seven** thousandths percent ~~(49.192%)~~ **(49.067%)** of the collections shall be paid into the state general fund.

(3) ~~Six hundred thirty-five thousandths~~ **Seventy-six hundredths** of one percent ~~(0.635%)~~ **(0.76%)** of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.

(4) Thirty-three thousandths of one percent (0.033%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(5) Fourteen-hundredths of one percent (0.14%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

SECTION 57. IC 6-3-1-11, AS AMENDED BY P.L.184-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 11. (a) The term

"Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~2006.~~ **2007.**

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~2006,~~ **2007,** that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~2006,~~ **2007,** shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~2006,~~ **2007,** that is effective for any taxable year that began before January 1, ~~2006,~~ **2007,** and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

SECTION 58. IC 8-14-14-7, AS ADDED BY P.L.47-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. In addition to any distributions required by section 6 of this chapter, money in the fund may be used for any of the following purposes:

(1) The payment of any obligation incurred or amounts owed by the authority, the department, or an operator under IC 8-15-2, IC 8-15-3, IC 8-15.5, or IC 8-15.7 in connection with the execution and performance of a public-private agreement under IC 8-15.5 or IC 8-15.7, including establishing reserves.

(2) Lease payments to the authority **(including lease payments under IC 4-4-11.7),** if money for those payments is specifically appropriated by the general assembly.

(3) Distributions to the treasurer of state for deposit in the state highway fund, for the funding of any project in the department's transportation plan.

SECTION 59. IC 9-29-5-2, AS AMENDED BY P.L.1-2005, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The fee for the registration of a motorcycle is ~~seventeen~~ **twenty-seven** dollars ~~($17).~~ **($27).** The revenue from this fee shall be allocated as follows:

(1) Seven dollars ($7) to the motorcycle operator safety education fund established by IC 20-30-13-11.

(2) An amount prescribed as a license branch service charge under IC 9-29-3.

(3) Ten dollars ($10) to the spinal cord and brain injury fund under IC 16-41-42-4.

~~(3)~~ **(4)** The balance to the state general fund for credit to the motor vehicle highway account.

SECTION 60. IC 16-18-2-37.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 37.5. **(a)** "Board" for purposes of IC 16-22-8, has the meaning set forth in IC 16-22-8-2.1.

(b) "Board" for purposes of IC 16-41-42, has the meaning set forth in IC 16-41-42-1.

SECTION 61. IC 16-18-2-143 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 143. (a) "Fund", for purposes of IC 16-26-2, has the meaning set forth in IC 16-26-2-2.

(b) "Fund", for purposes of IC 16-31-8.5, has the meaning set forth in IC 16-31-8.5-2.
(c) "Fund", for purposes of IC 16-46-5, has the meaning set forth in IC 16-46-5-3.
(d) "Fund", for purposes of IC 16-46-12, has the meaning set forth in IC 16-46-12-1.
(e) "Fund", for purposes of IC 16-41-42, has the meaning set forth in IC 16-41-42-2.
SECTION 62. IC 16-18-2-315.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 315.5. "Registry", for purposes of IC 16-41-42, has the meaning set forth in IC 16-41-42-3.**
SECTION 63. IC 16-41-42 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:
Chapter 42. Spinal Cord and Brain Injury
Sec. 1. As used in this chapter, "board" refers to the spinal cord and brain injury research board created by section 6 of this chapter.
Sec. 2. As used in this chapter, "fund" refers to the spinal cord and brain injury fund established by section 4 of this chapter.
Sec. 3. As used in this chapter, "registry" refers to the statewide spinal cord and brain injury registry established by section 8 of this chapter.
Sec. 4. (a) The spinal cord and brain injury fund is established to fund research on spinal cord and brain injuries.
(b) The fund shall be administered by the state department.
(c) The fund consists of:
(1) appropriations;
(2) gifts and bequests;
(3) fees deposited in the fund under IC 33-37-7-2;
(4) fees deposited in the fund under IC 9-29-5-2; and
(5) grants received from the federal government or private sources.
(d) The expenses of administering the fund shall be paid from money in the fund.
(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.
(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.
(g) Of the money in the fund:
(1) five hundred thousand dollars ($500,000) is annually appropriated to Indiana University for spinal cord and brain injury research;
(2) five hundred thousand dollars ($500,000) is annually appropriated to Purdue University for spinal cord and brain injury research; and
(3) the balance is continually appropriated to the state department to fund spinal cord and brain injury research programs.
Sec. 5. The fund is to be used for the following purposes:
(1) Establish and maintain a state medical surveillance registry for traumatic spinal cord and brain injuries.
(2) Fulfill the duties of the board under section 6 of this chapter.
(3) Fund research on spinal cord and brain injuries related to the acute management and medical complications of spinal cord and head injuries and research related to neuronal recovery. Research must be conducted in compliance with all state and federal laws.
Sec. 6. (a) The spinal cord and brain injury research board is created for the purpose of administering the fund. The board is composed of nine (9) members.
(b) The following four (4) members of the board shall be appointed by the governor:
(1) One (1) member who has a spinal cord or head injury or who has a family member with a spinal cord or head injury.

(2) One (1) member who is a physician licensed under IC 25-22.5 who has specialty training in neuroscience and surgery.

(3) One (1) member who is a physiatrist holding a board certification from the American Board of Physical Medicine and Rehabilitation.

(4) One (1) member representing the technical life sciences industry.

(c) The following five (5) members of the board shall be appointed as follows:

(1) One (1) member representing Indiana University to be appointed by Indiana University.

(2) One (1) member representing Purdue University to be appointed by Purdue University.

(3) One (1) member representing the National Spinal Cord Injury Association to be appointed by the National Spinal Cord Injury Association.

(4) One (1) member representing the largest freestanding rehabilitation hospital for brain and spinal cord injuries in Indiana to be appointed by the Rehabilitation Hospital of Indiana located in Indianapolis.

(5) One (1) member representing the American Brain Injury Association to be appointed by the Brain Injury Association of Indiana.

(d) The term of a member is four (4) years. A member serves until a successor is appointed and qualified. If a vacancy occurs on the board before the end of a member's term, the appointing authority appointing the vacating member shall appoint an individual to serve the remainder of the vacating member's term.

(e) A majority of the members appointed to the board constitutes a quorum. The affirmative votes of a majority of the members are required for the board to take action on any measure.

(f) Each member of the board is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(g) The board shall annually elect a chairperson who shall be the presiding officer of the board. The board may establish other officers and procedures as the board determines necessary.

(h) The board shall meet at least two (2) times each year. The chairperson may call additional meetings.

(i) The state department shall provide staff for the board. The state department shall maintain a registry of the members of the board. An appointing authority shall provide written confirmation of an appointment to the board to the state department in the form and manner specified by the state department.

(j) The board shall do the following:

(1) Consider policy matters relating to spinal cord and brain injury research projects and programs.

(2) Consider research applications and make grants for approved research projects.

(3) Formulate policies and procedures concerning the operation of the board.

(4) Review and authorize spinal cord and brain injury research projects and programs to be financed under this chapter.

(5) Review and approve progress and final research reports on projects authorized under this chapter.

(6) Review and make recommendations concerning the expenditure of money from the fund.

(7) Advise the state department on formation of the registry.

(8) Take other action necessary for the purpose stated in subsection (a).

(9) Provide to the governor, the general assembly, and the legislative council an annual

report not later than January 30 of each year showing the status of funds appropriated under this chapter. The report to the general assembly and the legislative council must be in an electronic format under IC 5-14-6.

(k) A member of the board is exempt from civil liability arising or thought to arise from an action taken in good faith as a member of the board.

Sec. 7. The state department shall adopt rules under IC 4-22-2 to implement this chapter.

Sec. 8. (a) The state department shall establish and maintain a statewide spinal cord and brain injury registry.

(b) The registry shall include reports of persons who have sustained spinal cord or brain injuries, other than through disease, whether or not the injury results in a permanent disability. The registry shall include data on the:

(1) incidence; and

(2) prevalence;

of spinal cord and brain injuries and shall serve as a resource for research, education, and information on spinal cord and brain injuries and available services. Health care providers shall report spinal cord and brain injuries to the state department for the purposes of this section under the rules adopted by the state department under section 7 of this chapter.

SECTION 64. IC 20-12-1-12, AS ADDED BY P.L.246-2005, SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies notwithstanding IC 20-12-23-2, IC 20-12-36-4, IC 20-12-56-5, IC 20-12-57.5-11, and IC 20-12-64-5.

(b) As used in this section, "academic year" has the meaning set forth in IC 20-12-76-1.

(c) As used in this section, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

(d) **Subject to subsection (h),** a state educational institution shall set tuition and fee rates for a two (2) year period. The rates shall be set according to the procedure set forth in subsection (e) and:

(1) on or before May 30 of the odd numbered year; or

(2) thirty (30) days after the state budget bill is enacted into law;

whichever is later.

(e) A state educational institution shall hold a public hearing before adopting any proposed tuition and fee rate increases. The state educational institution shall give public notice of the hearing at least ten (10) days before the hearing. The public notice shall include the specific proposal for tuition and fee rate increases and the expected uses of the revenue to be raised by the proposed increases. The hearing shall be held:

(1) on or before May 15 of each odd numbered year; or

(2) fifteen (15) days after the state budget bill is enacted into law;

whichever is later.

(f) After a state educational institution's tuition and fee rates are set under this section, the state educational institutions may adjust the tuition and fee rates only if appropriations to the state educational institution in the state budget act are reduced or withheld.

(g) If a state educational institution adjusts its tuition and fee rates under subsection (f), the total revenue generated by the tuition and fee rate adjustment must not exceed the amount by which appropriations to the state educational institution in the state budget act were reduced or withheld.

(h) As used in this section, "Indiana median family income" means the Indiana median income for a four (4) person family as determined by the United States Census Bureau. A state educational institution may not set a tuition rate for any two (2) year period beginning after June 30, 2007, that exceeds:

(1) the state educational institution's tuition rate for the immediately preceding two (2) year period; multiplied by

(2) the quantity:

(A) one (1); plus

(B) the compound annual growth rate of Indiana median family incomes for the immediately preceding five (5) years.

SECTION 65. IC 20-12-20.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The college work-study fund is established for the purpose of providing reimbursement to eligible employers who enter into agreements with the commission under this chapter.

(b) The fund consists of appropriations from the state general fund and contributions from private sources.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) Money in the fund at the end of a particular fiscal year does not revert to the state general fund **but remains available to be used for providing reimbursements under this chapter.**

SECTION 66. IC 20-12-21.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. Funds received under the loan program shall be deposited with the treasurer of state in a separate account known as the "student loan program fund". The money remaining in the student loan program fund at the end of a state fiscal year does not revert to the state general fund **but remains available to be used for providing student loans under this chapter.** After consultation with the program director of the loan program appointed under IC 20-12-21-5.5, the treasurer shall invest the funds. Any income earned on amount so invested is part of the fund.

SECTION 67. IC 20-12-21.2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) The secondary market sale fund is established for the purpose of providing money for school assessment testing and remediation, including reading recovery programs. The fund shall be administered by the budget agency.

(b) Expenses of administering the fund shall be paid from money in the fund. The fund consists of proceeds from the sale of assets of the Indiana Secondary Market for Education Loans, Incorporated.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest earned from these investments shall be credited to the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but remains available to be used for providing money for school assessment testing and remediation, including reading recovery programs as allowed under this chapter.**

SECTION 68. IC 20-12-21.9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The commission shall administer the fund.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds. Interest that accrues from those investments shall be deposited in the fund.

(d) Money in the fund at the end of a fiscal year does not revert to the state general fund **but remains available to be used for providing money for nursing scholarships under this chapter.**

SECTION 69. IC 20-12-22.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The part-time student grant fund is established to make awards authorized under this chapter to eligible applicants.

(b) The fund consists of the following:

(1) Appropriations made by the general assembly.

(2) Gifts, grants, devises, or bequests made to the state in order to achieve the purposes of the fund.

(c) The fund shall be administered by the commission.

(d) The fund shall be separate and distinct from other funds administered by the commission and money in the fund may not be exchanged with or transferred to other funds.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds are invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but remains available to be used for providing money for part-time student grants under this chapter.**

SECTION 70. IC 20-12-33-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. ~~As soon as practicable after February 28, 1945, the~~ **(a) The** trustees of Indiana University ~~are authorized to~~ **may** establish ~~in the medical school~~ a ~~department of~~ **school of** public health **to be known as the Indiana University school of public health.** ~~and to~~ **The trustees shall** provide adequate equipment and competent personnel ~~to carry out~~ **for** the ~~purpose of this chapter.~~ **school of public health. The school of public health may use any property acquired before July 1, 2007, by Indiana University for the medical school department of public health.**

SECTION 71. IC 20-12-33-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. The school of ~~medicine shall be authorized to~~ **public health may** charge and collect a tuition fee for ~~such~~ **the** short courses ~~but~~ **authorized under section 2 of this chapter.** The amount of ~~such~~ **the** fee shall be no greater than actual cost. ~~and~~ If, in the discretion of the trustees **of Indiana University** acting in conjunction with the state department of health, a tuition fee at cost would tend to discourage attendance in any short course, the tuition fee may be decreased or waived entirely as to all persons taking the course.

SECTION 72. IC 20-12-69-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) The Indiana excellence in teaching endowment is established to provide institutions with grants to match interest income generated by an endowment established under section 8 of this chapter to attract and retain distinguished teachers. The fund shall be administered by the council.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet obligations of the fund in the same manner as other public funds may be invested.

(d) Money in the fund at the end of the state fiscal year does not revert to the state general fund **but remains available to be used for providing money for grants as allowed under this chapter.**

SECTION 73. IC 20-12-70-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) The twenty-first century scholars fund is established to provide the financial resources necessary to award the tuition scholarships authorized under the program.

(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but remains available to be used for providing money for twenty-first century scholarships under this chapter.**

SECTION 74. IC 20-12-70.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The twenty-first century scholars program support fund is established to provide reimbursements to scholarship recipients to offset the costs incurred by scholarship recipients in purchasing:

(1) required textbooks, supplies, or equipment;

(2) any other materials required by the institution of higher learning (as defined in IC 20-12-70-4) in order for a scholarship recipient to participate in a particular class, seminar, laboratory, or

other type of instruction; or

(3) other items or services approved by the commission under rules adopted by the commission; that are not included in the cost of tuition or other regularly assessed fees.

(b) The commission shall administer the support fund.

(c) The treasurer of state shall invest the money in the support fund not currently needed to meet the obligations of the support fund in the same manner as other public funds may be invested.

(d) Money in the support fund at the end of a state fiscal year does not revert to the state general fund **but remains available to be used for providing money for twenty-first century scholarships under this chapter.**

SECTION 75. IC 20-12-74-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The national guard tuition supplement program fund is established to provide the financial resources necessary to award the tuition scholarships authorized under the program.

(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available to be used for providing money for national guard tuition supplement scholarships under this chapter.

SECTION 76. IC 20-12-75-14, AS ADDED BY P.L.185-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) Ivy Tech may establish a high school fast track to college program that offers qualified individuals an opportunity to earn a high school diploma while earning credits for a certificate program or an associate's degree.

(b) To be eligible to earn a high school diploma under this section, an individual must be either:

(1) at least nineteen (19) years of age and not enrolled in a school; or

(2) at least seventeen (17) years of age and have consent from the high school the individual attended most recently. The school corporation in which an individual to whom this subdivision applies resides shall pay the individual's ~~tuition~~ **costs** for high school level courses taken at Ivy Tech during each year the individual is included in the school corporation's ADM.

(c) To complete the requirements for a high school diploma under this section, the individual must have:

(1) passed:

(A) the graduation examination given under IC 20-32-4;

(B) an examination for a general educational development diploma;

(C) an examination equivalent to the graduation examination:

(i) administered by Ivy Tech; and

(ii) approved by the department; or

(D) an examination that demonstrates the student is ready for college level work:

(i) administered by Ivy Tech; and

(ii) approved by the department; and

(2) completed the coursework necessary to meet:

(A) the minimum high school course requirements established by the state board; and

(B) the requirements of Ivy Tech.

(d) In addition to meeting the requirements set forth in subsections (b) and (c), an individual must have the credits toward graduation that the individual successfully completed in high school transferred to Ivy Tech.

(e) Ivy Tech shall notify the state board that an individual has successfully completed the requirements of a program established under this section. Upon receiving the notification, the state board shall:

(1) grant to the individual a high school diploma that states the individual earned the high school diploma at Ivy Tech; and

(2) provide the diploma to Ivy Tech to award to the individual.

(f) If Ivy Tech establishes a program under this section, Ivy Tech shall report annually to the education roundtable established under IC 20-19-4 the number of program participants and diplomas granted.

SECTION 77. IC 20-12-76-20, AS AMENDED BY P.L.128-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. (a) The career college student assurance fund is established to provide indemnification to a student or an enrollee of a postsecondary proprietary educational institution who suffers loss or damage as a result of any of the occurrences described in section 17(c) of this chapter if the occurrences transpired after June 30, 1992, and as provided in section 37 of this chapter.

(b) The commission shall administer the fund.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but remains available to be used for providing money for reimbursements allowed under this chapter.**

(f) Upon the fund acquiring fifty thousand dollars ($50,000), the balance in the fund may not become less than fifty thousand dollars ($50,000). If:

(1) a claim against the fund is filed that would, if paid in full, require the balance of the fund to become less than fifty thousand dollars ($50,000); and

(2) the commission determines that the student is eligible for a reimbursement under the fund;

the commission shall prorate the amount of the reimbursement to ensure that the balance of the fund does not become less than fifty thousand dollars ($50,000), and the student is entitled to receive that balance of the student's claim from the fund as money becomes available in the fund from contributions to the fund required under this chapter.

(g) The commission shall ensure that all outstanding claim amounts described in subsection (f) are paid as money in the fund becomes available in the chronological order of the outstanding claims.

(h) A claim against the fund may not be construed to be a debt of the state.

SECTION 78. IC 20-19-3-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 9. (a) The department shall provide grants to an academy that is established to strengthen the leadership and management skills of practicing Indiana school business officials to achieve excellence in school business management practices.**

(b) Notwithstanding any other law, grants described under subsection (a) may be funded from money appropriated to the department for the personal services of the office of the state superintendent.

SECTION 79. IC 20-24-7-3, AS AMENDED BY P.L.2-2006, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) This section applies to a conversion charter school **for a year that ends before January 1, 2008.**

(b) Not later than the date established by the department for determining ADM and after July 2, the organizer shall submit to a governing body on a form prescribed by the department the information reported under section 2(a) of this chapter for each student who:

(1) is enrolled in the organizer's conversion charter school; and

(2) has legal settlement in the governing body's school corporation.

(c) Beginning not more than sixty (60) days after the department receives the information reported under section 2(a) of this chapter, the department shall distribute to the organizer:

(1) tuition support and other state funding for any purpose for students enrolled in the conversion charter school;

(2) a proportionate share of state and federal funds received:
(A) for students with disabilities; or
(B) staff services for students with disabilities;
enrolled in the conversion charter school; and
(3) a proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state categorical aid and are enrolled in the conversion charter school;
for the second six (6) months of the calendar year in which the conversion charter school is established. The department shall make a distribution under this subsection at the same time and in the same manner as the department makes a distribution to the governing body of the school corporation in which the conversion charter school is located. A distribution to the governing body of the school corporation in which the conversion charter school is located is reduced by the amount distributed to the conversion charter school. This subsection does not apply to a conversion charter school after December 31 of the calendar year in which the conversion charter school is established.

(d) This subsection applies beginning with the first property tax distribution described in IC 6-1.1-27-1 to the governing body of the school corporation in which a conversion charter school is located after the governing body receives the information reported under subsection (b). Not more than ten (10) days after the governing body receives a property tax distribution described in IC 6-1.1-27-1, the governing body shall distribute to the conversion charter school the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the quotient of:
(A) the number of students who:
(i) are enrolled in the conversion charter school; and
(ii) were counted in the ADM of the previous year for the school corporation in which the conversion charter school is located; divided by
(B) the current ADM of the school corporation in which the conversion charter school is located.
In determining the number of students enrolled under clause (A)(i), each kindergarten student shall be counted as one-half (1/2) student.
STEP TWO: Determine the total amount of the following revenues to which the school corporation in which the conversion charter school is located is entitled for the second six (6) months of the calendar year in which the conversion charter school is established:
(A) Revenues obtained by the school corporation's:
(i) general fund property tax levy; and
(ii) excise tax revenue (as defined in IC 20-43-1-12).
(B) The school corporation's certified distribution of county adjusted gross income tax revenue under IC 6-3.5-1.1 that is to be used as property tax replacement credits.
STEP THREE: Determine the product of:
(A) the STEP ONE amount; multiplied by
(B) the STEP TWO amount.

(e) Subsection (d) does not apply to a conversion charter school after the later of the following dates:
(1) December 31 of the calendar year in which the conversion charter school is established.
(2) Ten (10) days after the date on which the governing body of the school corporation in which the conversion charter school is located receives the final distribution described in IC 6-1.1-27-1 of revenues to which the school corporation in which the conversion charter school is located is entitled for the second six (6) months of the calendar year in which the conversion charter school is established.

(f) This subsection applies during the second six (6) months of the calendar year in which a

conversion charter school is established. A conversion charter school may apply for an advance from the charter school advancement account under IC 20-49-7 in the amount determined under STEP FOUR of the following formula:

STEP ONE: Determine the result under subsection (d) STEP ONE (A).

STEP TWO: Determine the difference between:

(A) the conversion charter school's current ADM; minus

(B) the STEP ONE amount.

STEP THREE: Determine the quotient of:

(A) the STEP TWO amount; divided by

(B) the conversion charter school's current ADM.

STEP FOUR: Determine the product of:

(A) the STEP THREE amount; multiplied by

(B) the quotient of:

(i) the subsection (d) STEP TWO amount; divided by

(ii) two (2).

SECTION 80. IC 20-24-8-2, AS ADDED BY P.L.169-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 2. (a) A charter school may not do the following:

(1) Operate at a site or for grades other than as specified in the charter.

(2) Charge tuition to any student residing within the school corporation's geographic boundaries. However, a charter school may charge tuition for:

(A) a preschool program, unless charging tuition for the preschool program is barred under federal law; or

(B) a latch key program;

if the charter school provides those programs.

(3) Except for a foreign exchange student who is not a United States citizen, enroll a student who is not a resident of Indiana.

(4) Be located in a private residence.

(5) Provide solely home based instruction.

(6) Provide in excess of fifty percent (50%) of instruction to students through virtual distance learning, online technologies, or computer based instruction. For the purposes of this subdivision, instruction does not include the administration of formal tests or assessments.

(b) **Subject to subsection (a)(6),** a charter school is not prohibited from delivering instructional services:

(1) through the Internet or another online arrangement; or

(2) in any manner by computer;

if the instructional services are provided to students enrolled in the charter school in a manner that complies with any procedures adopted by the department concerning online and computer instruction in public schools.

(c) A charter granted to an organization before July 1, 2007, that provides for the delivery of an excess of fifty percent (50%) of instruction to students through virtual distance learning, online technologies, or computer based instruction is terminated July 1, 2007, and may not be reinstated after June 30, 2007. The charters to which this subsection applies include the following:

(1) Indiana Connections Academy, Muncie.

(2) Indiana Virtual Charter School, Indianapolis.

SECTION 81. IC 20-30-11.5-6, AS ADDED BY P.L.185-2006, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) A student may apply for enrollment

to a state educational institution. The state educational institution shall accept or reject the student based on the standards ordinarily used to decide student enrollments. However, a student in the program may not be refused admission solely because the student has not graduated from a secondary school.

~~(b) A state educational institution may grant financial assistance to a student for courses taken under this program based on the student's:~~

~~(1) financial need; or~~

~~(2) academic achievement;~~

~~or any other criteria.~~

(c) ~~A state educational institution shall waive tuition for a student who is:~~

~~(1) eligible for free or reduced lunch in high school;~~

~~(2) accepted into the program; and~~

~~(3) accepted for admission to the state educational institution.~~

(b) The school corporation in which an individual to whom this subdivision applies resides shall pay the individual's costs for the program high school level courses taken at a state educational institution during each year the individual is included in the school corporation's ADM.

SECTION 82. IC 20-40-8-19, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 19. This section applies during the period beginning January 1, ~~2006,~~ **2008,** and ending December 31, ~~2007.~~ **2009.** Money in the fund may be used to pay for up to one hundred percent (100%) of the following costs of a school corporation:

(1) Utility services.

(2) Property or casualty insurance.

(3) Both utility services and property or casualty insurance.

A school corporation's expenditures under this section may not exceed in ~~2006 two and seventy-five hundredths percent (2.75%) and in 2007~~ **any calendar year** three and five-tenths percent (3.5%) of the school corporation's ~~2005 calendar~~ **2007** year distribution.

SECTION 83. IC 20-43-1-1, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. This article expires January 1, ~~2008.~~ **2010.**

SECTION 84. IC 20-43-1-14.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 14.7. "Growing]school supplemental levy" has the meaning set forth in IC 20-45-1-13.6.**

SECTION 85. IC 20-43-2-2, AS AMENDED BY P.L.162-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. The maximum state distribution for a calendar year for all school corporations is:

~~(1) the greater of:~~

~~(A) three billion eight hundred two million nine hundred thousand dollars ($3,802,900,000); or~~

~~(B) the amount necessary to enable the department of education to make tuition support distributions in 2006 in accordance with IC 21-1-30 and this article without requiring a reduction in the amount distributed for tuition support under this section;~~

~~in 2006; and~~

~~(2)~~ **(1)** three billion ~~seven~~ **eight** hundred ~~forty-seven~~ **seven** million two hundred thousand dollars ~~($3,747,200,000)~~ **($3,807,200,000)** in 2007;

(2) three billion nine hundred fifty-eight million three hundred thousand dollars ($3,958,300,000) in 2008; and

(3) four billion one hundred sixteen million eight hundred thousand dollars ($4,116,800,000) in 2009.

SECTION 86. IC 20-43-2-3, AS AMENDED BY P.L.162-2006, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. ~~(a) Except as provided in subsection (b),~~ If the total amount to be distributed:

(1) as basic tuition support;
(2) for academic honors diploma awards;
(3) for primetime distributions;
(4) for special education grants; and
(5) for vocational education grants;

for a particular year exceeds the maximum state distribution for a calendar year, the amount to be distributed for state tuition support under this article to each school corporation during each of the last six (6) months of the year shall be proportionately reduced so that the total reductions equal the amount of the excess.

~~(b) The department of education shall distribute the full amount of tuition support to school corporations in the second six (6) months of 2006 in accordance with this article without a reduction under this section.~~

SECTION 87. IC 20-43-3-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) A school corporation's previous year revenue equals the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the sum of the following:

(A) The school corporation's basic tuition support for the year that precedes the current year.
(B) The school corporation's maximum permissible tuition support levy for the calendar year that precedes the current year, made in determining the school corporation's adjusted tuition support levy for the calendar year.
(C) The school corporation's excise tax revenue for the year that precedes the current year by two (2) years.

STEP TWO: Subtract from the STEP ONE result an amount equal to the sum of the following:

(A) The reduction in the school corporation's state tuition support under any combination of subsection (b), subsection (c), IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.
~~(B) In 2006, the amount of the school corporation's maximum permissible tuition support levy attributable to the levy transferred from the school corporation's general fund to the school corporation's referendum tax levy fund under IC 20-46-1-6.~~
(B) The school corporation's growing school supplemental levy for the year.

(b) A school corporation's previous year revenue must be reduced if:

(1) the school corporation's state tuition support for special or vocational education is reduced as a result of a complaint being filed with the department after December 31, 1988, because the school program overstated the number of children enrolled in special or vocational education programs; and
(2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received in state tuition support for special and vocational education because of the overstatement.

(c) A school corporation's previous year revenue must be reduced if an existing elementary or secondary school located in the school corporation converts to a charter school under IC 20-5.5-11 before July 1, 2005, or IC 20-24-11 after June 30, 2005. The amount of the reduction equals the product of:

(1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(c) and IC 20-5.5-7-3.5(d) before July 1, 2005, and IC 20-24-7-3(c) and IC 20-24-7-3(d) after June 30, 2005; multiplied by

(2) two (2).

SECTION 88. IC 20-43-4-7, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7. (a) This subsection does not apply to a charter school. When calculating adjusted ADM for ~~2006~~ **2008** distributions, this subsection, as effective after December 31, ~~2005,~~ **2007,** shall be used to calculate the adjusted ADM for the previous year rather than the calculation used to calculate adjusted ADM for ~~2005~~ **2007** distributions. For purposes of this article, a school corporation's "adjusted ADM" for the current year is the result determined under the following formula:

STEP ONE: Determine the sum of the following:

(A) The school corporation's ADM for the year preceding the current year by four (4) years multiplied by two-tenths (0.2).

(B) The school corporation's ADM for the year preceding the current year by three (3) years multiplied by two-tenths (0.2).

(C) The school corporation's ADM for the year preceding the current year by two (2) years multiplied by two-tenths (0.2).

(D) The school corporation's ADM for the year preceding the current year by one (1) year multiplied by two-tenths (0.2).

(E) The school corporation's ADM for the current year multiplied by two-tenths (0.2).

Round the result to the nearest five-tenths (0.5).

STEP TWO: Determine ~~the sum of:~~

~~(A) the school corporation's ADM for the year preceding the current year; plus~~

~~(B) the product of:~~

~~(i)~~ the school corporation's ADM for the current year. ~~minus the clause (A) amount; multiplied by~~

~~(ii) seventy-five hundredths (0.75).~~

~~Round the result to the nearest five-tenths (0.5).~~

STEP THREE: Determine the greater of the following:

(A) The STEP ONE result.

(B) The STEP TWO result.

(b) A charter school's adjusted ADM for purposes of this article is the charter school's current ADM.

SECTION 89. IC 20-43-5-3, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) This subsection does not apply to a charter school. A school corporation's complexity index is determined under the following formula:

~~STEP ONE: Determine the greater of zero (0) or the result of the following:~~

~~(1) Determine the percentage of the population in the school corporation who are at least twenty-five (25) years of age with less than a twelfth grade education.~~

~~(2) Determine the quotient of:~~

~~(A) one thousand nineteen dollars ($1,019); divided by~~

~~(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.~~

~~(3) Determine the product of:~~

~~(A) the subdivision (1) amount; multiplied by~~

~~(B) the subdivision (2) amount.~~

STEP ~~TWO:~~ **ONE:** Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were eligible for free **or reduced price** lunches in the school year ending in ~~2005.~~ **2007.**

(2) Determine the quotient of:

(A) ~~one thousand two hundred sixty dollars ($1,260);~~ **in:**

(i) 2008, two thousand eight hundred dollars ($2,800); and

(ii) 2009, two thousand eight hundred fifty dollars ($2,850); divided by

(B) ~~four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.~~ **in:**

(i) 2008, four thousand seven hundred fifty dollars ($4,750); and

(ii) 2009, four thousand seven hundred sixty-five dollars ($4,765) .

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

~~STEP THREE: Determine the greater of zero (0) or the result of the following:~~

~~(1) Determine the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2005.~~

~~(2) Determine the quotient of:~~

~~(A) four hundred fifty-two dollars ($452); divided by~~

~~(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.~~

~~(3) Determine the product of:~~

~~(A) the subdivision (1) amount; multiplied by~~

~~(B) the subdivision (2) amount.~~

~~STEP FOUR: Determine the greater of zero (0) or the result of the following:~~

~~(1) Determine the percentage of families in the school corporation with a single parent.~~

~~(2) Determine the quotient of:~~

~~(A) five hundred fifty-seven dollars ($557); divided by~~

~~(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.~~

~~(3) Determine the product of:~~

~~(A) the subdivision (1) amount; multiplied by~~

~~(B) the subdivision (2) amount.~~

~~STEP FIVE: Determine the greater of zero (0) or the result of the following:~~

~~(1) Determine the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income level below the federal income poverty level (as defined in IC 12-15-2-1).~~

~~(2) Determine the quotient of:~~

~~(A) three hundred forty-seven dollars ($347); divided by~~

~~(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.~~

~~(3) Determine the product of:~~

~~(A) the subdivision (1) amount; multiplied by~~

~~(B) the subdivision (2) amount.~~

~~STEP SIX: Determine the sum of the results in STEP ONE through STEP FIVE.~~

STEP ~~SEVEN:~~ **TWO:** Determine the result of one (1) plus the STEP ~~SIX~~ **ONE** result.

STEP ~~EIGHT:~~ **THREE:** This STEP applies if the STEP SEVEN result is equal to or greater than **at least** one and twenty-five hundredths (1.25). Determine the result of the following:

(1) Subtract one and twenty-five hundredths (1.25) from the STEP ~~SEVEN~~ **TWO** result.

~~(2) Multiply the subdivision (1) result by five-tenths (0.5).~~
~~(3)~~ **(2)** Determine the result of:
(A) the STEP ~~SEVEN~~ **TWO** result; plus
(B) the subdivision ~~(2)~~ **(1)** result.
The data to be used in making the calculations under STEP ONE ~~STEP FOUR, and STEP FIVE of this subsection~~ must be the data from the 2000 federal decennial census.
(b) A charter school's complexity index is the index determined under subsection (a) for the school corporation in which the charter school is located. However, the complexity index for Campagna Academy Charter School is the complexity index determined under subsection (a) for Gary Community School Corporation.
SECTION 90. IC 20-43-5-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. A school corporation's foundation amount for a calendar year is the result determined under STEP TWO of the following formula:
STEP ONE: Determine:
~~(A) four thousand five hundred seventeen dollars ($4,517) in 2006; or~~
~~(B) four thousand five hundred sixty-three dollars ($4,563) in 2007.~~
(A) in 2008:
(i) five thousand dollars ($5,000) if the school corporation's complexity index is greater than one and twenty-five hundredths (1.25) and the school corporation's current ADM is less than one thousand seven hundred (1,700); or
(ii) four thousand seven hundred fifty dollars ($4,750), if item (i) does not apply; or
(B) in 2009:
(i) five thousand dollars ($5,000) if the school corporation's complexity index is greater than one and twenty-five hundredths (1.25) and the school corporation's current ADM is less than one thousand seven hundred (1,700); or
(ii) four thousand seven hundred sixty-five dollars ($4,765) if item (i) does not apply.
STEP TWO: Multiply the STEP ONE amount by the school corporation's complexity index.
SECTION 91. IC 20-43-5-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. A school corporation's transition to foundation amount for a calendar year is equal to the result determined under STEP THREE of the following formula:
STEP ONE: Determine the difference of:
(A) the school corporation's foundation amount; minus
(B) the school corporation's previous year revenue foundation amount.
STEP TWO: Divide the STEP ONE result by:
(A) ~~six (6)~~ **four (4)** in ~~2006;~~ **2008;** or
(B) ~~five (5)~~ **three (3)** in ~~2007.~~ **2009.**
STEP THREE: A school corporation's STEP THREE amount is the following:
(A) For a charter school that has previous year revenue that is not greater than zero (0), the charter school's STEP THREE amount is the quotient of:
(i) the school corporation's guaranteed minimum revenue for the calendar year where the charter school is located; divided by
(ii) the school corporation's current ADM.
(B) The STEP THREE amount for a school corporation that is not a charter school described in clause (A) is the following:
(i) The school corporation's foundation amount for the calendar year, if the absolute value of the STEP ONE amount is less than or equal to fifty dollars ($50).

(ii) For ~~2007,~~ **2009,** the school corporation's foundation amount for the calendar year, if the foundation amount in ~~2006~~ **2008** equaled the school corporation's target revenue per ADM in ~~2006.~~ **2008.**

(iii) The sum of the school corporation's previous year revenue foundation amount and the greater of the school corporation's STEP TWO amount or fifty dollars ($50), if the school corporation's STEP ONE amount is greater than fifty dollars ($50).

(iv) The difference determined by subtracting the greater of the absolute value of the school corporation's STEP TWO amount or fifty dollars ($50) from the school corporation's previous year revenue foundation amount, if the school corporation's STEP ONE amount is less than negative fifty dollars (-$50).

SECTION 92. IC 20-43-5-8, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 8. A school corporation's guaranteed minimum revenue for a calendar year is ~~equal to~~ **the result determined under STEP TWO of the following formula:**

STEP ONE: Determine the greater of the following:

~~(1)~~ **(A)** The school corporation's transition to foundation revenue for the calendar year.

~~(2)~~ **(B)** The amount determined under STEP THREE of the following formula:

STEP ONE: Divide the school corporation's previous year revenue by the school corporation's previous year ADM.

STEP TWO: Multiply the STEP ONE result by ninety-nine hundredths (0.99).

STEP THREE: Multiply the STEP TWO amount by the school corporation's current ADM.

STEP TWO: Determine the following:

(A) This clause does not apply to a charter school. If the quotient of the school corporation's current ADM divided by the school corporation's ADM of the previous year is greater than one and five hundredths (1.05), the school corporation's guaranteed minimum revenue is the lesser of:

(i) the STEP ONE amount; or

(ii) the product of the school corporation's previous year revenue multiplied by one and six hundredths (1.06).

(B) This clause does not apply to a charter school. If the quotient of the school corporation's STEP ONE amount divided by the school corporation's previous year guaranteed minimum revenue is at least one (1) and not greater than one and one hundredth (1.01), the school corporation's guaranteed minimum revenue is the sum of the school corporation's:

(i) STEP ONE amount; plus

(ii) current ADM multiplied by one hundred dollars ($100).

(C) This clause does not apply to a charter school. If the school corporation's current ADM is less than two thousand and the school corporation's STEP ONE amount is less than the school corporation's previous year guaranteed minimum revenue, the school corporation's guaranteed minimum revenue is the sum of the school corporation's:

(i) STEP ONE amount; plus

(ii) current ADM multiplied by two hundred dollars ($200);

(D)This clause does not apply to a charter school. If the current ADM of the school corporation is less than one hundred (100), the school corporation's guaranteed minimum revenue is the school corporation's transition to foundation amount multiplied the school corporation's ADM.

(E) This clause does not apply to a charter school. If clauses (A) through (D) do not apply, the school corporation's guaranteed minimum revenue is the school corporation's STEP ONE amount.

(F) This clause applies only to a charter school. The charter school's guaranteed minimum revenue is the greater of zero (0) or the charter school's guaranteed minimum revenue for 2007.

SECTION 93. IC 20-43-7-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. A school corporation's special education grant for a calendar year is equal to the sum of the following:

(1) The nonduplicated count of pupils in programs for severe disabilities multiplied by:

(A) in 2008, eight thousand ~~two~~ **four** hundred ~~forty-six~~ dollars ~~($8,246).~~ **($8,400); and**

(B) in 2009, eight thousand five hundred dollars ($8,500).

(2) The nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by:

(A) in 2008, two thousand two hundred ~~thirty-eight~~ **seventy** dollars ~~($2,238).~~ **($2,270); and**

(B) in 2009, two thousand three hundred twenty dollars ($2,320).

(3) The duplicated count of pupils in programs for communication disorders multiplied by:

(A) in 2008, five hundred ~~thirty-one~~ **thirty-five** dollars ~~($531).~~ **($535); and**

(B) in 2009, five hundred forty dollars ($540).

(4) The cumulative count of pupils in homebound programs multiplied by:

(A) in 2008, five hundred ~~thirty-one~~ **thirty-five** dollars ~~($531).~~ **($535); and**

(B) in 2009, five hundred forty dollars ($540).

SECTION 94. IC 20-43-9-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. For purposes of computation under this chapter, the following shall be used:

(1) The staff cost amount for a school corporation:

(A) in 2008, is ~~sixty-nine~~ **seventy-three** thousand ~~eight~~ **nine** hundred ~~eleven dollars ($69,811).~~ **($73,900); and**

(B) in 2009, seventy-seven thousand dollars ($77,000).

(2) The guaranteed primetime amount for a school corporation is the primetime allocation, before any penalty is assessed under this chapter, that the school corporation would have received under this chapter for the 1999 calendar year or the first year of participation in the program, whichever is later.

(3) The following apply to determine whether amounts received under this chapter have been devoted to reducing class size in kindergarten through grade 3 as required by section 2 of this chapter:

(A) Except as permitted under section 8 of this chapter, only a licensed teacher who is an actual classroom teacher in a regular instructional program is counted as a teacher.

(B) If a school corporation is granted approval under section 8 of this chapter, the school corporation may include as one-third (1/3) of a teacher each classroom instructional aide who meets qualifications and performs duties prescribed by the state board.

SECTION 95. IC 20-43-9-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. A school corporation's primetime distribution for a calendar year under this chapter is the amount determined by the following formula:

STEP ONE: Determine the applicable target pupil/teacher ratio for the school corporation as follows:

(A) If the school corporation's complexity index is less than one and one-tenth (1.1), the school corporation's target pupil/teacher ratio is eighteen to one (18:1).

(B) If the school corporation's complexity index is at least one and one-tenth (1.1) but less than one and two-tenths (1.2), the school corporation's target pupil/teacher ratio is fifteen (15) plus the result determined in item (iii) to one (1):

(i) Determine the result of one and two-tenths (1.2) minus the school corporation's complexity index.

(ii) Determine the item (i) result divided by one-tenth (0.1).

(iii) Determine the item (ii) result multiplied by three (3).

(C) If the school corporation's complexity index is at least one and two-tenths (1.2), the school corporation's target pupil/teacher ratio is fifteen to one (15:1).

STEP TWO: Determine the result of:

(A) the ADM of the school corporation in kindergarten through grade 3 for the current school year; divided by

(B) the school corporation's applicable target pupil/teacher ratio, as determined in STEP ONE.

STEP THREE: Determine the result of:

(A) the total target revenue for ~~2006 and 2007~~ **the year** multiplied by seventy-five hundredths (0.75); divided by

(B) the school corporation's total ADM.

STEP FOUR: Determine the result of:

(A) the STEP THREE result; multiplied by

(B) the ADM of the school corporation in kindergarten through grade 3 for the current school year.

STEP FIVE: Determine the result of:

(A) the STEP FOUR result; divided by

(B) the staff cost amount.

STEP SIX: Determine the greater of zero (0) or the result of:

(A) the STEP TWO amount; minus

(B) the STEP FIVE amount.

STEP SEVEN: Determine the result of:

(A) the STEP SIX amount; multiplied by

(B) the staff cost amount.

STEP EIGHT: Determine the greater of the STEP SEVEN amount or the school corporation's guaranteed primetime amount.

STEP NINE: A school corporation's amount under this STEP is the following:

(A) If the amount the school corporation received under this chapter in the previous calendar year is greater than zero (0), the amount under this STEP is the lesser of:

(i) the STEP EIGHT amount; or

(ii) the amount the school corporation received under this chapter for the previous calendar year multiplied by one hundred seven and one-half percent (107.5%).

(B) If the amount the school corporation received under this chapter in the previous calendar year is not greater than zero (0), the amount under this STEP is the STEP EIGHT amount.

SECTION 96. IC 20-45-1-13.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 13.6. "Growing school supplemental levy" is the amount determined under IC 20-45-3-12.**

SECTION 97. IC 20-45-3-3, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. The following amounts must be determined under this chapter to calculate a school corporation's maximum permissible tuition support levy for a calendar year:

(1) The school corporation's foundation amount revenue for the calendar year under section 4 of this chapter.

(2) The school corporation's tax rate floor for the calendar year under section 5 of this chapter.
(3) The school corporation's target property tax rate for the calendar year under section 6 of this chapter.
(4) The school corporation's adjusted target property tax rate for a calendar year under section 7 of this chapter.
(5) The school corporation's equalization tax rate limit for a calendar year under section 8 of this chapter.
(6) The school corporation's equalization tax rate for a calendar year under section 9 of this chapter.
(7) The school corporation's equalized levy for a calendar year under section 10 of this chapter.
(8) The growing school supplemental levy for a calendar year under section 12 of this chapter.

SECTION 98. IC 20-45-3-5, AS AMENDED BY P.L.162-2006, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) A school corporation's tax rate floor is the tax rate determined under this section.

(b) This subsection applies only if the school corporation's guaranteed minimum revenue for the calendar year is not equal to the school corporation's foundation amount revenue for a calendar year. The school corporation's tax rate floor for the calendar year is the result under STEP SIX of the following formula:

STEP ONE: Divide the school corporation's total assessed value by the school corporation's current ADM.
STEP TWO: Divide the STEP ONE result by ten thousand (10,000).
STEP THREE: Determine the greater of the following:
(A) The STEP TWO result.
(B) ~~Thirty-six~~ **Forty-six** dollars ~~and thirty cents ($36.30).~~ **($46).**
STEP FOUR: Determine the result under clause (B):
(A) Subtract the school corporation's foundation amount revenue for the calendar year from the school corporation's guaranteed minimum revenue for the calendar year.
(B) Divide the clause (A) result by the school corporation's current ADM.
STEP FIVE: Divide the STEP FOUR result by the STEP THREE result.
STEP SIX: Divide the STEP FIVE result by one hundred (100).

(c) This subsection applies only if the school corporation's guaranteed minimum revenue for the calendar year is equal to the school corporation's foundation amount revenue for a calendar year and the STEP ONE result is greater than zero (0). The school corporation's tax rate floor for the calendar year is the result under STEP SEVEN of the following formula:

STEP ONE: Add the following:
(A) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.
(B) The part of the unadjusted tuition support levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.
STEP TWO: Divide the STEP ONE result by the school corporation's current ADM.
STEP THREE: Divide the school corporation's total assessed value by the school corporation's current ADM.
STEP FOUR: Divide the STEP THREE result by ten thousand (10,000).
STEP FIVE: Determine the greater of the following:
(A) The STEP FOUR result.
(B) ~~Thirty-six~~ **Forty-six** dollars ~~and thirty cents ($36.30).~~ **($46).**

STEP SIX: Divide the STEP TWO result by the STEP FIVE amount.

STEP SEVEN: Divide the STEP SIX result by one hundred (100).

SECTION 99. IC 20-45-3-6, AS AMENDED BY P.L.162-2006, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. ~~(a)~~ A school corporation's target property tax rate for a calendar year is the sum of:

(1) in:

~~(A) 2006, seventy-two cents ($0.72); and~~

~~(B) 2007, the greater of:~~

~~(i) seventy-two and ninety-two hundredths cents ($0.7292); or~~

~~(ii) the rate determined under subsection (b);~~

(A) 2008, sixty-six and one tenth cents ($0.661); or

(B) 2009, sixty-four and nine-tenths cents ($0.649); plus

(2) if applicable, the school corporation's minimum equalization tax rate.

~~(b) If using the best information available to the department of local government finance, the department of local government finance determines that the result of:~~

~~(1) the lesser of:~~

~~(A) two billion thirty-five million nine hundred thousand dollars ($2,035,900,000); or~~

~~(B) the result of:~~

~~(i) the sum of the tuition support levies certified by the department of local government finance for all school corporations for 2006; multiplied by~~

~~(ii) one and forty-one thousandths (1.041); minus~~

~~(2) the sum of all maximum permissible tuition support levies for all school corporations in 2007, as determined by using the tax rate specified in subsection (a)(1)(B)(i); would exceed one million dollars ($1,000,000) in 2007, the department of local government finance, shall, before February 16, 2007, adjust the tax rate used in subsection (a)(1)(B) for 2007 so that the difference determined by subtracting the sum of all maximum permissible tuition support levies (as defined in IC 20-45-1-15) for all school corporations determined by using the adjusted tax rate from the amount determined under subdivision (1) does not exceed one million dollars ($1,000,000). To carry out this subsection the department of local government finance may increase a school corporation's tax rate and levy to a rate and amount that exceeds the rate originally advertised or fixed by the school corporation. Before adjusting a tax rate under this subsection, the department of local government finance shall review the recommendations of the department of education and the budget agency.~~

SECTION 100. IC 20-45-3-8, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 8. A school corporation's equalization tax rate limit for a calendar year is the result of:

(1) the school corporation's adjusted target property tax rate; minus

(2) the school corporation's previous year property tax rate, **excluding the part of the tax rate imposed for a growing school supplemental levy.**

SECTION 101. IC 20-45-3-9, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 9. (a) A school corporation's equalization tax rate for a calendar year is the tax rate determined under this section.

(b) If the school corporation's adjusted target property tax rate exceeds the school corporation's previous year property tax rate, the school corporation's equalization tax rate for a calendar year is the school corporation's previous year property tax rate **(excluding the part of the tax rate imposed for a growing school supplemental levy)** after increasing the rate by the lesser of:

(1) the school corporation's equalization tax rate limit for the calendar year; or

(2) three cents ($0.03).

(c) If the school corporation's adjusted target property tax rate is less than the school corporation's previous year property tax rate, the school corporation's equalization tax rate for a calendar year is the school corporation's previous year property tax rate **(excluding the part of the tax rate imposed for a growing school supplemental levy)** after reducing the rate by the lesser of:

(1) the absolute value of the school corporation's equalization tax rate limit; or

(2) eight cents ($0.08).

(d) If the school corporation's adjusted target property tax rate equals the school corporation's previous year property tax rate, the school corporation's equalization tax rate for a calendar year is the school corporation's adjusted target property tax rate.

SECTION 102. IC 20-45-3-11, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. A school corporation's tuition support levy for a calendar year is the sum of the following:

(1) The school corporation's equalized levy for the calendar year.

(2) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(3) The part of the maximum permissible tuition support levy for the year that equals the original amount of the levy by the school corporation to cover the costs of opening a new school facility or reopening an existing facility during the preceding year.

(4) The amount determined under STEP FOUR of the following formula:

STEP ONE: Determine the target revenue per ADM for each charter school that included at least one (1) student who has legal settlement in the school corporation in the charter school's current ADM.

STEP TWO: For each charter school, multiply the STEP ONE amount by the number of students who have legal settlement in the school corporation and who are included in the charter school's current ADM.

STEP THREE: Determine the sum of the STEP TWO amounts.

STEP FOUR: Multiply the STEP THREE amount by thirty-five hundredths (0.35).

(5) If applicable, the school corporation's growing school supplemental levy.

SECTION 103. IC 20-45-3-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 12. (a) A school corporation's growing school supplemental levy for a particular year is:**

(1) the amount determined under subsection (b) if the current ADM of the school corporation divided by the school corporation's ADM for the immediately preceding year is greater than one and five hundredths (1.05); and

(2) zero (0) if subdivision (1) does not apply.

(b) For a school corporation to which this subsection applies, the growing school supplemental levy for a year is equal to the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of:

(A) the school corporation's current ADM; minus

(B) the result of the school corporation's ADM for the immediately preceding year multiplied by one and five hundredths (1.05).

STEP TWO: Multiply the school corporation's target revenue per ADM by the STEP ONE amount.

STEP THREE: Determine the sum of the STEP TWO amount and the school corporation's supplemental levy for the previous year.

SECTION 104. IC 20-46-5-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. (a) If:**

(1) a school corporation enters into a lease agreement with the Indiana bond bank for the lease of one (1) or more school buses under IC 5-1.5-4-1(a)(5);

(2) the lease agreement conforms with the school corporation's ten (10) year school bus replacement plan approved by the department of local government finance under section 9 of this chapter; and

(3) in the first full fiscal year after the effective date of the lease agreement, there would otherwise be a reduction in the levy in an amount equal to the difference between the total purchase price of such bus or buses and the total rental payment due under the lease agreement;

the levy in that fiscal year may not be reduced by the amount of the reduction.

(b) Any or all of the amount of that part of the levy may, on or before the end of the year of its collection, be:

(1) retained in the fund;

(2) transferred to the school transportation fund established under IC 20-40-6-4; or

(3) transferred to the capital projects fund established under IC 20-40-8-6.

SECTION 105. IC 22-4-26-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Money credited to the account of this state in the unemployment trust fund by the Secretary of the Treasury of the United States pursuant to 42 U.S.C. 1103, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this article and public employment offices pursuant to a specific appropriation by the general assembly, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation statute which:

(1) specifies the purposes for which such money is appropriated and the amounts appropriated therefor;

(2) except as provided in subsection (i), limits the period within which such money may be obligated to a period ending not more than two (2) years after the date of the enactment of the appropriation statute; and

(3) limits the total amount which may be obligated during a twelve (12) month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which:

(A) the aggregate of the amounts credited to the account of this state pursuant to 42 U.S.C. 1103, as amended, during such twelve (12) month period and the twenty-four (24) preceding twelve (12) month periods; exceeds

(B) the aggregate of the amounts obligated by this state pursuant to this section and amounts paid out for benefits and charged against the amounts credited to the account of this state during such twenty-five (25) twelve (12) month periods.

(b) For the purposes of this section, amounts obligated by this state during any such twelve (12) month period shall be charged against equivalent amounts which were first credited and which have not previously been so charged, except that no amount obligated for administration of this article and public employment offices during any such twelve (12) month period may be charged against any amount credited during such twelve (12) month period earlier than the fourteenth preceding such twelve (12) month period.

(c) Amounts credited to the account of this state pursuant to 42 U.S.C. 1103, as amended, may not be obligated except for the payment of cash benefits to individuals with respect to their unemployment and for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section.

(d) Money appropriated as provided in this section for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section shall be requisitioned as needed for payment of obligations incurred under such appropriation and upon requisition shall be deposited in the employment and training services administration fund but, until expended, shall remain a part of the unemployment insurance benefit fund. The commissioner shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated, or if it remains unexpended at the end of the period specified by the statute appropriating such money, it shall be withdrawn and returned to the Secretary of the Treasury of the United States for credit to this state's account in the unemployment trust fund.

(e) There is appropriated out of the funds made available to Indiana under Section 903 of the Social Security Act, as amended by Section 209 of the Temporary Extended Unemployment Compensation Act of 2002 (which is Title II of the federal Jobs Creation and Worker Assistance Act of 2002, Pub.L107-147), seventy-two million two hundred thousand dollars ($72,200,000) to the department of workforce development. The appropriation made by this subsection is available for ten (10) state fiscal years beginning with the state fiscal year beginning July 1, 2003. Unencumbered money at the end of a state fiscal year does not revert to the state general fund.

(f) Money appropriated under subsection (e) is subject to the requirements of IC 22-4-37-1.

(g) Money appropriated under subsection (e) may be used only for the following purposes:

(1) The administration of the Unemployment Insurance (UI) program and the Wagner Peyser public employment office program.

(2) Acquiring land and erecting buildings for the use of the department of workforce development.

(3) Improvements, facilities, paving, landscaping, and equipment repair and maintenance that may be required by the department of workforce development.

(h) In accordance with the requirements of subsection (g), the department of workforce development may allocate up to the following amounts from the amount described in subsection (e) for the following purposes:

(1) Thirty-nine million two hundred thousand dollars ($39,200,000) to be used for the modernization of the Unemployment Insurance (UI) system beginning July 1, 2003, and ending June 30, 2013.

(2) For:

(A) the state fiscal year beginning after June 30, 2003, and ending before July 1, 2004, five million dollars ($5,000,000);

(B) the state fiscal year beginning after June 30, 2004, and ending before July 1, 2005, five million dollars ($5,000,000);

(C) the state fiscal year beginning after June 30, 2005, and ending before July 1, 2006, five million dollars ($5,000,000);

(D) the state fiscal year beginning after June 30, 2006, and ending before July 1, 2007, five million dollars ($5,000,000); ~~and~~

(E) the state fiscal year beginning after June 30, 2007, and ending before July 1, 2008, five million dollars ($5,000,000); **and**

(F) state fiscal years beginning after June 30, 2008, and ending before July 1, 2012, the unused part of any amount allocated in any year for any purpose under this subsection;

for the JOBS proposal to meet the workforce needs of Indiana employers in high wage, high skill, high demand occupations.

(3) For:

(A) the state fiscal year beginning after June 30, 2003, and ending before July 1, 2004, four million dollars ($4,000,000);

(B) the state fiscal year beginning after June 30, 2004, and ending before July 1, 2005, four million dollars ($4,000,000);

to be used by the workforce investment boards in the administration of Indiana's public employment offices.

(i) The amount appropriated under subsection (e) for the payment of expenses incurred in the administration of this article and public employment is not required to be obligated within the two (2) year period described in subsection (a)(2).

SECTION 106. IC 33-37-4-2, AS AMENDED BY P.L.176-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) Except as provided in subsections (d) and (e), for each action that results in a judgment:

(1) for a violation constituting an infraction; or

(2) for a violation of an ordinance of a municipal corporation (as defined in IC 36-1-2-10);

the clerk shall collect from the defendant an infraction or ordinance violation costs fee of seventy dollars ($70).

(b) In addition to the infraction or ordinance violation costs fee collected under this section, the clerk shall collect from the defendant the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) An alcohol and drug services program user fee (IC 33-37-5-8(b)).

(3) A law enforcement continuing education program fee (IC 33-37-5-8(c)).

(4) An alcohol and drug countermeasures fee (IC 33-37-5-10).

(5) A highway work zone fee (IC 33-37-5-14).

(6) A deferred prosecution fee (IC 33-37-5-17).

(7) A jury fee (IC 33-37-5-19).

(8) A document storage fee (IC 33-37-5-20).

(9) An automated record keeping fee (IC 33-37-5-21).

(10) A late payment fee (IC 33-37-5-22).

(11) A public defense administration fee (IC 33-37-5-21.2).

(12) A judicial insurance adjustment fee (IC 33-37-5-25).

(13) A judicial salaries fee (IC 33-37-5-26).

(14) A court administration fee (IC 33-37-5-27).

(15) A DNA sample processing fee (IC 33-37-5-26.2).

(16) A speeding violation fee (IC 33-37-5-30).

(17) A passenger restraint violation fee (IC 33-37-5-31).

(18) A driving while a license is suspended fee (IC 33-27-5-32).

(19) A driving while intoxicated and endangering a person fee (IC 33-37-5-33).

(20) A disregard for stop sign fee (IC 33-37-5-34).

(21) A disregard of traffic signal fee (IC 33-37-5-35).

(22) A driving while intoxicated fee (IC 33-37-5-36).

(23) A child restraint violation fee (IC 33-37-5-37).

(24) A disregard of traffic control device fee (IC 33-37-5-38).

(25) A prior operating under the influence fee (IC 33-37-5-39).

(26) A following too closely fee (IC 33-37-5-40).

(27) A reckless driving fee (IC 33-37-5-41).

(28) An unsafe lane movement fee (IC 33-37-5-42).

(29) A yield sign violation fee (IC 33-37-5-43).

(30) An improper turn at intersection fee (IC 33-37-5-44).

(31) A driving left of center fee (IC 33-37-5-45).

(32) An offense relating to controlled substances while using a motor vehicle fee (IC 33-37-5-46).

(33) A passing in a no passing zone fee (IC 33-37-5-47).
(34) A driving on the wrong side of the road fee (IC 33-37-5-48).
(35) A driving the wrong way on a one-way road fee (IC 33-37-5-49).
(36) An improper passing fee (IC 33-37-5-50).
(37) An open container fee (IC 33-37-5-51).
(38) An improper passing to the left of the center line fee (IC 33-37-5-52).
(39) An operating a vehicle with a controlled substance fee (IC 33-37-5-53).
(40) An operating a vehicle while intoxicated resulting in injury fee (IC 33-37-5-54).
(41) A failure to stop at an accident fee (IC 33-37-5-55).
(42) A zero tolerance for individuals under the age of twenty-one (21) who drive under the influence fee (IC 33-37-5-56).

(c) The clerk shall transfer to the county auditor or fiscal officer of the municipal corporation the following fees, not later than thirty (30) days after the fees are collected:

(1) The alcohol and drug services program user fee (IC 33-37-5-8(b)).
(2) The law enforcement continuing education program fee (IC 33-37-5-8(c)).
(3) The deferral program fee subsection (e)).

The auditor or fiscal officer shall deposit the fees in the user fee fund established under IC 33-37-8.

(d) The defendant is not liable for any ordinance violation costs fee in an action if all the following apply:

(1) The defendant was charged with an ordinance violation subject to IC 33-36.
(2) The defendant denied the violation under IC 33-36-3.
(3) Proceedings in court against the defendant were initiated under IC 34-28-5 (or IC 34-4-32 before its repeal).
(4) The defendant was tried and the court entered judgment for the defendant for the violation.

(e) Instead of the infraction or ordinance violation costs fee prescribed by subsection (a), the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney or an attorney for a municipal corporation and the person charged with a violation entered into under IC 34-28-5-1 (or IC 34-4-32-1 before its repeal) requires payment of those fees by the person charged with the violation. The deferral program fee is:

(1) an initial user's fee not to exceed fifty-two dollars ($52); and
(2) a monthly user's fee not to exceed ten dollars ($10) for each month the person remains in the deferral program.

(f) The fees prescribed by this section are costs for purposes of IC 34-28-5-5 and may be collected from a defendant against whom judgment is entered. Any penalty assessed is in addition to costs.

SECTION 107. IC 33-37-5-30 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 30. (a) This section applies to infractions committed under IC 9-21-5.**

(b) The clerk shall collect a speeding fee of eighteen dollars ($18) for each infraction committed under IC 9-21-5.

SECTION 108. IC 33-37-5-31 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 31. (a) This section applies to infractions committed under IC 9-19-10.**

(b) The clerk shall collect a passenger restraint fee of eighteen dollars ($18) for each infraction committed under IC 9-19-10.

SECTION 109. IC 33-37-5-32 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 32. (a) This section applies to infractions committed under IC 9-24-19-1.**

(b) The clerk shall collect a driving while a license is suspended fee of eighteen dollars ($18) for each infraction committed under IC 9-24-19-1.

SECTION 110. IC 33-37-5-33 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 33. (a) This section applies to misdemeanors committed under IC 9-30-5-2.**

(b) The clerk shall collect a driving while intoxicated and endangering a person fee of eighteen dollars ($18) for each misdemeanor committed under IC 9-30-5-2.

SECTION 111. IC 33-37-5-34 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 34. (a) This section applies to infractions committed under IC 9-21-8-32.**

(b) The clerk shall collect a disregard for stop sign fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-32.

SECTION 112. IC 33-37-5-35 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 35. (a) This section applies to infractions committed under IC 9-21-3-7.**

(b) The clerk shall collect a disregard of traffic signal fee of eighteen dollars ($18) for each infraction committed under IC 9-21-3-7.

SECTION 113. IC 33-37-5-36 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 36. (a) This section applies to misdemeanors committed under IC 9-30-5-1.**

(b) The clerk shall collect a driving while intoxicated fee of eighteen dollars ($18) for each misdemeanor committed under IC 9-30-5-1.

SECTION 114. IC 33-37-5-37 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 37. (a) This section applies to infractions committed under IC 9-19-11-2.**

(b) The clerk shall collect a child restraint violation fee of eighteen dollars ($18) for each infraction committed under IC 9-19-11-2.

SECTION 115. IC 33-37-5-38 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 38. (a) This section applies to infractions committed under IC 9-21-8-41.**

(b) The clerk shall collect a disregard of traffic control device fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-41.

SECTION 116. IC 33-37-5-39 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 39. (a) This section applies to felonies committed under IC 9-30-5-3.**

(b) The clerk shall collect a prior operating while intoxicated fee of eighteen dollars ($18) for each felony committed under IC 9-30-5-3.

SECTION 117. IC 33-37-5-40 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 40. (a) This section applies to infractions committed under IC 9-21-8-14.**

(b) The clerk shall collect a following too closely fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-14.

SECTION 118. IC 33-37-5-41 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 41. (a) This section applies to misdemeanors committed under IC 9-21-8-52.**

(b) The clerk shall collect a reckless driving fee of eighteen dollars ($18) for each misdemeanor committed under IC 9-21-8-52.

SECTION 119. IC 33-37-5-42 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 42. (a) This section applies to infractions committed under IC 9-21-8-11.**

(b) The clerk shall collect an unsafe lane movement fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-11.

SECTION 120. IC 33-37-5-43 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 43. (a) This section applies to infractions committed under IC 9-21-8-30.**

(b) The clerk shall collect a yield sign violation fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-30.

SECTION 121. IC 33-37-5-44 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 44. (a) This section applies to infractions committed under IC 9-21-8-21.**

(b) The clerk shall collect an improper turn at intersection fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-21.

SECTION 122. IC 33-37-5-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 21. (a) This section applies to all civil, criminal, infraction, and ordinance violation actions.

(b) The clerk shall collect ~~the following~~ **a seven dollar ($7)** automated record keeping fee.

~~(1) Seven dollars ($7) after June 30, 2003, and before July 1, 2009.~~

~~(2) Four dollars ($4) after June 30, 2009.~~

SECTION 123. IC 33-37-5-45 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 45. (a) This section applies to infractions committed under IC 9-21-8-4.**

(b) The clerk shall collect a driving left of center fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-4.

SECTION 124. IC 33-37-5-46 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 46. (a) This section applies to misdemeanors and felonies under IC 35-48-4-15.**

(b) The clerk shall collect an offense relating to controlled substances while using a motor vehicle fee of eighteen dollars ($18) for each misdemeanor committed under IC 35-48-4-15.

SECTION 125. IC 33-37-5-47 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 47. (a) This section applies to infractions committed under IC 9-21-4-12.**

(b) The clerk shall collect a passing in a no passing zone fee of eighteen dollars ($18) for each infraction committed under IC 9-21-4-12.

SECTION 126. IC 33-37-5-48 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 48. (a) This section applies to infractions committed under IC 9-21-8-2.**

(b) The clerk shall collect a driving on the wrong side of the road fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-2.

SECTION 127. IC 33-37-5-49 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 49. (a) This section applies to infractions committed under IC 9-21-8-9.**

(b) The clerk shall collect a driving the wrong way on a one-way road fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-9.

SECTION 128. IC 33-37-5-50 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 50. (a) This section applies to infractions committed under IC 9-21-8-5.**

(b) The clerk shall collect an improper passing fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-5.

SECTION 129. IC 33-37-5-51 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 51. (a) This section applies to infractions committed under IC 9-30-15-3.**

(b) The clerk shall collect an open container fee of eighteen dollars ($18) for each infraction committed under IC 9-30-15-3.

SECTION 130. IC 33-37-5-52 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 52. (a) This section applies to infractions committed under IC 9-21-8-7.**

(b) The clerk shall collect an improper passing to the left of the center line fee of eighteen dollars ($18) for each infraction committed under IC 9-21-8-7.

SECTION 131. IC 33-37-5-53 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 53. (a) This section applies to misdemeanors committed under IC 9-30-5-1(c).**

(b) The clerk shall collect an operating a vehicle with a controlled substance fee of eighteen dollars ($18) for each misdemeanor committed under IC 9-30-5-1(c).

SECTION 132. IC 33-37-5-54 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 54. (a) This section applies to felonies committed under IC 9-30-5-4.**

(b) The clerk shall collect an operating a vehicle while intoxicated resulting in injury fee of eighteen dollars ($18) for each felony committed under IC 9-30-5-4.

SECTION 133. IC 33-37-5-55 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 55. (a) This section applies to misdemeanors and felonies committed under IC 9-26-1-1(1).**

(b) The clerk shall collect a failure to stop at an accident fee of eighteen dollars ($18) for each misdemeanor or felony committed under IC 9-26-1-1(1).

SECTION 134. IC 33-37-5-56 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 56. (a) This section applies to infractions committed under IC 9-30-5-8.5.**

(b) The clerk shall collect a zero tolerance for individuals under the age of twenty-one (21) who drive under the influence fee of eighteen dollars ($18) for each infraction committed under IC 9-30-5-8.5.

SECTION 135. IC 33-37-7-2, AS AMENDED BY P.L.174-2006, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The clerk of a circuit court shall distribute semiannually to the auditor of state as the state share for deposit in the state general fund seventy percent (70%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).
(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
(3) IC 33-37-4-3(a) (juvenile costs fees).
(4) IC 33-37-4-4(a) (civil costs fees).
(5) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
(6) IC 33-37-4-7(a) (probate costs fees).
(7) IC 33-37-5-17 (deferred prosecution fees).

(b) The clerk of a circuit court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9-2 the following:

(1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

(2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

(3) Fifty percent (50%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7).

(4) One hundred percent (100%) of the domestic violence prevention and treatment fees collected under IC 33-37-4-1(b)(8).

(5) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).

(6) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.

(7) One hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21).

(c) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

(2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(d) The clerk of a circuit court shall distribute monthly to the county auditor fifty percent (50%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7). The county auditor shall deposit fees distributed by a clerk under this subsection into the county child advocacy fund established under IC 12-17-17.

(e) The clerk of a circuit court shall distribute monthly to the county auditor one hundred percent (100%) of the late payment fees collected under IC 33-37-5-22. The county auditor shall deposit fees distributed by a clerk under this subsection as follows:

(1) If directed to do so by an ordinance adopted by the county fiscal body, the county auditor shall deposit forty percent (40%) of the fees in the clerk's record perpetuation fund established under IC 33-37-5-2 and sixty percent (60%) of the fees in the county general fund.

(2) If the county fiscal body has not adopted an ordinance described in subdivision (1), the county auditor shall deposit all the fees in the county general fund.

(f) The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the sexual assault victims assistance account established by IC 4-23-25-11(i) one hundred percent (100%) of the sexual assault victims assistance fees collected under IC 33-37-5-23.

(g) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) One hundred percent (100%) of the support and maintenance fees for cases designated as non-Title IV-D child support cases in the Indiana support enforcement tracking system (ISETS) collected under IC 33-37-5-6.

(2) The percentage share of the support and maintenance fees for cases designated as IV-D child support cases in ISETS collected under IC 33-37-5-6 that is reimbursable to the county at the federal financial participation rate.

The county clerk shall distribute monthly to the office of the secretary of family and social services the percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS collected under IC 33-37-5-6 that is not reimbursable to the county at the applicable federal financial participation rate.

(h) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) One hundred percent (100%) of the small claims service fee under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2) for deposit in the county general fund.

(2) One hundred percent (100%) of the small claims garnishee service fee under IC 33-37-4-6(a)(1)(C) or IC 33-37-4-6(a)(3) for deposit in the county general fund.

(i) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the following:

(1) The public defense administration fee collected under IC 33-37-5-21.2.

(2) The judicial salaries fees collected under IC 33-37-5-26.

(3) The DNA sample processing fees collected under IC 33-37-5-26.2.

(4) The court administration fees collected under IC 33-37-5-27.

(j) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(k) The proceeds of the service fee collected under IC 33-37-5-28(b)(1) or IC 33-37-5-28(b)(2) shall be distributed as follows:

(1) The clerk shall distribute one hundred percent (100%) of the service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.

(2) The clerk shall distribute one hundred percent (100%) of the service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

(l) The proceeds of the garnishee service fee collected under IC 33-37-5-28(b)(3) or IC 33-37-5-28(b)(4) shall be distributed as follows:

(1) The clerk shall distribute one hundred percent (100%) of the garnishee service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.

(2) The clerk shall distribute one hundred percent (100%) of the garnishee service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

(m) The clerk of a circuit court shall distribute monthly to the auditor of state:

(1) the speeding fee collected under IC 33-37-5-30;

(2) the passenger restraint fee collected under IC 33-37-5-31;

(3) a driving while a license is suspended fee under IC 33-37-5-32;

(4) a driving while intoxicated and endangering a person fee under IC 33-37-5-33;

(5) a disregard for stop sign fee under IC 33-37-5-34;

(6) a disregard of traffic signal fee under IC 33-37-5-35;

(7) a driving while intoxicated fee under IC 33-37-5-36;

(8) a child restraint violation fee under IC 33-37-5-37;

(9) a disregard of traffic control device fee under IC 33-37-5-38;

(10) a prior operating while intoxicated fee under IC 33-37-5-39;

(11) a following too closely fee under IC 33-37-5-40;

(12) a reckless driving fee under IC 33-37-5-41;

(13) an unsafe lane movement fee under IC 33-37-5-42;

(14) a yield sign violation fee under IC 33-37-5-43;

(15) an improper turn at intersection fee under IC 33-37-5-44;

(16) a driving left of center fee under IC 33-37-5-45;

(17) an offense relating to controlled substances while using a motor vehicle fee under IC 33-37-5-46;

(18) a passing in a no passing zone fee under IC 33-37-5-47;

(19) a driving on the wrong side of the road fee under IC 33-37-5-48;

(20) a driving the wrong way on a one-way road fee IC 33-37-5-49;

(21) an improper passing fee under IC 33-37-5-50;

(22) an open container fee under IC 33-37-5-51;
(23) an improper passing to the left of the center line fee under IC 33-37-5-52;
(24) an operating a vehicle with a controlled substance fee under IC 33-37-5-53;
(25) an operating a vehicle while intoxicated resulting in injury fee under IC 33-37-5-54;
(26) a failure to stop at an accident fee under IC 33-37-5-55; and
(27) a zero tolerance for individuals under the age of twenty-one (21) who drive under the influence fee under IC 33-37-5-56;
for deposit in the spinal cord and brain injury fund established by IC 16-41-42-4.

SECTION 136. IC 34-30-2-83.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 83.5. IC 16-41-42-6 (Concerning members of the spinal cord and brain injury research board).**

SECTION 137. IC 35-38-4-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) This section applies to state reimbursement of expenses for conducting a new trial if:**
(1) a defendant is convicted of an offense in a criminal proceeding conducted in a trial court;
(2) the defendant appeals the defendant's conviction to the Indiana court of appeals or Indiana supreme court; and
(3) the court of appeals or supreme court remands the case to the trial court for a new trial.
(b) The state shall reimburse the trial court, the prosecuting attorney, and, if the defendant is represented by a public defender, the public defender for expenses:
(1) incurred by the trial court, prosecuting attorney, and public defender in conducting a new trial described in subsection (a); and
(2) that would ordinarily be paid by the county in which the trial court is located.
(c) The expenses of a trial court, prosecuting attorney, and public defender reimbursed under this section:
(1) may not include any salary or other remuneration paid to a trial court judge, prosecuting attorney, deputy prosecuting attorney, or public defender; and
(2) must be paid from money in the state general fund.

SECTION 138. IC 36-7-11.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. ~~(a) As used in this chapter, "commission" refers to the historic hotel preservation commission established by an interlocal agreement under section 3 of this chapter.~~

~~(b) Except as provided in section 11 of this chapter, "fund" refers to the community trust fund established by section 8 of this chapter.~~

(a) As used in this chapter, "advisory board" refers to the Orange County development advisory board established by section 12 of this chapter.

(b) As used in this chapter, "development commission" refers to the Orange County development commission established by section 3.5 of this chapter.

~~(c)~~ **(c)** As used in this chapter, "historic hotel" has the meaning set forth in IC 4-33-2-11.1.

(d) As used in this chapter, "hotel riverboat resort" refers to the historic hotels, the riverboat operated under IC 4-33-6.5, and other properties operated in conjunction with the riverboat enterprise located in Orange County.

~~(d)~~ **(e)** As used in this chapter, "qualified historic hotel" refers to a historic hotel that has an atrium that includes a dome that is at least two hundred (200) feet in diameter.

SECTION 139. IC 36-7-11.5-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 3.5. (a) The Orange County development commission is established.**

(b) The development commission consists of the following members:

(1) An individual appointed by the legislative body of Orange County.
(2) An individual appointed by the legislative body of the town of French Lick.
(3) An individual appointed by the legislative body of the town of West Baden.
(4) An individual appointed by the legislative body of the town of Paoli.
(5) An individual appointed by the legislative body of the town of Orleans.
(6) A nonvoting member appointed by the governor.

(c) The members of the development commission shall each serve for a term of three (3) years. A vacancy shall be filled for the duration of the term by the original appointing authority.

(d) Each member of the development commission must, before beginning the discharge of the duties of the member's office, do the following:

(1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.
(2) Provide a bond to the state:
(A) for twenty-five thousand dollars ($25,000); and
(B) that is, after being executed and approved, recorded in the office of the secretary of state.

(e) A member of the development commission is not entitled to a salary per diem. However, a member is entitled to reimbursement for travel expenses incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

(f) An individual who is an employee of a county or town described in subsection (b) may not be appointed to the development commission until at least three (3) years after the date the individual's employment with the county or town is terminated.

(g) An individual who is a member of any other board serving a county or town described in subsection (b) may not be appointed to the development commission until at least three (3) years after the date the individual's membership on the board expires.

(h) An individual who is:

(1) employed by the hotel riverboat resort or an affiliated business;
(2) contracted or hired to provide personal property or perform a service for the hotel riverboat resort or an affiliated business; or
(3) engaged in any other form of a business relationship with the hotel riverboat resort or an affiliated business;

may not be appointed to the development commission until at least three (3) years after the date on which the individual's employment or business relationship with the hotel riverboat resort or an affiliated business is terminated.

SECTION 140. IC 36-7-11.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The **development** commission shall elect from its membership a chairperson and vice chairperson, who shall serve for one (1) year and may be reelected.

(b) The **development** commission shall adopt rules consistent with this chapter for the transaction of its business. The rules must include the time and place of regular meetings and a procedure for the calling of special meetings. ~~Four (4)~~ **Three (3)** voting members constitute a quorum of the commission. No action may be taken by the **development** commission unless a majority of the voting members appointed to the **development** commission vote in favor of taking the action.

(c) All meetings of the **development** commission must be open to the public, and a public record of the **development** commission's resolutions, proceedings, and actions must be kept.

(d) ~~If~~ The **development** commission ~~has~~ **shall employ** an administrator ~~the administrator~~ **who** shall act as the commission's secretary. ~~If the commission does not have an administrator, the commission shall elect a secretary from its membership.~~

(e) The **development** commission shall hold regular meetings, at least monthly, except when it has no business pending.

SECTION 141. IC 36-7-11.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) Money acquired by the **development** commission is subject to the laws concerning the deposit and safekeeping of public money.

(b) The money of the **development** commission and the accounts of each officer, employee, or other person entrusted by law with the raising, disposition, or expenditure of the money or part of the money are subject to examination by the state board of accounts.

SECTION 142. IC 36-7-11.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) ~~Except as otherwise specified in this chapter,~~ The **development** commission ~~has all of the powers and responsibilities of a historic preservation commission established under IC 36-7-11.~~

~~(b) The commission~~ shall do the following:

~~(1) Designate a fiscal agent who must be the fiscal officer of one (1) of the towns to which this chapter applies.~~

~~(2)~~ **(1)** Employ **an administrator and other** professional staff necessary to assist the commission in carrying out its duties.

(2) Facilitate and coordinate the development of Orange County.

(3) Serve as a liaison between the riverboat located in a historic hotel district and the political subdivisions located in Orange County.

(4) Facilitate and coordinate the appropriate development of the historical environment of the towns of French Lick and West Baden.

(b) The development commission may do the following:

~~(3)~~ **(1)** Engage consultants, attorneys, accountants, and other professionals necessary to carry out the **development** commission's duties.

~~(4) Jointly approve, with the Indiana gaming commission, the location and exterior design of a riverboat to be operated in the historic hotel district.~~

~~(5) Make recommendations to the Indiana gaming commission concerning the selection of an operating agent (as defined in IC 4-33-2-14.5) that the commission believes will:~~

~~(A) promote the most economic development in the area surrounding the historic hotel district; and~~

~~(B) best serve the interests of the residents of the county in which the historic hotel district is located and all other citizens of Indiana.~~

~~(6) Make recommendations to the Indiana gaming commission concerning the operation and management of the riverboat to be operated in the county.~~

(2) Award grants and low interest loans to promote the development of Orange County under this chapter.

~~(c) This section does not limit the powers of the Indiana gaming commission with respect to the administration and regulation of riverboat gaming under IC 4-33.~~

(c) The development commission shall:

(1) promote economic development;

(2) attract new business;

(3) improve housing; and

(4) engage in any other activity that promotes the development of Orange County.

SECTION 143. IC 36-7-11.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) As used in this section, "fund" refers to the West Baden Springs historic hotel preservation and maintenance fund established by subsection (b).

(b) The West Baden Springs historic hotel preservation and maintenance fund is established. The fund consists of the following:

(1) Amounts deposited in the fund under **IC 4-33-6.5-6,** IC 4-33-12-6(c), and IC 4-33-13-5(b).

(2) Grants and gifts that the department of natural resources receives for the fund under terms, obligations, and liabilities that the department considers appropriate.

(3) The one million dollar ($1,000,000) initial fee paid to the gaming commission under IC 4-33-6.5.

(4) Any amount transferred to the fund upon the repeal of IC 36-7-11.5-8 (the community trust fund).

The fund shall be administered by the department of natural resources. The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund that is not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. The treasurer of state shall deposit in the fund the interest that accrues from the investment of the fund.

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

(e) No money may be appropriated from the fund except as provided in this subsection. The general assembly may appropriate interest accruing to the fund to the department of natural resources only for the following purposes:

(1) To maintain the parts of a qualified historic hotel that were restored before July 1, 2003.

(2) To maintain the grounds surrounding a qualified historic hotel.

No money may be appropriated from the fund for restoration purposes if the restoration is to occur after July 1, 2003.

SECTION 144. IC 36-7-11.5-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. (a) The Orange County development advisory board is established for the purpose of advising the development commission established under section 3.5 of this chapter.**

(b) The advisory board consists of six (6) members appointed as follows:

(1) One (1) individual appointed by the speaker of the house of representatives.

(2) One (1) individual appointed by the president pro tempore of the senate.

(3) One (1) individual appointed by the Orange County convention and visitors bureau.

(4) Two (2) individuals appointed by the chief operating officer of the hotel riverboat resort.

(5) One (1) individual appointed by the Historic Landmarks Foundation of Indiana.

(c) Except as provided in subsection (d), the members of the advisory board shall each serve for a term of four (4) years. A vacancy shall be filled for the duration of the term by the original appointing authority.

(d) The member appointed under subsection (b)(3) shall serve an initial term of one (1) year. As determined by the appointing authority, the two (2) members appointed under subsection (b)(4) shall serve initial terms of two (2) and three (3) years respectively.

(e) A member of the advisory board is not entitled to a salary per diem. However, a member is entitled to reimbursement for travel expenses incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

SECTION 145. IC 36-7-11.5-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 13. (a) An individual may apply for a grant or low interest loan on a form prescribed by the development commission.**

(b) A form prescribed by the development commission must be designed to be read and easily understood by the ordinary individual.

SECTION 146. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 36-7-11.5-3; IC 36-7-11.5-4; IC 36-7-11.5-8; IC 36-7-11.5-9; IC 36-7-11.5-10.

SECTION 147. IC 20-40-6-5 IS REPEALED [EFFECTIVE JANUARY 1, 2008].

SECTION 148. P.L.246-2005, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION]36. (a]) If the budget director determines at any time during the biennium that the executive branch of state government cannot meet its statutory obligations due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with the approval of the governor and after review by the budget committee, may transfer from the counter-cyclical revenue and economic stabilization fund to the general fund an amount necessary to maintain a positive balance in the general fund.

~~(b) The budget agency shall transfer one hundred million dollars ($100,000,000) into the counter-cyclical revenue and economic stabilization fund during the state fiscal year ending June 30, 2007, unless the budget agency determines there is an insufficient balance in the general fund to make the transfer.~~

~~(c)~~ **(b)** This SECTION expires July 2, 2007.

SECTION 149. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "board" refers to the spinal cord and brain injury research board created by IC 16-41-42-6, as added by this act.**

(b) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the board under IC 16-41-42-6(b)(1), IC 16-42-41-6(c)(1), and IC 16-42-41-6(c)(2), as added by this act, are appointed for a term of four (4) years.

(c) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the board under IC 16-41-42-6(c)(3) and IC 16-41-42-6(c)(4), as added by this act, are appointed for a term of three (3) years.

(d) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the board under IC 16-41-42-6(b)(4) and IC 16-41-42-6(c)(5), as added by this act, are appointed for a term of two (2) years.

(e) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the board under IC 16-41-42-6(b)(2) and IC 16-41-42-6(b)(3), as added by this act, are appointed for a term of one (1) year.

(f) This SECTION expires July 1, 2011.

SECTION 150. [EFFECTIVE JULY 1, 2007] **(a) IC 4-33-12-6, as amended by this act, applies to riverboat admissions taxes remitted by an operating agent after June 30, 2007.**

(b) IC 4-33-13-5, as amended by this act, applies to riverboat wagering taxes remitted by an operating agent after June 30, 2007.

SECTION 151. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "commission" means a historic hotel preservation commission established under IC 36-7-11.5.**

(b) As used in this SECTION, "local development agreement" refers to the local development agreement:

(1) entered into by:

(A) the town of French Lick;

(B) the town of West Baden Springs;

(C) Orange County;

(D) the commission; and

(E) Blue Sky Casino, LLC; and

(2) dated July 28, 2005.

(c) Notwithstanding any other law, the commission is abolished on July 1, 2007.

(d) Notwithstanding any other law, the term of office of a member of the commission serving on June 30, 2007, terminates July 1, 2007.

(e) Any balance remaining on June 30, 2007, in the community trust fund established under IC 36-7-11.5-8 (before its repeal by this act) is transferred to the Orange County development commission established by IC 36-7-11.5-3.5, as added by this act.

(f) On July 1, 2007, all records and property of the commission are transferred to the Orange County development commission established under IC 36-7-11.5-3.5, as added by this act.

(g) Except as provided in subsection (h), an unfulfilled financial commitment made by the commission is void on July 1, 2007.

(h) The Orange County development commission shall assume the following:

(1) The commission's commitments to the French Lick Municipal Airport.

(2) The commission's obligations to reimburse the towns of French Lick and West Baden Springs for adjusted gross receipts revenue allocated to Orange County as set forth in Section 2.01(b) of the local development agreement.

(i) This act does not affect the validity of a historic hotel district established in Orange County before January 1, 2007, under IC 36-7-11.5-2.

SECTION 152. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "commission" refers to the commission on disproportionality in youth services.**

(b) As used in this SECTION, "youth services" means the following:

(1) Juvenile justice services.

(2) Child welfare services.

(3) Education services.

(4) Mental health services.

(c) The commission on disproportionality in youth services is established to develop and provide an implementation plan to evaluate and address disproportionate representation of youth of color in the use of youth services.

(d) The commission consists of the following members appointed not later than August 15, 2007:

(1) The dean or a faculty member of an Indiana accredited graduate school of public administration, social work, education, mental health, or juvenile justice, who shall serve as chairperson of the commission.

(2) The state superintendent of public instruction, or the superintendent's designee.

(3) The director of the division of mental health and addiction, or the director's designee.

(4) The executive director of the Indiana criminal justice institute, or the executive director's designee.

(5) The director of the department of child services, or the director's designee.

(6) The commissioner of the department of correction, or the commissioner's designee.

(7) A division of child services county director from a densely populated county.

(8) A faculty member of an Indiana accredited college or university that offers undergraduate degrees in public administration, social work, education, mental health, or juvenile justice.

(9) A prosecuting attorney.

(10) A juvenile court judge.

(11) An attorney who specializes in juvenile law.

(12) A representative of the Indiana Minority Health Coalition.

(13) A health care provider who specializes in pediatric or emergency medicine.

(14) A public agency family case manager.

(15) A private agency children's service social worker.

(16) A school counselor or social worker.

(17) A representative of law enforcement.

(18) A guardian ad litem, court appointed special advocate, or other child advocate.

(19) The chairperson of an established advocacy group in Indiana that has previously investigated the issue of disproportionality in use of youth services.

(20) A young adult who has previous involvement with at least one (1) youth service.

(21) A representative of foster parents or adoptive parents.
(22) A representative of a state teacher's association or a public school teacher.
(23) A child psychiatrist or child psychologist.
(24) A representative of a family support group.
(25) A representative of the National Alliance on Mental Illness.
(26) A representative of the commission on the social status of black males.
(27) A representative of the Indiana Juvenile Detention Association.
(28) A representative of the commission on Hispanic/Latino affairs.
(29) A representative of the civil rights commission.
(30) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may not be members of the same political party and serve as nonvoting members.
(31) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may not be members of the same political party and serve as nonvoting members.

The governor shall appoint the members under subdivisions (1), (7), (10), (13), (16), (19), (22), (25), (28), and (29). The speaker of the house of representatives shall appoint the members under subdivisions (8), (11), (14), (17), (20), (23), (26), and (30). The president pro tempore of the senate shall appoint the members under subdivisions (9), (12), (15), (18), (21), (24), (27), and (31). Vacancies shall be filled by the appointing authority for the remainder of the unexpired term.

(e) Each member of the commission shall have an interest in or influence on evaluating and addressing disproportionate representation of youth of color in the use of youth services.

(f) A majority of the voting members of the commission constitutes a quorum.

(g) The Indiana accredited graduate school represented by the chairperson of the commission under subsection (d)(1) shall staff the commission.

(h) The commission shall meet at the call of the chairperson and shall meet as often as necessary to carry out the purposes of this SECTION.

(i) Each member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(j) Each member of the commission who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(k) Each member of the commission who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

(l) The commission's responsibilities include the following:
(1) Reviewing Indiana's public and private child welfare, juvenile justice, mental health, and education service delivery systems to evaluate disproportionality rates in the use of youth services by youth of color.
(2) Reviewing federal, state, and local funds appropriated to address disproportionality in the use of youth services by youth of color.

(3) Reviewing current best practice standards addressing disproportionality in the use of youth services by youth of color.

(4) Examining the qualifications and training of youth service providers and making recommendations for a training curriculum and other necessary changes.

(5) Recommending methods to improve use of available public and private funds to address disproportionality in the use of youth services by youth of color.

(6) Providing information concerning identified unmet youth service needs and providing recommendations concerning the development of resources to meet the identified needs.

(7) Suggesting policy, program, and legislative changes related to youth services to accomplish the following:

(A) Enhancement of the quality of youth services.

(B) Identification of potential resources to promote change to enhance youth services.

(C) Reduction of the disproportionality in the use of youth services by youth of color.

(8) Preparing a report consisting of the commission's findings and recommendations, and the presentation of an implementation plan to address disproportionate representation of youth of color in use of youth services.

(m) In carrying out the commission's responsibilities, the commission shall consider pertinent studies concerning disproportionality in use of youth services by youth of color.

(n) The affirmative votes of a majority of the commission's voting members are required for the commission to take action on any measure, including recommendations included in the report required under subsection (l)(8).

(o) The commission shall submit the report required under subsection (l)(8) to the governor and to the legislative council not later than August 15, 2008. The report to the legislative council must be in an electronic format under IC 5-14-6. The commission shall make the report available to the public upon request not later than December 1, 2008.

(p) There is appropriated from the state general fund one hundred twenty-five thousand ($125,000) dollars for the period beginning July 1, 2007, and ending December 31, 2008, to carry out the purposes of this SECTION, including the hiring by the chairperson of an individual to serve only to assist the chairperson and members with research, statistical analysis, meeting support, and drafting of the report required under subsection (l)(8).

(q) This SECTION expires January 1, 2009.

SECTION 153. [EFFECTIVE JULY 1, 2007] **(a) There is appropriated to the department of natural resources division of state parks and reservoirs eight hundred twenty-five thousand dollars ($825,000) from the state general fund to pay the operating expenses of the dramatic production Young Abe Lincoln for the period beginning July 1, 2007, and ending June 30, 2009.**

(b) This SECTION expires July 1, 2009.

SECTION 154. [EFFECTIVE JULY 1, 2007] **(a) There is appropriated to the department of natural resources division of state parks and reservoirs eight hundred ten thousand dollars ($810,000) from the state general fund to pay capital expenses incurred for the maintenance of the Lincoln State Park amphitheater for the period beginning July 1, 2007, and ending June 30, 2009.**

(b) There is appropriated to the department of agriculture the following amounts from the state general fund for the following purposes beginning July 1, 2007, and ending June 30, 2009:

Acquisition of land and improvements for education outreach and development center	**$2,000,000**
Total operating costs for educational outreach associated through the center	**$300,000**
Total operating costs for development	

in conservation, bioenergy and natural resources through the center $300,000

(c) The money appropriated by this SECTION does not revert to the state general fund at the close of any state fiscal year but remains available to the Indiana arts commission until the purpose for which it was appropriated is fulfilled.

SECTION 155. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "commission" refers to the Indiana Abraham Lincoln bicentennial commission established by P.L.9-2005, SECTION 1.**

(b) There is appropriated to the commission one million and four hundred seventy-five thousand dollars ($1,475,000) from the state general fund to pay the operating expenses of the commission for the period beginning July 1, 2007, and ending June 30, 2009.

(c) This SECTION expires July 1, 2009.

SECTION 156. [EFFECTIVE JULY 1, 2007] **(a) Except as provided in subsection (c), the trustees of Vincennes University may issue and sell bonds under IC 20-12-6, subject to the review by the budget committee required by IC 20-12-5.5, for the purpose of constructing, furnishing, and equipping a center for advanced manufacturing and applied technology on the Jasper campus of Vincennes University, if the sum of principal costs of any bonds issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed eight million dollars ($8,000,000).**

(b) The foregoing project is eligible for fee replacement appropriations.

(c) Notwithstanding IC 20-12-5.5 and IC 20-12-6, no approval by the governor, the budget agency, or the commission for higher education is required for any aspect of the project or the issuance of bonds for any aspect of a project described in subsection (a). The institution is only required to obtain review by the budget committee before issuing the bonds authorized in subsection (a).

SECTION 157. [EFFECTIVE JULY 1, 2007] **(a) There is appropriated to Vincennes University five million dollars ($5,000,000) from the state general fund for the construction of a center for advanced manufacturing in Gibson County. The center shall be owned and operated by Vincennes University. The appropriation may be used for:**

(1) the construction, furnishing, and equipping of the center;

(2) purchasing any land necessary for the center; and

(3) employing one (1) or more architects or engineers.

(b) If any part of the appropriation made by subsection (a) has not been allotted or encumbered before July 1, 2011, the budget agency may determine that:

(1) the balance of the appropriation is not available for allotment;

(2) the appropriation shall be terminated; and

(3) the balance of the appropriation shall revert to the state general fund.

SECTION 158. [EFFECTIVE UPON PASSAGE] **The trustees of Vincennes University are authorized to acquire, construct, renovate, improve, and equip a multicultural center to be funded from sources other than student fees or state funds or bonds payable from student fees or state funds if the total cost of the project does not exceed five million dollars ($5,000,000). Notwithstanding any other law, no approval by the governor, the budget agency, or the commission for higher education or review by the budget committee is required for any aspect of the project for any aspect of a project described in this SECTION.**

SECTION 159. [EFFECTIVE JULY 1, 2007] **(a) There is appropriated to the Indiana arts commission one million two hundred fifty thousand dollars ($2,250,000) from the state general fund to provide grants under IC 4-23-2.5 to:**

(1) the arts organizations that have most recently qualified for general operating support as major arts organizations as determined by the Indiana arts commission; and

(2) the significant regional organizations that have most recently qualified for general operating support as mid-major arts organizations, as determined by the Indiana arts commission and its regional re-granting partners.

(b) The money appropriated by this SECTION does not revert to the state general fund at the close of any state fiscal year but remains available to the Indiana arts commission until the purpose for which it was appropriated is fulfilled.

(c) This SECTION expires June 30, 2009.

SECTION 160. [EFFECTIVE JULY 1, 2007] **(a) There is appropriated to the Indiana University School of Medicine - South Bend ten million dollars ($10,000,000) from the state general fund for the construction of the Cancer Research Institute. The facility shall be owned and operated by Indiana University School of Medicine - South Bend .**

(b) The money appropriated by this SECTION does not revert to the state general fund at the close of any state fiscal year but remains available to Indiana University School of Medicine - South Bend until the purpose for which it was appropriated is fulfilled.

SECTION 161. [EFFECTIVE JULY 1, 2007] **(a) Except as provided in subsection (d), the trustees of the following institutions may issue and sell bonds under IC 20-12-6, subject to the review by the budget committee required by IC 20-12-5.5, for the following projects if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:**

Indiana University South Bend - Arts Building Renovation	**$19,000,000**
Indiana University Bloomington - Cyber Infrastructure Building	**18,300,000**
Indiana University, Purdue University at Indianapolis - Neurosciences Research Building	**20,000,000**
Indiana University Southeast Medical Education Center A & E	**1,000,000**
Ivy Tech-Fort Wayne Technology Center and Demolition Costs	**26,700,000**
Ivy Tech - Indianapolis Community College for the Fall Creek Expansion Project	**69,370,000**
Ivy Tech - Lamkin Center for Instructional Development and Leadership	**1,000,000**
Ivy Tech - Logansport	**10,500,000**
Ivy Tech - Sellersburg	**20,000,000**
Purdue University Calumet- Gyt Building A & E	**2,400,000**
Purdue University North Central - Student Services & Recreation Center A & E	**1,000,000**
University of Southern Indiana College of Business - General Classroom Building	**29,000,000**
Vincennes University - Electrical Infrastructure Substation Phase II	**2,000,000**

The foregoing projects are eligible for fee replacement appropriations beginning after June 30, 2009.

(b) Except as provided in subsection (d), the trustees of the following institution may issue and sell bonds under IC 20-12-6, subject to the review by the budget committee required by

IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

Purdue University West Lafayette - Mechanical Engineering Addition	**$33,000,000**

The foregoing project is not eligible for fee replacement appropriations.

(c) Except as provided in subsection (d), the trustees of the following institution may issue and sell bonds under IC 20-12-6, subject to the review by the budget committee required by IC 20-12-5.5, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

Purdue University West Lafayette - Boiler No. 6	**$53,000,000**

The institution shall invite bids as provided under IC 20-12-3-2. The bids shall be open to inspection by the public.

(d) Notwithstanding IC 20-12-5.5 and IC 20-12-6, no approval by the governor, the budget agency, or the commission for higher education is required for any aspect of the project or the issuance of bonds for any aspect of a project described in subsection (a), (b), or (c). The institution is only required to obtain review by the budget committee before issuing the bonds authorized in subsection (a), (b), or (c).

SECTION 162. [EFFECTIVE UPON PASSAGE] **The trustees of Indiana University may issue and sell bonds under IC 20-12-8, subject to the review by the budget committee required under IC 20-12-5.5, to provide funds for the acquisition, renovation, expansion, and improvements for the new Athletic Facilities (including all related and subordinate components of the new Athletic facilities) and may undertake the project if the total costs financed by the bond issue, excluding any amount necessary to provide money for debt service reserved, credit enhancement, or other costs incidental to the issuance of the bonds, do not exceed forty-five million dollars ($45,000,000). Income from the property may include general athletic revenues. Notwithstanding IC 20-12-5.5 and IC 20-12-8, no approval by the governor, the budget agency, or the commission for higher education is required for any aspect of the project or the issuance of bonds for any aspect of a project described in this SECTION. The institution is only required to obtain review by the budget committee before issuing the bonds authorized in this SECTION.**

SECTION 163. [EFFECTIVE JULY 1, 2007] **(a) The following definitions apply throughout this SECTION:**

(1) "Child services" has the meaning set forth in IC 12-19-7-1.

(2) "Net cost" refers to costs unreimbursed before January 1, 2008, from grants, fees, or other charges.

(b) The department of local government finance, with the assistance of the department of child services and the budget agency, shall determine the sum of the following for each county:

(1) The greater of zero (0) or the result of:

(A) the net cost to the county for child services provided in 2006 that were payable from property taxes (including any balance in the county family and children's fund on January 1, 2006, that was derived from property taxes) or the proceeds of any bond, loan, or transfer to the county family and children's fund from another fund; minus

(B) the net cost to the county for child services provided in 2005 that were payable from property taxes (including any balance in the county family and children's fund on January 1, 2005, that was derived from property taxes) or the proceeds of any bond,

loan, or transfer to the county family and children's fund from another fund, as certified by the department of local government finance under IC 12-19-7-4.

(2) The greater of zero (0) or the result of:

(A) the net cost to the county for child services provided in 2007 that were payable from property taxes (including any balance in the county family and children's fund on January 1, 2007, that was derived from property taxes) or the proceeds of any bond, loan, or transfer to the county family and children's fund from another fund; minus

(B) the net cost to the county for child services provided in 2005 that were payable from property taxes (including any balance in the county family and children's fund on January 1, 2005, that was derived from property taxes) or the proceeds of any bond, loan, or transfer to the county family and children's fund from another fund, as certified by the department of local government finance under IC 12-19-7-4.

Not later than the date that the department of local government finance certifies the property tax levies, property tax rates, and budget of a county, the department of local government finance shall certify the amount determined under this subsection to the county auditor for the county and the budget agency.

(c) The department of local government finance shall reduce the property tax levies and property tax rates that would otherwise be certified in 2008 for a county under IC 6-1.1-17-16 by the amount determined for the county under subsection (d)(2).

(d) Not later than March 1, 2008, the budget agency shall distribute to the county auditor for a county the amount determined for the county under subsection (b). An amount distributed under this subsection may be deposited and used by a county only as follows:

(1) Money distributed under this subsection must be used to pay the principal, interest, and any other costs related to retiring an obligation transferred to the county's debt service fund under this SECTION.

(2) Any money remaining after the retirement of all debt described in subdivision (1) shall be treated as part of the county's ad valorem property tax levy for 2008 and shall be used to replace revenue lost as the result of the reduction in the county's property tax levies and property tax rates under subsection (c).

(e) There is appropriated to the department of child services the amount of money necessary to make the distributions required under this SECTION from the state general fund for its used to make the distributions required under this SECTION beginning July 1, 2007, and ending June 30, 2007.

SECTION 164. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "council" means the Indiana legislative council.**

(b) The council shall commission an economic analysis of Indiana's tax system. The council may contract with any entity to complete the analysis required under this SECTION.

(c) An entity entering into a contract with the council under this SECTION must study the following topics:

(1) The stability of the Indiana tax system.

(2) Equity among taxpayers.

(3) Tax elasticity.

(4) Taxpayer compliance.

(5) The transparency of the Indiana tax system.

(6) The extent to which, if any, the Indiana tax system results in market distortion.

(7) Any other topic relevant to an economic analysis of the Indiana tax system.

(d) A contract entered into under this SECTION must require the entity conducting the economic analysis of the Indiana tax system to report its findings to the council in an electronic

format under IC 5-14-6 not later than June 1, 2008. The report must include the entity's recommendations for improving the Indiana tax system.

(e) This SECTION expires July 1, 2008.

SECTION 165. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)] **(a) During the period beginning January 1, 2007, and ending June 30, 2007, subsection (b) applies instead of IC 6-2.5-6-9(c).**

(b) This subsection applies only to retail transactions occurring after June 30, 2004. The right to a deduction under IC 6-2.5-6-9 is assignable only if the retail merchant that paid the state gross retail or use tax liability assigns the right to the deduction in writing.

(c) This SECTION expires July 1, 2007.

SECTION 166. **An emergency is declared for this act.**

(Reference is to HB 1001 as introduced.)

and when so amended that said bill do pass.

_____

Representative Crawford