Reprinted
April 14, 2009

ENGROSSED
HOUSE BILL No. 1001

DIGEST OF HB 1001 (Updated April 13, 2009 6:48 pm - DI 73)

Citations Affected: IC 4-4; IC 4-13; IC 4-31; IC 4-33; IC 4-35; IC 5-1; IC 5-10; IC 5-28; IC 6-1.1; IC 6-3; IC 6-3.1; IC 6-3.5; IC 6-5.5; IC 6-7; IC 9-20; IC 12-7; IC 12-8; IC 12-12; IC 20-20; IC 20-23; IC 20-24; IC 20-30; IC 20-33; IC 20-40; IC 20-43; IC 20-45; IC 20-46; IC 20-49; IC 20-51; IC 21-29; IC 31-19; IC 31-25; IC 31-27; IC 31-33; IC 31-39; IC 33-24; IC 33-37; IC 33-39; IC 34-30; IC 36-1; IC 36-4; IC 36-5; noncode.

Synopsis: Budget bill. Makes appropriations for the biennium for the operation of state government and various other uses. Authorizes the issuance of bonds for various capital projects. Adds requirements concerning money available under the federal American Recovery and Reinvestment Act of 2009 (ARRA) for: (1) grants to local education agencies based on Title I of the Elementary and Secondary Education Act of 1965; and (2) special education funding. Specifies that the governor is solely authorized to accept on behalf of the state any and all ARRA funds available to the state. Requires the governor to submit a report covering applications filed and any action necessary to qualify the state for the ARRA funds to the executive director of the legislative services agency. Directs the governor to seek a waiver from the Secretary of the federal Department of Education if it is determined that Indiana does not meet the requirements of the federal American Recovery and Reinvestment Act of 2009 concerning the state fiscal stabilization fund administered by the federal Department of Education. Authorizes a local unit issuing debt to provide for a

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Effective: Upon passage; July 1, 2008 (retroactive); October 1, 2008 (retroactive); January 1, 2009 (retroactive); February 1, 2009, (retroactive); July 1, 2009; January 1, 2010.

Crawford, Pelath
(SENATE SPONSORS — KENLEY, BRODEN)

January 12, 2009, read first time and referred to Committee on Ways and Means.
February 17, 2009, amended, reported — Do Pass.
February 19, 2009, read second time, ordered engrossed. Engrossed.
February 20, 2009, read third time, passed. Yeas 52, nays 44.

SENATE ACTION
February 23, 2009, read first time and referred to Committee on Appropriations.
April 9, 2009, amended, reported favorably — Do Pass.
April 13, 2009, read second time, amended, ordered engrossed.

repayment schedule that will result in the same or a lower amount of interest being paid on obligations that would be issued using nearly equal payment amounts. Prohibits the Indiana horse racing commission and the Indiana gaming commission from: (1) imposing, charging, or collecting by rule a fee that is not authorized by statute on any party to a proposed transfer of an ownership interest in a license; or (2) making the approval of a proposed transfer of an ownership interest in a license contingent upon the payment of any amount that is not authorized by statute. Amends the definition of "Internal Revenue Code" used in Indiana statutes and regulations to refer to the Internal Revenue Code in effect on February 17, 2009. Requires an add back to Indiana adjusted gross income of any amounts relating to: (1) the first $2,400 of unemployment compensation excluded from federal income under Section 85(c) of the Internal Revenue Code; (2) the exclusion from income for discharged debt on principal residences; (3) the deferral of income from certain discharged debt under Section 108(i) of the Internal Revenue Code; (4) the additional deduction attributable to the 15-year straight-line depreciation for new restaurants; (5) the additional deduction attributable to the 15-year straight-line depreciation for certain retail improvements; (6) the additional deduction attributable to the special allowance for qualified disaster assistance property; (7) the deduction for an election to expense costs related to certain refineries; (8) the deduction for an election to expense costs for certain qualified film and television productions; (9) ordinary income treatment for the gain or loss from the sale of Fannie Mae or Freddie Mac stock; and (10) the exception for active financing income for insurance companies and financial institutions under Section 953(e) of the Internal Revenue Code (known as the Subpart F exception for active financing income). Provides that when calculating the deduction for unemployment compensation, the first $2,400 of unemployment compensation excluded from federal income under Section 85(c) of the Internal Revenue Code should be considered. Requires that two years be used instead of five years for the net operating loss carryback period for small businesses. Requires the use of a five year carryback period for net operating losses for qualified disaster losses. Reallocates the cigarette tax revenue that is used to offset the employer health plan tax credit to a new state retiree health benefit trust fund. Provides that a taxpayer is entitled to a state tax credit for a contribution to a scholarship granting organization. Provides that the contribution must be used by the scholarship granting organization in a scholarship program to provide scholarships to eligible students. Limits the total amount of tax credits that may be awarded to $5,000,000 in any state fiscal year. Provides that any special volume cap regarding bonds issued under a federal act providing the cap is in addition to the volume cap under Section 146 of the Internal Revenue Code. Provides that the Indiana finance authority is responsible for determining any allocation of special volume caps. Provides that the office of the secretary of family and social services may implement and require the use of tamper resistant prescription drug forms in any health care program administered by the office of the secretary. Establishes the office of the department of child services ombudsman. Specifies that the ombudsman may receive, investigate, and attempt to resolve complaints that the department of child services has failed to follow a specific law, rule, or policy, and thereby failed to protect the health or safety of a child. Provides that the ombudsman may review certain records, and prohibits the redisclosure of certain confidential records. Provides that the total gross weight with load of a vehicle or combination of vehicles transporting an ocean going container may not exceed 95,000 pounds. (The current weight limit may not exceed 90,000 pounds.) Requires a school corporation with an ADM on June 30, 2009, of less than 100 students to reorganize by consolidating with an adjacent school corporation under the school consolidation provisions. Delays the implementation of fiscal year budgeting for school corporations until the budget year beginning July 1, 2011. Changes the membership of the statewide independent living council. Repeals the statutes allowing school corporations to use money in their capital projects funds for utilities and insurance. Provides that a charter

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school may receive technology funds. Specifies that the Senator David C. Ford educational technology fund may also be used for a school technology program that is developed by the department of education and that may include grants to school corporations for the purchase of: (1) equipment, hardware, and software; (2) learning and teaching systems; and (3) other materials; that promote student learning, as determined by the department. Requires the department of education to develop a charter school facilities incentive grants program before January 1, 2010, using priority criteria set forth in federal law. Specifies that state adult education funding may also be provided to entities that are eligible providers for purposes of the federal Adult Education and Family Literacy Act. (Current law limits state adult education funding to school corporations.) Provides that a charter school or conversion charter school that has received an advance for operational costs from the common school fund does not have to make principal or interest payments during the state fiscal years beginning July 1, 2009, and July 1, 2010. Extends the repayment terms by two (2) years to provide for the waiver of payments. Provides funding for a virtual charter school if the proposed establishment of the virtual charter school has been reviewed by the state budget committee and approved by the state department of education. Provides that the funding amount is the virtual charter school's ADM multiplied by 80% of the statewide average basic tuition support. Provides that a state educational institution may not enter into, modify, amend, or terminate any swap agreement without the specific approval of the public finance director. Provides that in all civil, criminal, infraction, and ordinance violation actions, the clerk of the court shall collect an automated record keeping fee in the following amounts: (1) $7 before July 1, 2009. (2) $5 after June 30, 2009. Provides that the budget agency (rather than the division of state court administration) administers the judicial technology and automation project fund. Eliminates the statutory annual appropriation from the fund. Requires the budget agency to establish standards and procedures for the judicial technology and automation project, and authorizes the budget agency to make grants related to the project. Requires Purdue University and Indiana University to report to the budget committee on the status of grants for core life science programs and other research grants. Specifies that the appropriations for higher education and the state student assistance commission that are made from money received under the federal American Recovery and Reinvestment Act of 2009 are intended to be one time appropriations. Authorizes certain industrial development loans. Eliminates contributions for a participant in the prosecuting attorneys retirement fund with at least 22 years of creditable service. For a participant who applies for a retirement benefit after November 30, 2010, bases the retirement benefit on the salary being paid for the office with the highest annual salary that the participant held before or at the time of the participant's separation from service. Reduces the early retirement reduction factor. Makes changes to the prosecuting attorneys retirement fund's disability benefits. Increases the minimum annual survivor benefit from $7,000 to $12,000. Provides that benefit increases paid in state fiscal years beginning after June 30, 2011, are equal to the percentage by which the salary being paid for the office with the highest salary that the participant held before or at the time of the participant's separation from service increases. Allows an elected county, city, town, or township officer to waive some or all of the elected officer's compensation for any year. Repeals a statute that allows only an elected town officer to waive compensation. Requires the commission for higher education with the assistance of the state student assistance commission to study the funding of college scholarship programs provided by the state student assistance commission and the state's public universities. Authorizes the Indiana finance authority to issue bonds to provide additional correctional facilities, at a cost of not more than $45,000,000. Increases the court administration fee from $5 to $7 for all courts except the Marion County small claims court, and directs that the additional amount be paid into the prosecuting attorneys retirement fund. Authorizes the city of Lawrenceburg to enter into one

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or more agreements or leases with the Lawrenceburg community school corporation or another public or private entity to provide for the construction or renovation of a school building that will be used by the Lawrenceburg community school corporation. Requires the budget agency to review the costs of providing employee health, vision, and dental insurance for state employees and employees of school corporations and public universities. Establishes the Indiana Soldiers' and Sailors' Children's Home task force. Requires the task force to submit a report to the governor and the general assembly before January 1, 2010. Requires the Indiana finance authority to study the mission, organization, and management structure of the I-Light Fiber Optic Network and submit a report to the governor and the legislative council.

Reprinted
April 14, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~
Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.
Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

ENGROSSED
HOUSE BILL No. 1001

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

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

SECTION 1. [EFFECTIVE JULY 1, 2009]

(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, 2009, and ending June 30, 2011. 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 2008-2009 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) "Federally qualified health center" means a community health center that is designated by the Health Resources Services Administration, Bureau of Primary Health Care, as a Federally Qualified Health Center Look Alike under the FED 330 Consolidated

Health Center Program authorization, including Community Health Center (330e), Migrant Health Center (330g), Health Care for the Homeless (330h), Public Housing Primary Care (330i), and School Based Health Centers (330).

(7) "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".

(8) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.

(9) "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.

(10) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".

(11) "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.

(12) "State funded community health center" means a public or private not for profit (501(c)(3)) organization that provides comprehensive primary health care services to all age groups.

(13) "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.

SECTION 2. [EFFECTIVE JULY 1, 2009]

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, 2009]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY		
LEGISLATORS' SALARIES - HOUSE		
Total Operating Expense	**6,198,756**	**6,434,309**
HOUSE EXPENSES		
Total Operating Expense	**10,549,327**	**10,950,339**
LEGISLATORS' SALARIES - SENATE		
Total Operating Expense	**2,247,345**	**2,342,556**
SENATE EXPENSES		
Total Operating Expense	**10,413,712**	**11,812,594**

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	**2,524,980**	**2,620,929**
LEGISLATORS' EXPENSES - SENATE		
Total Operating Expense	**1,126,579**	**1,004,601**

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, $7,000; assistant president pro tempore, $3,000; majority floor leader, $5,500; assistant majority floor leaders, $3,500; majority caucus chair, $5,500; assistant majority caucus chairs, $1,500;

appropriations committee chair, $5,500; tax and fiscal policy committee chair, $5,500; appropriations committee ranking majority member, $2,000; tax and fiscal policy committee ranking majority member, $2,000; majority whip, $4,000; assistant majority whip, $2,000; minority floor leader, $6,000; minority leader emeritus, $1,500; minority caucus chair, $5,000; minority assistant floor leader, $5,000; appropriations committee ranking minority member, $2,000; tax and fiscal policy committee ranking minority member, $2,000; minority whip(s), $2,000; assistant minority caucus chair(s), $1,000; agriculture and small business committee chair, $1,000; commerce, public policy, and interstate cooperation committee chair, $1,000; corrections, criminal, and civil matters committee chair, $1,000; education and career development chair, $1,000; elections committee chair, $1,000; energy and environmental affairs committee chair, $1,000; pensions and labor committee chair, $1,000; health and provider services committee chair, $1,000; homeland security, transportation, and veterans affairs committee chair, $1,000; insurance and financial institutions committee chair, $1,000; judiciary committee chair, $1,000; local government committee chair, $1,000; utilities and technology committee chair, $1,000; and natural resources committee chair, $1,000. If an officer fills more than one leadership position, the officer shall be paid for the higher paid position.

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	**9,989,200**	**10,388,768**

LEGISLATOR AND LAY MEMBER TRAVEL

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**700,000**	**750,000**	

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 2009-2011 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			**225,000**

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
PRINTING AND DISTRIBUTION			
Total Operating Expense	**939,400**	**975,000**	

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 116th general assembly, the supplements to the Indiana Code for fiscal years 2009-2010 and 2010-2011, 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	**149,702**	**155,000**	
NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES			
Other Operating Expense	**199,031**	**207,019**	
NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ANNUAL DUES			
Other Operating Expense	**10,000**	**10,000**	
REAPPORTIONMENT SUPPORT AND SERVICES			
Total Operating Expense			**250,000**

If the above appropriation for reapportionment support and services is insufficient to pay all of the necessary expenses incurred, there is appropriated such further sums as may be necessary to pay such expenses.

FOR THE INDIANA LOBBY REGISTRATION COMMISSION			
Total Operating Expense	**271,910**	**271,910**	

B. JUDICIAL

FOR THE SUPREME COURT			
Personal Services	**7,721,165**	**7,721,165**	
Other Operating Expense	**2,195,069**	**2,195,069**	

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	**57,146,053**	**57,146,053**	
Other Operating Expense	**39,000**	**39,000**	
COUNTY PROSECUTORS' SALARIES			
Personal Services	**24,785,126**	**24,785,126**	
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 116th general assembly.

TRIAL COURT OPERATIONS		
Total Operating Expense	**596,075**	**596,075**
INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY		
Total Operating Expense	**778,750**	**778,750**

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		
Total Operating Expense	**9,850,000**	**9,850,000**

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		
Total Operating Expense	**2,970,248**	**2,970,248**

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	**1,500,000**	**1,500,000**

The above funds include the appropriation provide in IC 33-24-12-7.

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

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	**380,996**	**380,996**
FOR THE COURT OF APPEALS		
Personal Services	**9,307,301**	**9,307,301**
Other Operating Expense	**1,083,440**	**1,083,440**

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

FOR THE TAX COURT		
Personal Services	**549,418**	**549,418**
Other Operating Expense	**123,595**	**123,595**
FOR THE JUDICIAL CENTER		
Personal Services	**1,833,579**	**1,833,579**
Other Operating Expense	**1,240,419**	**1,240,419**

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

DRUG AND ALCOHOL PROGRAMS FUND		
Total Operating Expense	**299,010**	**299,010**

The above funds are appropriated under IC 33-37-7-9 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		
Total Operating Expense	**200,000**	**200,000**
FOR THE PUBLIC DEFENDER		
Personal Services	**6,133,410**	**6,133,410**
Other Operating Expense	**1,031,506**	**1,031,506**
FOR THE PUBLIC DEFENDER COUNCIL		
Personal Services	**943,769**	**943,769**
Other Operating Expense	**420,328**	**420,328**
FOR THE PROSECUTING ATTORNEYS' COUNCIL		
Personal Services	**638,099**	**638,099**
Other Operating Expense	**577,177**	**577,177**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
DRUG PROSECUTION			
Drug Prosecution Fund (IC 33-39-8-6)			
Total Operating Expense	**79,000**	**109,000**	
Augmentation allowed.			
FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND			
JUDGES' RETIREMENT FUND			
Other Operating Expense	**11,474,961**	**12,048,709**	
PROSECUTORS' RETIREMENT FUND			
Other Operating Expense	**170,000**	**170,000**	
C. EXECUTIVE			
FOR THE GOVERNOR'S OFFICE			
Personal Services	**1,902,269**	**1,902,269**	
Other Operating Expense	**153,976**	**153,976**	
GOVERNOR'S RESIDENCE			
Total Operating Expense	**136,858**	**136,858**	
GOVERNOR'S CONTINGENCY FUND			
Total Operating Expense			**153,358**
Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.			
GOVERNOR'S FELLOWSHIP PROGRAM			
Total Operating Expense	**265,205**	**265,205**	
FOR THE WASHINGTON LIAISON OFFICE			
Total Operating Expense	**242,500**	**242,500**	
FOR THE LIEUTENANT GOVERNOR			
Personal Services	**1,725,210**	**1,725,210**	
Other Operating Expense	**550,115**	**550,115**	
CONTINGENCY FUND			
Total Operating Expense			**12,388**
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	**2,197,658**	**2,197,658**	
Other Operating Expense	**200,500**	**150,500**	
The above appropriation for other operating expense for FY 2010 includes $50,000 for web-based redistricting software.			
FOR THE ATTORNEY GENERAL			
ATTORNEY GENERAL			

From the General Fund
15,128,969 15,128,969
From the Motor Vehicle Odometer Fund (IC 9-29-1-5)
90,000 90,000
Augmentation allowed.
From the Medicaid Fraud Control Unit Fund (IC 4-6-10-1)
542,447 542,447
Augmentation allowed.
From the Address Confidentiality Fund (IC 5-26.5-3-6)
59,929 59,929
Augmentation allowed.
From the Real Estate Appraiser Investigative Fund (IC 25-34.1-8-7.5)
64,230 64,230
Augmentation allowed.
From the Consumer Protection Division Telephone Solicitation Fund (IC 24-4.7-3-6)
116,678 116,678
Augmentation allowed.
From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)
494,467 494,467
Augmentation allowed.
From the Abandoned Property Fund (IC 32-34-1-33)
318,968 318,968
Augmentation allowed.

The amounts specified from the General Fund, motor vehicle odometer fund, medicaid fraud control unit fund, address confidentiality fund, non-consumer settlements fund, real estate appraisers investigative fund, tobacco master settlement fund, and abandoned property fund are for the following purposes:

Personal Services	**15,690,686**	**15,690,686**
Other Operating Expense	**1,125,002**	**1,125,002**

HOMEOWNER PROTECTION UNIT
Homeowner Protection Unit Account (IC 4-6-12-9)

Total Operating Expense	**422,000**	**422,000**

MEDICAID FRAUD UNIT

Total Operating Expense	**829,789**	**829,789**

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

UNCLAIMED PROPERTY
Abandoned Property Fund (IC 32-34-1-33)

Personal Services	**1,347,951**	**1,347,951**
Other Operating Expense	**3,163,434**	**3,163,434**

Augmentation allowed.

D. FINANCIAL MANAGEMENT

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
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	**140,246**	**140,246**	

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	**20,581,483**	**20,581,483**	
Other Operating Expense	**1,178,717**	**1,178,717**	
FOR THE STATE BUDGET COMMITTEE			
Total Operating Expense	**54,126**	**54,126**	

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	**1,000,227**	**1,000,227**	
Other Operating Expense	**153,095**	**153,095**	
FOR THE STATE BUDGET AGENCY			
Personal Services	**2,729,047**	**2,729,047**	
Other Operating Expense	**639,093**	**639,093**	
DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND			
Total Operating Expense			**10,000,000**

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

JUDICIAL TECHNOLOGY AND AUTOMATION PROJECT			
Judicial Technology and Automation Fund (IC 33-24-6-12)			
Total Operating Expense	**5,000,000**	**5,000,000**	
Augmentation Allowed.			
OUTSIDE BILL CONTINGENCY			
Total Operating Expense			**1**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

PERSONAL SERVICES/FRINGE BENEFITS CONTINGENCY FUND
Total Operating Expense **66,750,000**

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 may be used only for salary increases, fringe benefit increases, an employee leave conversion program, or a state retiree health program for state employees and may not be used for any other purpose.

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.

STATE RETIREE HEALTH BENEFIT TRUST FUND
State Employee Retiree Health Benefit Trust Fund (IC 5-10-8-8.5)
Total Operating Expense **64,400,000**
Augmentation Allowed.

The foregoing appropriation for the state retiree health plan:

(1) is to fund employer contributions and benefits provided under IC 5-10-8.5;
(2) does not revert at the end of any state fiscal year but remains available for the purposes of the appropriation in subsequent state fiscal years; and
(3) 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.

The budget agency may transfer appropriations from federal or dedicated funds to the trust fund to accrue funds to pay benefits to employees that are not paid from the general fund.

COMPREHENSIVE HEALTH INSURANCE ASSOCIATION STATE SHARE
Total Operating Expense **77,000,000**
Augmentation Allowed.

SCHOOL AND LIBRARY INTERNET CONNECTION
Build Indiana Fund (IC 4-30-17)
Total 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 **3,000,000**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND
PUBLIC SAFETY PENSION

Total Operating Expense	**96,000,000**	**112,000,000**

FOR THE TREASURER OF STATE

Personal Services	**817,630**	**817,630**
Other Operating Expense	**52,476**	**52,476**

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

From the General Fund
48,831,936 48,831,936
From the Motor Carrier Regulation Fund (IC 8-2.1-23)
794,261 794,261
From the 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	**37,103,377**	**37,103,377**
Other Operating Expense	**14,972,254**	**14,972,254**

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	**4,500,000**	**4,500,000**

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.

MOTOR CARRIER REGULATION

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

Personal Services	**1,744,843**	**1,744,843**
Other Operating Expense	**3,797,857**	**3,797,857**

Augmentation allowed from the Motor Carrier Regulation Fund.

MOTOR FUEL TAX DIVISION

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

Personal Services	**7,041,830**	**7,041,830**
Other Operating Expense	**2,561,625**	**2,561,625**

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

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

	3,501,183	**3,501,183**

From the Gaming Investigations

	600,000	**600,000**

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

Personal Services	**3,288,542**	**3,288,542**
Other Operating Expense	**812,641**	**812,641**

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.

FOR THE INDIANA DEPARTMENT OF GAMING RESEARCH

Personal Services	**120,394**	**120,394**
Other Operating Expense	**104,312**	**104,312**

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

FOR THE INDIANA HORSE RACING COMMISSION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Personal Services	**2,126,562**	**2,126,562**
Other Operating Expense	**627,890**	**627,890**

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.

Augmentation allowed.

STANDARDBRED ADVISORY BOARD

Standardbred Horse Fund (IC 15-19-2-10)

Total Operating Expense	**193,500**	**193,500**

The foregoing appropriations to the standardbred advisory board are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9.

Augmentation allowed.

STANDARDBRED BREED DEVELOPMENT

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	**4,049,719**	**4,049,719**

Augmentation allowed.

THOROUGHBRED BREED DEVELOPMENT

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	**2,904,012**	**2,904,012**

Augmentation allowed.

QUARTER HORSE BREED DEVELOPMENT

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	**228,896**	**228,896**

Augmentation allowed.

FINGERPRINT FEES

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	**52,110**	**52,110**

Augmentation allowed.

GAMING INTEGRITY FUND - IHRC

Gaming Integrity Fund - IHRC (IC 4-35-8.7-3)

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

Augmentation allowed.

FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Personal Services	**3,927,361**	**3,926,359**
Other Operating Expense	**722,957**	**722,957**

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 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
DISTRESSED UNIT APPEAL BOARD			
Total Operating Expense	**20,600**	**20,600**	
FOR THE INDIANA BOARD OF TAX REVIEW			
Personal Services	**1,209,019**	**1,209,019**	
Other Operating Expense	**63,510**	**63,510**	
F. ADMINISTRATION			
FOR THE DEPARTMENT OF ADMINISTRATION			
Personal Services	**11,562,865**	**11,562,865**	
Other Operating Expense	**14,718,815**	**14,718,815**	
FOR THE STATE PERSONNEL DEPARTMENT			
Personal Services	**3,405,686**	**3,405,686**	
Other Operating Expense	**320,200**	**320,200**	

The department may establish an internal service fund to perform the functions of the department.

The state must provide a variety of healthcare plan options to the extent such plans are reasonably available and not restrict employees to health savings account plans.

FOR THE STATE EMPLOYEES APPEALS COMMISSION			
Personal Services	**169,653**	**169,653**	
Other Operating Expense	**10,086**	**10,086**	
FOR THE OFFICE OF TECHNOLOGY			
Total Operating Expense	**1,900,000**	**1,900,000**	
FOR THE COMMISSION ON PUBLIC RECORDS			
Personal Services	**1,325,220**	**1,325,220**	
Other Operating Expense	**141,446**	**141,446**	
FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR			
Personal Services	**153,041**	**153,041**	
Other Operating Expense	**3,688**	**3,688**	
FOR THE OFFICE OF FEDERAL GRANTS AND PROCUREMENT			
Total Operating Expense	**95,039**	**95,039**	
G. OTHER			
FOR THE COMMISSION ON UNIFORM STATE LAWS			
Total Operating Expense	**43,584**	**43,584**	
FOR THE OFFICE OF INSPECTOR GENERAL			
Personal Services	**1,212,488**	**1,212,488**	
Other Operating Expense	**229,383**	**229,383**	

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
STATE ETHICS COMMISSION			
Personal Services	**2,668**	**2,668**	
Other Operating Expense	**6,297**	**6,297**	
FOR THE SECRETARY OF STATE			
ELECTION DIVISION			
Personal Services	**701,510**	**701,510**	
Other Operating Expense	**196,242**	**196,242**	
VOTER LIST MAINTENANCE			
Total Operating Expense	**2,500,000**	**2,500,000**	

The secretary of state shall use federal funding available for voter list maintenance before using the above appropriations.

H. COMMUNITY SERVICES

FOR THE GOVERNOR'S OFFICE OF FAITH BASED & COMMUNITY INITIATIVES			
Personal Services	**240,327**	**240,327**	
Other Operating Expense	**50,225**	**50,225**	

SECTION 4. [EFFECTIVE JULY 1, 2009]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION			
CENTRAL OFFICE			
Personal Services	**9,376,633**	**9,376,633**	
Other Operating Expense	**4,258,981**	**4,258,981**	
TECHNOLOGY UPGRADES AND IMPROVEMENTS			
Correctional Facilities Calling System Fund (IC 5-22-23-7)			
Other Operating Expense	**1,900,000**	**1,900,000**	
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	**2,831,443**	**2,831,443**	
STAFF DEVELOPMENT AND TRAINING			
Personal Services	**1,084,457**	**1,084,457**	
Other Operating Expense	**132,885**	**132,885**	
PAROLE DIVISION			
Personal Services	**8,337,627**	**8,337,627**	
Other Operating Expense	**905,405**	**905,405**	
PAROLE BOARD			
Personal Services	**657,976**	**657,976**	
Other Operating Expense	**23,741**	**23,741**	

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
INFORMATION MANAGEMENT SERVICES			
Personal Services	**1,048,752**	**1,048,752**	
Other Operating Expense	**432,534**	**432,534**	
JUVENILE TRANSITION			
Personal Services	**662,692**	**662,692**	
Other Operating Expense	**908,545**	**908,545**	
COMMUNITY CORRECTIONS PROGRAMS			
Total Operating Expense			**71,000,000**

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.

Notwithstanding IC 4-13-2-19 and any other law, the above appropriation for community corrections programs does not revert to the general fund or another fund at the close of a state fiscal year but remains available in subsequent state fiscal years for the purposes of the appropriation.

DRUG PREVENTION AND OFFENDER TRANSITION			
Total Operating Expense	**206,824**	**206,824**	

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	**1,159,005**	**1,159,005**	
Other Operating Expense	**120,174**	**120,174**	
MEDICAL SERVICES			
Other Operating Expense	**76,130,153**	**86,032,783**	

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

DRUG ABUSE PREVENTION			
Corrections Drug Abuse Fund (IC 11-8-2-11)			
Personal Services	**740,000**	**740,000**	
Other Operating Expense	**2,600**	**2,600**	
Augmentation allowed.			
COUNTY JAIL MAINTENANCE CONTINGENCY FUND			
Other Operating Expense	**20,000,000**	**20,000,000**	

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 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.

FOOD SERVICES		
Total Operating Expense	**36,652,458**	**40,281,856**

FOR THE STATE BUDGET AGENCY

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 and addiction, the school for the blind and visually impaired, the school for the deaf, the division of disability and rehabilitative services, or the division of aging 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 and addiction, the school for the blind and visually impaired, the school for the deaf, the division of disability and rehabilitative services, the division of aging, 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	**134,554**	**134,554**
Other Operating Expense	**7,328**	**7,328**

FOR THE DEPARTMENT OF CORRECTION

INDIANA STATE PRISON		
Personal Services	**32,867,370**	**32,867,370**
Other Operating Expense	**6,751,252**	**6,751,252**
PENDLETON CORRECTIONAL FACILITY		
Personal Services	**27,299,395**	**27,299,395**
Other Operating Expense	**7,070,626**	**7,070,626**
CORRECTIONAL INDUSTRIAL FACILITY		
Personal Services	**20,245,770**	**20,245,770**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Other Operating Expense	**997,243**	**997,243**	
INDIANA WOMEN'S PRISON			
Personal Services	**8,612,523**	**8,612,523**	
Other Operating Expense	**1,059,099**	**1,059,099**	
PUTNAMVILLE CORRECTIONAL FACILITY			
Personal Services	**30,333,741**	**30,333,741**	
Other Operating Expense	**4,329,691**	**4,329,691**	
WABASH VALLEY CORRECTIONAL FACILITY			
Personal Services	**35,452,554**	**36,957,852**	
Other Operating Expense	**5,409,888**	**5,810,040**	
PLAINFIELD EDUCATION RE-ENTRY FACILITY			
Personal Services	**7,055,354**	**7,055,354**	
Other Operating Expense	**3,235,412**	**3,235,412**	
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Personal Services	**10,906,670**	**10,906,670**	
Other Operating Expense	**1,090,070**	**1,090,070**	
BRANCHVILLE CORRECTIONAL FACILITY			
Personal Services	**16,560,275**	**16,560,275**	
Other Operating Expense	**2,361,080**	**2,361,080**	
WESTVILLE CORRECTIONAL FACILITY			
Personal Services	**42,786,893**	**42,786,893**	
Other Operating Expense	**5,980,703**	**5,980,703**	
ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN			
Personal Services	**14,998,655**	**14,998,655**	
Other Operating Expense	**1,927,015**	**1,927,015**	
PLAINFIELD CORRECTIONAL FACILITY			
Personal Services	**22,950,007**	**22,950,007**	
Other Operating Expense	**2,619,303**	**2,619,303**	
RECEPTION AND DIAGNOSTIC CENTER			
Personal Services	**11,799,385**	**11,799,385**	
Other Operating Expense	**695,865**	**695,865**	
MIAMI CORRECTIONAL FACILITY			
Personal Services	**28,891,409**	**30,302,909**	
Other Operating Expense	**5,231,704**	**5,595,103**	
NEW CASTLE CORRECTIONAL FACILITY			
Other Operating Expense	**31,587,079**	**32,328,736**	
SOCIAL SERVICES BLOCK GRANT			
General Fund			
Total Operating Expense	**5,029,318**	**5,029,318**	
Work Release - Study Release Special Revenue Fund (IC 11-10-8-6.5)			
Total Operating Expense	**1,328,704**	**1,328,704**	
Augmentation allowed from Work Release - Study Release Special Revenue Fund and Social Services Block Grant.			
HENRYVILLE CORRECTIONAL FACILITY			
Personal Services	**2,355,124**	**2,355,124**	
Other Operating Expense	**271,599**	**271,599**	
CHAIN O' LAKES CORRECTIONAL FACILITY			
Personal Services	**1,743,782**	**1,743,782**	
Other Operating Expense	**261,355**	**261,355**	

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
MADISON CORRECTIONAL FACILITY			
Personal Services	**4,835,168**	**4,835,168**	
Other Operating Expense	**962,558**	**962,558**	
EDINBURGH CORRECTIONAL FACILITY			
Personal Services	**3,614,415**	**3,614,415**	
Other Operating Expense	**388,295**	**388,295**	
SOUTH BEND JUVENILE CORRECTIONAL FACILITY			
Personal Services	**4,739,483**	**4,739,483**	
Other Operating Expense	**2,826,481**	**2,826,481**	
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
Personal Services	**9,213,446**	**9,213,446**	
Other Operating Expense	**1,243,603**	**1,243,603**	
CAMP SUMMIT			
Personal Services	**2,258,110**	**2,258,110**	
Other Operating Expense	**217,833**	**217,833**	
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Personal Services	**15,807,771**	**15,807,771**	
Other Operating Expense	**1,633,941**	**1,633,941**	

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

From the General Fund

62,391,905 62,391,905

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

62,391,904 62,391,904

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

4,391,978 4,391,978

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	**115,028,075**	**115,028,075**
Other Operating Expense	**14,147,712**	**14,147,712**

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Augmentation allowed.			
STATE POLICE TRAINING			
State Police Training Fund (IC 5-2-8-5)			
Total Operating Expense	**502,875**	**502,875**	
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)			
	375,611	**375,611**	
From the Motor Vehicle Highway Account (IC 8-14-1)			
	6,783,078	**6,783,078**	
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	**10,572,562**	**10,572,562**
Other Operating Expense	**474,798**	**474,798**
ENFORCEMENT AID		
General Fund		
Total Operating Expense	**40,000**	**40,000**
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		
General Fund		
Total Operating Expense	**4,736,247**	**4,736,247**
Motor Vehicle Highway Account (IC 8-14-1)		
Total Operating Expense	**4,736,246**	**4,736,246**

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
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	**30,000**	**30,000**	
Augmentation allowed.			
DRUG INTERDICTION			
Drug Interdiction Fund (IC 10-11-7)			
Total Operating Expense	**273,420**	**273,420**	
Augmentation allowed.			
DNA SAMPLE PROCESSING FUND			
DNA Sample Processing Fund (IC 10-13-6-9.5)			
Total Operating Expense	**1,327,777**	**1,327,777**	
Augmentation allowed.			
FOR THE INTEGRATED PUBLIC SAFETY COMMISSION			
PROJECT SAFE-T			
Integrated Public Safety Communications Fund (IC 5-26-4-1)			
Total Operating Expense	**13,000,000**	**13,000,000**	
Augmentation allowed.			
FOR THE ADJUTANT GENERAL			
CAMP ATTERBURY MUSCATATUCK CENTER FOR COMPLEX OPERATIONS			
Personal Services	**653,456**	**653,456**	
Other Operating Expense	**362,134**	**362,134**	
ADJUTANT GENERAL FEDERAL COOP AGREEMENT			
Total Operating Expense	**9,653,699**	**9,653,699**	
BAER FIELD FEDERAL COOP AGREEMENT			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**370,161**	**370,161**	
HULMAN FIELD FEDERAL COOP AGREEMENT			
Total Operating Expense	**306,453**	**306,453**	
DISABLED SOLDIERS' PENSION			
Other Operating Expense	**1**	**1**	
Augmentation allowed.			
MUTC - MUSCATATUCK URBAN TRAINING CENTER			
Total Operating Expense	**1,386,906**	**1,386,906**	
HOOSIER YOUTH CHALLENGE ACADEMY			
Total Operating Expense	**1,148,948**	**1,148,948**	
GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND			
Total Operating Expense			**288,672**

The above appropriations for the 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	**427,253**	**427,253**	
DRUG ENFORCEMENT MATCH			
Total Operating Expense	**1,571,760**	**1,571,760**	
VICTIM AND WITNESS ASSISTANCE FUND			
Victim and Witness Assistance Fund (IC 5-2-6-14)			
Total Operating Expense	**629,689**	**629,689**	
Augmentation allowed.			
ALCOHOL AND DRUG COUNTERMEASURES			
Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)			
Total Operating Expense	**348,211**	**348,211**	
Augmentation allowed.			
STATE DRUG FREE COMMUNITIES FUND			
State Drug Free Communities Fund (IC 5-2-10-2)			
Total Operating Expense	**526,585**	**526,585**	
Augmentation allowed.			
INDIANA SAFE SCHOOLS			
General Fund			
Total Operating Expense	**1,497,756**	**1,497,756**	
Indiana Safe Schools Fund (IC 5-2-10.1-2)			
Total Operating Expense	**514,397**	**514,397**	
Augmentation allowed from Indiana Safe Schools Fund.			

Of the above appropriations for the Indiana safe schools program, $1,262,153 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.

CHILD RESTRAINT SYSTEM FUND			
Total Operating Expense	**100,000**	**100,000**	
COMMUNITY DRIVER TRAINING SCHOOLS & INSTRUCTION			
Motor Vehicle Highway Account (IC 8-14-1)			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**63,359**	**63,359**	
Augmentation allowed.			
OFFICE OF TRAFFIC SAFETY			
Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**575,778**	**575,778**	
Other Operating Expense	**13,211,355**	**13,211,355**	
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**	
SEXUAL ASSAULT VICTIMS' ASSISTANCE			
Sexual Assault Victims' Assistance Account (IC 5-2-6-23(h))			
Total Operating Expense	**49,000**	**49,000**	

Augmentation allowed. The full amount of the above appropriations shall be distributed to rape crisis centers in Indiana without any deduction of personal services or other operating expenses of any state agency.

VICTIMS OF VIOLENT CRIME ADMINISTRATION			
Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)			
Personal Services	**112,122**	**112,122**	
Other Operating Expense	**2,407,402**	**2,407,402**	
Augmentation allowed.			

FOR THE CORONERS' TRAINING BOARD

Coroners' Training and Continuing Education Fund (IC 4-23-6.5-8)			
Total Operating Expense	**361,229**	**361,229**	
Augmentation allowed.			

FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund			
	2,190,933	**2,190,933**	
From the Law Enforcement Training Fund (IC 5-2-1-13(b))			
	2,220,048	**2,220,048**	
Augmentation allowed from the Law Enforcement Training Fund.			

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

Personal Services	**3,608,441**	**3,608,441**	

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Other Operating Expense	**802,540**	**802,540**	
C. REGULATORY AND LICENSING			
FOR THE BUREAU OF MOTOR VEHICLES			
Motor Vehicle Highway Account (IC 8-14-1)			
Personal Services	**17,446,403**	**17,446,403**	
Other Operating Expense	**13,493,000**	**13,493,000**	
Augmentation allowed.			
LICENSE PLATES			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**5,600,000**	**5,600,000**	
Augmentation allowed.			
FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION			
Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)			
Total Operating Expense	**6,571,932**	**6,571,932**	
Augmentation allowed.			
STATE MOTOR VEHICLE TECHNOLOGY			
State Motor Vehicle Technology Fund (IC 9-29-16-1)			
Total Operating Expense	**5,261,692**	**5,261,692**	
Augmentation allowed.			
FOR THE DEPARTMENT OF LABOR			
Personal Services	**871,619**	**871,619**	
Other Operating Expense	**141,615**	**141,615**	
BUREAU OF MINES AND MINING			
Personal Services	**150,554**	**150,554**	
Other Operating Expense	**20,104**	**20,104**	
M.I.S. RESEARCH AND STATISTICS			
Personal Services	**207,354**	**207,354**	
Other Operating Expense	**22,360**	**22,360**	
OCCUPATIONAL SAFETY AND HEALTH			
Personal Services	**3,237,073**	**3,237,073**	
Other Operating Expense	**568,548**	**568,548**	

The above funds are appropriated to occupational safety and health 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.

EMPLOYMENT OF YOUTH			
Employment of Youth Fund (IC 20-33-3-42)			
Total Operating Expense	**183,555**	**183,555**	
Augmentation allowed.			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
INSAFE			
Special Fund for Safety and Health Consultation, Education, and Training Services (IC 22-8-1.1-48)			
Personal Services	**874,587**	**874,587**	
Other Operating Expense	**217,752**	**217,752**	
Augmentation allowed.			

Federal cost reimbursements for expenses attributable to INSafe appropriations shall be deposited into the special fund for safety and health consultation, education, and training services.

FOR THE DEPARTMENT OF INSURANCE			
Department of Insurance Fund (IC 27-1-3-28)			
Personal Services	**5,318,138**	**5,318,138**	
Other Operating Expense	**1,195,519**	**1,195,519**	
Augmentation allowed.			
BAIL BOND DIVISION			
Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)			
Personal Services	**171,597**	**171,597**	
Other Operating Expense	**8,832**	**8,832**	
Augmentation allowed.			
PATIENTS' COMPENSATION AUTHORITY			
Patients' Compensation Fund (IC 34-18-6-1)			
Personal Services	**490,135**	**490,135**	
Other Operating Expense	**1,346,870**	**1,346,870**	
Augmentation allowed.			
POLITICAL SUBDIVISION RISK MANAGEMENT			
Political Subdivision Risk Management Fund (IC 27-1-29-10)			
Personal Services	**44,195**	**44,195**	
Other Operating Expense	**782,960**	**782,960**	
Augmentation allowed.			
MINE SUBSIDENCE INSURANCE			
Mine Subsidence Insurance Fund (IC 27-7-9-7)			
Personal Services	**62,116**	**62,116**	
Other Operating Expense	**827,283**	**827,283**	
Augmentation allowed.			
TITLE INSURANCE ENFORCEMENT OPERATING			
Title Insurance Enforcement Fund (IC 27-7-3.6-1)			
Personal Services	**288,370**	**288,370**	
Other Operating Expense	**80,921**	**80,921**	
Augmentation allowed.			
FOR THE ALCOHOL AND TOBACCO COMMISSION			
Enforcement and Administration Fund (IC 7.1-4-10-1)			
Personal Services	**8,612,469**	**8,612,469**	
Other Operating Expense	**1,780,699**	**1,780,699**	
Augmentation allowed.			
ALCOHOLIC BEVERAGE ENFORCEMENT OFFICERS' TRAINING			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Alcoholic Beverage Commission Enforcement Officers' Training Fund (IC 5-2-8-8)			
Total Operating Expense	**4,200**	**4,200**	
Augmentation allowed.			
YOUTH TOBACCO EDUCATION AND ENFORCEMENT			
Richard D. Doyle Youth Tobacco Education and Enforcement Fund (IC 7.1-6-2-6)			
Total Operating Expense	**25,000**	**25,000**	
Augmentation allowed.			
FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS			
Financial Institutions Fund (IC 28-11-2-9)			
Personal Services	**6,972,935**	**6,972,935**	
Other Operating Expense	**1,518,119**	**1,518,119**	
Augmentation allowed.			
FOR THE PROFESSIONAL LICENSING AGENCY			
Personal Services	**4,669,317**	**4,669,317**	
Other Operating Expense	**867,325**	**867,325**	
PRENEED CONSUMER PROTECTION			
Preneed Consumer Protection Fund (IC 30-2-13-28)			
Total Operating Expense	**72,750**	**72,750**	
Augmentation allowed.			
BOARD OF FUNERAL AND CEMETERY SERVICE			
Funeral Service Education Fund (IC 25-15-9-13)			
Total Operating Expense	**4,850**	**4,850**	
Augmentation allowed.			
FOR THE CIVIL RIGHTS COMMISSION			
Personal Services	**1,916,298**	**1,916,298**	
Other Operating Expense	**270,632**	**270,632**	

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	**4,485,790**	**4,485,790**	
Other Operating Expense	**687,910**	**687,910**	
Augmentation allowed.			
EXPERT WITNESS FEES AND AUDIT			
Public Utility Fund (IC 8-1-6-1)			
Total Operating Expense			**1,503,500**
Augmentation allowed.			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
FOR THE UTILITY REGULATORY COMMISSION			
Public Utility Fund (IC 8-1-6-1)			
Personal Services	**6,729,019**	**6,729,019**	
Other Operating Expense	**1,917,752**	**1,917,752**	
Augmentation allowed.			
FOR THE WORKERS' COMPENSATION BOARD			
From the General Fund			
	1,918,782	**1,918,782**	
From the Workers' Compensation Supplemental Administration Fund (IC 22-3-5-6)			
	145,007	**145,007**	
Augmentation allowed.			
The amounts specified from the general fund and the workers' compensation supplemental administrative fund are for the following purposes:			
Personal Services	**1,927,761**	**1,927,761**	
Other Operating Expense	**136,028**	**136,028**	
FOR THE STATE BOARD OF ANIMAL HEALTH			
Personal Services	**4,021,557**	**4,021,557**	
Other Operating Expense	**865,228**	**865,228**	
INDEMNITY FUND			
Total Operating Expense			**9,700**
Augmentation allowed.			
MEAT & POULTRY INSPECTION			
Total Operating Expense	**1,884,049**	**1,884,049**	
FOR THE DEPARTMENT OF HOMELAND SECURITY			
FIRE AND BUILDING SERVICES			
From the Fire and Building Services Fund (IC 22-12-6-1)			
	15,251,362	**15,251,362**	
From the Medical Services Education Fund (IC 16-31-7-1)			
	23,437	**23,437**	
Augmentation allowed from the fire and building services fund and medical services education fund.			
The amounts specified from the fire and building services fund and medical services education fund are for the following purposes:			
Personal Services	**12,467,711**	**12,467,711**	
Other Operating Expense	**2,807,088**	**2,807,088**	
REGIONAL PUBLIC SAFETY TRAINING			
Regional Public Safety Training Fund (IC 10-15-3-12)			
Total Operating Expense	**1,902,047**	**1,902,047**	
Augmentation allowed.			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
EMERGENCY MANAGEMENT CONTINGENCY FUND			
Total Operating Expense	**221,645**	**221,645**	

The above appropriations for the emergency management contingency fund are made under IC 10-14-3-28.

PUBLIC ASSISTANCE			
Total Operating Expense	**1**	**1**	
HOMELAND SECURITY FUND - FOUNDATION			
Homeland Security Fund - Foundation (IC 10-15-3-1)			
Total Operating Expense	**224,423**	**224,423**	
Augmentation allowed.			
INDIANA EMERGENCY RESPONSE COMMISSION			
Emergency Planning and Right to Know Fund (IC 6-6-10-5 & IC 6-6-10-7)			
Total Operating Expense	**40,962**	**40,962**	
Augmentation allowed.			
STATE DISASTER RELIEF FUND			
State Disaster Relief Fund (IC 10-14-4-5)			
Total Operating Expense	**500,000**	**500,000**	
Augmentation allowed, not to exceed revenues collected from the public safety fee imposed by IC 22-11-14-12.			
Augmentation allowed from the general fund to match federal disaster relief funds.			
REDUCED IGNITION PROPENSITY STANDARDS FOR CIGARETTES FUND			
Reduced Ignition Propensity Standards for Cigarettes Fund (IC 22-14-7-22(a))			
Total Operating Expense	**80,000**	**80,000**	
Augmentation allowed.			
INDIANA INTELLIGENCE FUSION CENTER			
Total Operating Expense	**969,252**	**969,252**	
STATEWIDE FIRE AND BUILDING SAFETY EDUCATION FUND			
Statewide Fire and Building Safety Education Fund (IC 22-12-6-3)			
Total Operating Expense	**117,162**	**117,162**	
Augmentation allowed.			

SECTION 5. [EFFECTIVE JULY 1, 2009]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION			
Personal Services	**8,179,372**	**8,179,372**	
Other Operating Expense	**1,358,733**	**1,358,733**	
ENTOMOLOGY AND PLANT PATHOLOGY DIVISION			
Personal Services	**588,850**	**588,850**	
Other Operating Expense	**151,997**	**151,997**	
ENTOMOLOGY AND PLANT PATHOLOGY FUND			
Entomology and Plant Pathology Fund (IC 14-24-10-3)			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense			**662,868**
Augmentation allowed.			
ENGINEERING DIVISION			
Personal Services	**1,728,557**	**1,728,557**	
Other Operating Expense	**99,232**	**99,232**	
STATE MUSEUM			
Personal Services	**5,020,180**	**5,020,180**	
Other Operating Expense	**1,251,406**	**1,251,406**	
HISTORIC PRESERVATION DIVISION			
Personal Services	**755,246**	**755,246**	
Other Operating Expense	**70,346**	**70,346**	
HISTORIC PRESERVATION - FEDERAL			
Total Operating Expense	**32,559**	**32,559**	
STATE HISTORIC SITES			
Personal Services	**2,400,530**	**2,400,530**	
Other Operating Expense	**499,789**	**499,789**	

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

INDIANA FLOOD CONTROL SUMMIT			
Total Operating Expense	**5,000**	**0**	

The department of natural resources shall schedule, organize, and conduct an Indiana flood control summit for one (1) or more days in Indiana before November 1, 2009.

WABASH RIVER HERITAGE CORRIDOR			
Total Operating Expense	**80,246**	**80,246**	
OUTDOOR RECREATION DIVISION			
Personal Services	**615,004**	**615,004**	
Other Operating Expense	**41,931**	**41,931**	
NATURE PRESERVES DIVISION			
Personal Services	**923,068**	**923,068**	
Other Operating Expense	**46,569**	**46,569**	
WATER DIVISION			
Personal Services	**4,417,754**	**4,417,754**	
Other Operating Expense	**405,079**	**405,079**	

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.

DEER RESEARCH AND MANAGEMENT			
Deer Research and Management Fund (IC 14-22-5-2)			
Total Operating Expense	**189,160**	**189,160**	
Augmentation allowed.			
OIL AND GAS DIVISION			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Oil and Gas Fund (IC 6-8-1-27)			
Personal Services	**1,300,410**	**1,300,410**	
Other Operating Expense	**322,789**	**322,789**	
Augmentation allowed.			

STATE PARKS AND RESERVOIRS

From the General Fund

11,343,213 11,343,213

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

20,644,742 20,644,742

Augmentation allowed from the 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	**23,781,129**	**23,781,129**
Other Operating Expense	**8,206,826**	**8,206,826**

OFF-ROAD VEHICLE AND SNOWMOBILE FUND

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

Total Operating Expense	**291,001**	**291,001**

Augmentation allowed.

LAW ENFORCEMENT DIVISION

From the General Fund

9,936,748 9,936,748

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

13,381,894 13,381,894

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	**19,396,301**	**19,396,301**
Other Operating Expense	**3,922,341**	**3,922,341**

FISH AND WILDLIFE DIVISION

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

Personal Services	**13,124,471**	**13,124,471**
Other Operating Expense	**4,377,957**	**4,377,957**

Augmentation allowed.

FORESTRY DIVISION

From the General Fund

4,494,586 4,494,586

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

7,492,186 7,492,186

Augmentation allowed from the State Forestry Fund.

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Personal Services	**7,796,996**	**7,796,996**	
Other Operating Expense	**4,189,776**	**4,189,776**	

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			
Natural Resources Reclamation Division Fund (IC 14-34-14-2)			
Personal Services	**1,496,777**	**1,496,777**	
Other Operating Expense	**393,565**	**393,565**	
Augmentation allowed.			

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	**142,283**	**142,283**	
Augmentation allowed.			
LAKE AND RIVER ENHANCEMENT			
Lake and River Enhancement Fund (IC 6-6-11-12.5)			
Total Operating Expense			**4,603,882**
Augmentation allowed.			
CONSERVATION OFFICERS' MARINE ENFORCEMENT FUND			
Lake and River Enhancement Fund (IC 6-6-11-12.5)			
Total Operating Expense	**795,400**	**795,400**	
Augmentation allowed.			
HERITAGE TRUST			
Build Indiana Fund (IC 4-30-17)			
Total Operating Expense	**1,000,000**	**1,000,000**	

B. OTHER NATURAL RESOURCES

FOR THE WORLD WAR MEMORIAL COMMISSION			
Personal Services	**735,437**	**735,437**	
Other Operating Expense	**302,381**	**302,381**	

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	**998,999**	**998,999**

FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	**67,658**	**67,658**

FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	**58,751**	**58,751**

FOR THE KANKAKEE RIVER BASIN COMMISSION

Total Operating Expense	**67,658**	**67,658**

C. ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
ADMINISTRATION

From the General Fund		
	3,363,457	**3,363,457**
From the State Solid Waste Management Fund (IC 13-20-22-2)		
	66,480	**66,480**
From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)		
	57,475	**57,475**
From the Waste Tire Management Fund (IC 13-20-13-8)		
	101,519	**101,519**
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
	639,953	**639,953**
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
	608,752	**608,752**
From the Environmental Management Special Fund (IC 13-14-12-1)		
	88,128	**88,128**
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
	179,093	**179,093**
From the Asbestos Trust Fund (IC 13-17-6-3)		
	23,089	**23,089**
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
	51,616	**51,616**
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
	1,761,099	**1,761,099**

Augmentation allowed from the State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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 Underground Petroleum Storage Tank Excess Liability Trust Fund.

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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 Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	**5,241,508**	**5,241,508**
Other Operating Expense	**1,699,153**	**1,699,153**

LABORATORY CONTRACTS

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

Total Operating Expense	**461,424**	**461,424**

Augmentation allowed.

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

Total Operating Expense	**200,747**	**200,747**

Augmentation allowed.

OWQ LABORATORY CONTRACTS

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

Total Operating Expense	**340,470**	**340,470**

Augmentation allowed.

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

Total Operating Expense	**794,430**	**794,430**

Augmentation allowed.

NORTHWEST REGIONAL OFFICE

From the General Fund

	308,229	**308,229**

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

	6,760	**6,760**

From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

	5,844	**5,844**

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

	12,094	**12,094**

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

	143,845	**143,845**

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

	69,339	**69,339**

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

	10,760	**10,760**

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

	23,294	**23,294**

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

	5,190	**5,190**

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

	7,396	**7,396**

Augmentation allowed from the State Solid Waste Management Fund, Indiana

Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund are for the following purposes:

Personal Services	**255,609**	**255,609**
Other Operating Expense	**337,142**	**337,142**

NORTHERN REGIONAL OFFICE

From the General Fund

190,702 190,702

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

8,067 8,067

From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

6,972 6,972

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

12,143 12,143

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

118,951 118,951

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

74,143 74,143

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

11,395 11,395

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

21,336 21,336

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

4,290 4,290

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

6,050 6,050

Augmentation allowed from the State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage

Tank Trust Fund are for the following purposes:

Personal Services	**204,566**	**204,566**
Other Operating Expense	**249,483**	**249,483**

SOUTHWEST REGIONAL OFFICE

From the General Fund

152,909 152,909

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

16,615 16,615

From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

14,363 14,363

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

20,150 20,150

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

69,085 69,085

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

65,400 65,400

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

11,913 11,913

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

22,794 22,794

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

2,490 2,490

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

6,564 6,564

Augmentation allowed from the State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund are for the following purposes:

Personal Services	**200,171**	**200,171**
Other Operating Expense	**182,112**	**182,112**

LEGAL AFFAIRS

From the General Fund

493,113 493,113

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

8,168 8,168

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
	217,015	217,015	
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
	159,037	159,037	
From the Environmental Management Special Fund (IC 13-14-12-1)			
	19,518	19,518	
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
	36,872	36,872	
From the Asbestos Trust Fund (IC 13-17-6-3)			
	7,829	7,829	
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
	9,907	9,907	
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
	337,980	337,980	
Augmentation allowed from the 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 Underground Petroleum Storage Tank Excess Liability Trust Fund.			

The amounts specified from the General 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 Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	1,173,821	1,173,821
Other Operating Expense	115,618	115,618

ENFORCEMENT

From the General Fund		
	199,909	199,909
From the Waste Tire Management Fund (IC 13-20-13-8)		
	14,231	14,231
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
	55,898	55,898
From the Environmental Management Special Fund (IC 13-14-12-1)		
	15,847	15,847
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
	51,200	51,200
From the Asbestos Trust Fund (IC 13-17-6-3)		
	2,016	2,016
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
	17,255	17,255
Augmentation allowed from the Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, and Underground Petroleum Storage Tank Trust Fund.		

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

Personal Services	**289,276**	**289,276**
Other Operating Expense	**67,080**	**67,080**

INVESTIGATIONS

From the General Fund

173,097	**173,097**

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

6,622	**6,622**

From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

5,725	**5,725**

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

15,565	**15,565**

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

57,883	**57,883**

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

83,397	**83,397**

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

10,405	**10,405**

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

33,468	**33,468**

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

2,088	**2,088**

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

11,753	**11,753**

Augmentation allowed from the State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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, and Underground Petroleum Storage Tank Trust Fund are for the following purposes:

Personal Services	**330,556**	**330,556**
Other Operating Expense	**69,447**	**69,447**

MEDIA AND COMMUNICATIONS

From the General Fund

417,794	**417,794**

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

8,437 8,437
From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)
7,294 7,294
From the Waste Tire Management Fund (IC 13-20-13-8)
12,595 12,595
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)
73,727 73,727
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
64,768 64,768
From the Environmental Management Special Fund (IC 13-14-12-1)
9,757 9,757
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
20,693 20,693
From the Asbestos Trust Fund (IC 13-17-6-3)
2,657 2,657
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
6,208 6,208
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
211,660 211,660
Augmentation allowed from the State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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 Underground Petroleum Storage Tank Excess Liability Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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 Underground Petroleum Storage Tank Excess Liability Trust Fund, are for the following purposes:

Personal Services	**780,640**	**780,640**
Other Operating Expense	**54,950**	**54,950**

COMMUNITY RELATIONS
From the General Fund
480,081 480,081
From the State Solid Waste Management Fund (IC 13-20-22-2)
13,954 13,954
From the Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)
12,061 12,061
From the Waste Tire Management Fund (IC 13-20-13-8)
20,830 20,830
From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)
121,916 121,916
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
	107,104	107,104	
From the Environmental Management Special Fund (IC 13-14-12-1)			
	16,124	16,124	
From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
	34,215	34,215	
From the Asbestos Trust Fund (IC 13-17-6-3)			
	4,398	4,398	
From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
	10,260	10,260	
From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
	349,996	349,996	
Augmentation allowed from the State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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 Underground Petroleum Storage Tank Excess Liability Trust Fund.			

The amounts specified from the General Fund, State Solid Waste Management Fund, Indiana Recycling Promotion and Assistance 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 Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

Personal Services	1,080,148	1,080,148
Other Operating Expense	90,791	90,791
OHIO RIVER VALLEY WATER SANITATION COMMISSION		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	270,242	270,242
Augmentation allowed.		
OFFICE OF ENVIRONMENTAL RESPONSE		
Personal Services	3,000,468	3,000,468
Other Operating Expense	319,013	319,013
POLLUTION PREVENTION AND TECHNICAL ASSISTANCE		
Personal Services	1,456,036	1,456,036
Other Operating Expense	437,489	437,489
PCB INSPECTIONS		
Environmental Management Permit Operation Fund (IC 13-15-11-1)		
Total Operating Expense	30,562	30,562
Augmentation allowed.		
U.S. GEOLOGICAL SURVEY CONTRACTS		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	64,398	64,398
Augmentation allowed.		
STATE SOLID WASTE GRANTS MANAGEMENT		
State Solid Waste Management Fund (IC 13-20-22-2)		

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Personal Services	**391,814**	**391,814**	
Other Operating Expense	**337,443**	**337,443**	
Augmentation allowed.			
RECYCLING OPERATING			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Personal Services	**325,931**	**325,931**	
Other Operating Expense	**312,525**	**312,525**	
Augmentation allowed.			
RECYCLING PROMOTION AND ASSISTANCE PROGRAM			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Total Operating Expense	**770,000**	**770,000**	
Augmentation allowed.			
VOLUNTARY CLEAN-UP PROGRAM			
Voluntary Remediation Fund (IC 13-25-5-21)			
Personal Services	**739,322**	**739,322**	
Other Operating Expense	**179,935**	**179,935**	
Augmentation allowed.			
TITLE V AIR PERMIT PROGRAM			
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)			
Personal Services	**12,041,882**	**12,041,882**	
Other Operating Expense	**2,798,196**	**2,798,196**	
Augmentation allowed.			
WATER MANAGEMENT PERMITTING			
From the General Fund			
	1,923,612	**1,923,612**	
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
	4,867,843	**4,867,843**	
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	**6,136,065**	**6,136,065**
Other Operating Expense	**655,390**	**655,390**

SOLID WASTE MANAGEMENT PERMITTING			
From the General Fund			
	2,221,388	**2,221,388**	
From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
	3,409,461	**3,409,461**	
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	**5,310,601**	**5,310,601**
Other Operating Expense	**320,248**	**320,248**

CFO/CAFO INSPECTIONS

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**450,000**	**450,000**	

HAZARDOUS WASTE MANAGEMENT PERMITTING

From the General Fund

2,319,283 2,319,283

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

2,762,897 2,762,897

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	**4,156,730**	**4,156,730**	
Other Operating Expense	**925,450**	**925,450**	

SAFE DRINKING WATER PROGRAM

From the General Fund

371,290 371,290

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

2,421,272 2,421,272

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	**2,301,996**	**2,301,996**	
Other Operating Expense	**490,566**	**490,566**	

CLEAN VESSEL PUMPOUT

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

Total Operating Expense	**77,588**	**77,588**	

Augmentation allowed.

GROUNDWATER PROGRAM

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

Total Operating Expense	**122,150**	**122,150**	

Augmentation allowed.

UNDERGROUND STORAGE TANK PROGRAM

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

Total Operating Expense	**656,973**	**656,973**	

Augmentation allowed.

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

Total Operating Expense	**282,669**	**282,669**	

Augmentation allowed.

AIR MANAGEMENT OPERATING

From the General Fund

620,477 620,477

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

248,424 248,424

Augmentation allowed from the Environmental Management Special Fund.

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

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

Personal Services	**518,018**	**518,018**
Other Operating Expense	**350,883**	**350,883**
WATER MANAGEMENT NONPERMITTING		
Personal Services	**3,291,009**	**3,291,009**
Other Operating Expense	**719,538**	**719,538**
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	**2,963**	**2,963**
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	**5,924**	**5,924**
Augmentation allowed.		
LEAKING UNDERGROUND STORAGE TANKS		
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
Personal Services	**161,311**	**161,311**
Other Operating Expense	**31,718**	**31,718**
Augmentation allowed.		
CORE SUPERFUND		
Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
Total Operating Expense	**12,967**	**12,967**
Augmentation allowed.		
AUTO EMISSIONS TESTING PROGRAM		
Personal Services	**86,983**	**86,983**
Other Operating Expense	**5,672,829**	**5,672,829**

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	**1,425,495**	**1,425,495**
Other Operating Expense	**515,152**	**515,152**
Augmentation allowed.		
HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES		
Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
Personal Services	**141,408**	**141,408**
Other Operating Expense	**289,544**	**289,544**
Augmentation allowed.		
SUPERFUND MATCH		
Hazardous Substances Response Trust Fund (IC 13-25-4-1)		

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**511,675**	**511,675**	
Augmentation allowed.			
HOUSEHOLD HAZARDOUS WASTE			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Other Operating Expense	**278,293**	**278,293**	
Augmentation allowed.			
ASBESTOS TRUST - OPERATING			
Asbestos Trust Fund (IC 13-17-6-3)			
Personal Services	**415,391**	**415,391**	
Other Operating Expense	**132,292**	**132,292**	
Augmentation allowed.			
UNDERGROUND PETROLEUM STORAGE TANK - OPERATING			
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Personal Services	**874,215**	**874,215**	
Other Operating Expense	**42,446,857**	**42,446,857**	
Augmentation allowed.			
WASTE TIRE MANAGEMENT			
Waste Tire Management Fund (IC 13-20-13-8)			
Total Operating Expense	**563,887**	**563,887**	
Augmentation allowed.			
WASTE TIRE RE-USE			
Waste Tire Management Fund (IC 13-20-13-8)			
Total Operating Expense	**907,796**	**907,796**	
Augmentation allowed.			
VOLUNTARY COMPLIANCE			
Environmental Management Special Fund (IC 13-14-12-1)			
Personal Services	**293,070**	**293,070**	
Other Operating Expense	**170,394**	**170,394**	
Augmentation allowed.			
ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**961,315**	**961,315**	
Augmentation allowed.			
SMALL TOWN COMPLIANCE			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**58,200**	**58,200**	
Augmentation allowed.			
WETLANDS PROTECTION			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**22,148**	**22,148**	
Augmentation allowed.			
PETROLEUM TRUST - OPERATING			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Personal Services	**121,790**	**121,790**	
Other Operating Expense	**350,689**	**350,689**	
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, groundwater program, underground storage tank program, air management operating, asbestos trust operating, water management nonpermitting, 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	**308,690**	**308,690**
Other Operating Expense	**59,560**	**59,560**

SECTION 6. [EFFECTIVE JULY 1, 2009]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE		
Personal Services	**1,930,284**	**1,930,284**
Other Operating Expense	**456,387**	**456,387**
DISTRIBUTIONS TO FOOD BANKS		
Total Operating Expense	**300,000**	**300,000**
CLEAN WATER INDIANA		
Build Indiana Fund (IC 4-30-17)		
Total Operating Expense	**500,000**	**500,000**
Cigarette Tax Fund (IC 6-7-1-29.1)		
Total Operating Expense	**3,666,425**	**3,666,425**
Augmentation allowed.		
SOIL CONSERVATION DIVISION		
Cigarette Tax Fund (IC 6-7-1-29.1)		
Total Operating Expense	**1,862,216**	**1,862,216**
Augmentation allowed.		
GRAIN BUYERS AND WAREHOUSE LICENSING		
Grain Buyers and Warehouse Licensing Agency License Fee Fund (IC 26-3-7-6.3)		
Total Operating Expense	**165,050**	**165,050**
Augmentation allowed.		

B. COMMERCE

FOR THE LIEUTENANT GOVERNOR		
RURAL ECONOMIC DEVELOPMENT FUND		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**1,747,688**	**1,747,688**
OFFICE OF TOURISM		
General Fund		
	3,406,684	**3,406,684**
ARRA State Fiscal Stabilization Fund (Section 14002(b))		
	1,000,000	**1,000,000**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**4,406,684**	**4,406,684**	

Of the above appropriations, the office of tourism shall distribute $1,000,000 each year to the Indiana Sports Corporation to promote the hosting of amateur sporting events in Indiana cities. Funds may be released after review by the budget committee. The above appropriations include $1,000,000 for grants for local convention and visitors bureaus and other local organizations that exist to promote tourism. The office of tourism shall develop standards for application for grants and award of grants, including a local match requirement. The maximum amount of a grant is $50,000. Funds may be released only after review by the budget committee.

STATE ENERGY PROGRAM			
Total Operating Expense	**237,963**	**237,963**	
FOOD ASSISTANCE PROGRAM			
Total Operating Expense	**131,261**	**131,261**	
FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION			
ADMINISTRATIVE AND FINANCIAL SERVICES			
General Fund			
Total Operating Expense	**6,423,392**	**6,423,392**	
Training 2000 Fund (IC 5-28-7-5)			
Total Operating Expense	**185,630**	**185,630**	
Industrial Development Grant Fund (IC 5-28-25-4)			
Total Operating Expense	**52,139**	**52,139**	
21ST CENTURY RESEARCH & TECHNOLOGY FUND			
From the General Fund			
	22,375,000	**22,375,000**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))			
	12,500,000	**12,500,000**	
Total Operating Expense	**34,875,000**	**34,875,000**	
INTERNATIONAL TRADE			
Total Operating Expense	**1,297,049**	**1,297,049**	
ENTERPRISE ZONE PROGRAM			
Enterprise Zone Fund (IC 5-28-15-6)			
Total Operating Expense	**215,536**	**215,536**	
Augmentation allowed.			
LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/ REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION (LEDO/REDO) MATCHING GRANT PROGRAM			
Total Operating Expense			**1,713,990**
TRAINING 2000			
General Fund			
Total Operating Expense			**19,401,660**
Training 2000 Fund (IC 5-28-7-5)			
Total Operating Expense			**3,858,206**
Augmentation allowed.			
BUSINESS PROMOTION PROGRAM			
Total Operating Expense			**2,049,126**
TRADE PROMOTION PROGRAM			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Total Operating Expense	**167,791**	**167,791**	
BUSINESS DEVELOPMENT LOAN PROGRAM			
Total Operating Expense	**838,953**	**838,953**	
AG LOAN AND RURAL DEVELOP GUARANTEE FUND			
Economic Development Fund (IC 5-28-8-5)			
Total Operating Expense	**200,000**	**200,000**	
Augmentation allowed.			
ECONOMIC DEVELOPMENT GRANT AND LOAN PROGRAM			
General Fund			
Total Operating Expense			**1,006,744**
Economic Development Fund (IC 5-28-8-5)			
Total Operating Expense			**448,256**
Augmentation allowed.			
INDUSTRIAL DEVELOPMENT GRANT PROGRAM			
General Fund			
Total Operating Expense			**6,500,000**
Industrial Development Grant Fund (IC 5-28-25-4)			
Total Operating Expense			**4,500,000**
Augmentation allowed.			
TECHNOLOGY DEVELOPMENT GRANT PROGRAM			
Total Operating Expense	**1,894,410**	**1,894,410**	
FOR THE INDIANA FINANCE AUTHORITY (IFA)			
ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM			
Total Operating Expense			**2,097,382**
FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY			
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS			
Total Operating Expense	**1,000,000**	**1,000,000**	

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.).

MORTGAGE FORECLOSURE COUNSELING			
Home Ownership Education Fund (IC 5-20-1-27)			
Total Operating Expense	**2,000,000**	**2,000,000**	
Augmentation Allowed.			
FOR THE STATE BUDGET AGENCY			
MIDWEST INSTITUTE FOR NANOELECTRONICS DISCOVERY (MIND)			
ARRA State Fiscal Stabilization Fund (Section 14002(b))			
Total Operating Expense			**10,000,000**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
C. EMPLOYMENT SERVICES			
FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT			
ADMINISTRATION			
Total Operating Expense	**855,000**	**855,000**	
WOMEN'S COMMISSION			
Personal Services	**106,824**	**106,824**	
Other Operating Expense	**12,175**	**12,175**	
NATIVE AMERICAN INDIAN AFFAIRS COMMISSION			
Total Operating Expense	**90,211**	**90,211**	
COMMISSION ON HISPANIC/LATINO AFFAIRS			
Total Operating Expense	**124,235**	**124,235**	

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 STATE FAIR BOARD			
STATE FAIR			
Total Operating Expense	**2,119,124**	**2,119,124**	

SECTION 7. [EFFECTIVE JULY 1, 2009]

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 federal funds, 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.

INTERMODAL GRANT PROGRAM			
Public Mass Transportation Fund (IC 8-23-3-8)			
Total Operating Expense	**50,000**	**50,000**	
Augmentation allowed.			
RAILROAD GRADE CROSSING IMPROVEMENT			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**500,000**	**500,000**	
HIGH SPEED RAIL			
Industrial Rail Service Fund (IC 8-3-1.7-2)			
Matching Funds			**40,000**
Augmentation allowed.			
PUBLIC MASS TRANSPORTATION			
Public Mass Transportation Fund (IC 8-23-3-8)			
Total Operating Expense	**43,740,000**	**45,980,000**	

Augmentation allowed.

Any unencumbered amount remaining from this appropriation at the end of a state fiscal year remains available in subsequent state fiscal years for the purposes for which it is appropriated.

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	**256,703,031**	**252,219,117**
Other Operating Expense	**63,309,536**	**63,309,536**
HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT		
State Highway Fund (IC 8-23-9-54)		
Other Operating Expense	**8,800,000**	**18,000,000**

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	**63,000,000**	**70,000,000**

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;

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

(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)		
Right-of-Way Expense	**38,250,000**	**24,800,000**
Formal Contracts Expense	**47,181,225**	**72,307,207**
Consulting Services Expense	**18,600,000**	**24,736,741**
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 vehicle 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	**2,500,000**	**2,500,000**
STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM		
State Highway Road Construction Improvement Fund (IC 8-14-10-5)		
Lease Rental Payments Expense	**61,524,711**	**62,139,958**
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 shall be first used for payment of rentals and leases relating to projects under IC 8-14.5. If any funds remain, the funds may be used for the following purposes.
(1) road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
(3) relocation and modernization of existing roads; and
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

CROSSROADS 2000 PROGRAM		
Crossroads 2000 Fund (IC 8-14-10-9)		
Lease Rental Payment Expense	**46,142,787**	**38,517,564**
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 shall be first used for payment of rentals and leases relating to projects under IC 8-14-10-9. If any funds remain, the funds may be used for the following purposes:
(1) road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
(3) relocation and modernization of existing roads; and
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
MAJOR MOVES CONSTRUCTION PROGRAM			
Major Moves Construction Fund (IC 8-14-14-5)			
Formal Contracts Expense	**545,000,000**	**535,000,000**	
FEDERAL APPORTIONMENT			
Right-of-Way Expense	**174,250,000**	**113,100,000**	
Formal Contracts Expense	**426,642,292**	**502,792,291**	
Consulting Engineers Expense	**84,500,000**	**69,500,000**	
Highway Planning and Research	**12,807,708**	**12,807,709**	
Local Government Revolving Acct.	**266,000,000**	**266,000,000**	

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 2009-2011 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.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

There is appropriated to the department of transportation the following sums for the periods and purposes designated under the American Recovery and Reinvestment Act (ARRA) of 2009.

FOR THE DEPARTMENT OF TRANSPORTATION

Highway Capital Improvements	
Formal Contracts Expense	**440,000,000**
Augmentation allowed	
Transportation Enhancements	
Formal Contracts Expense	**20,000,000**
Augmentation allowed	
Highway Capital Improvements - Metro Planning Organizations, Cities, Towns, and Counties	**198,000,000**
Augmentation allowed	
Rural Transit Funds	**20,000,000**
Augmentation allowed	

As soon as practical after passage of this act, the department with the approval of the governor shall prepare a plan for the allocation and expenditure of the appropriations listed above. The plan shall list the projects to be funded. The department shall present the plan to the state budget committee for review under IC 4-12-1-11.5.

In preparing that portion of the plan for expenditure for Highway Capital Improvements and Transportation Enhancements, the department shall adhere to the following goals to the extent practical:

(1) The plan shall comply with all applicable federal statutes, rules, and policies as necessary to ensure eligibility for the maximum level of federal funding.
(2) The plan shall be designed to obligate the federal funds and begin construction

as soon as practical.
(3) The plan shall be designed to minimize the likelihood that any funding apportioned to Indiana will have to be returned to the federal government.
(4) The plan shall strive to make Indiana eligible for any increased funding that may become available as a result of reallocation from other states.
(5) The plan shall reasonably allocate funding to projects located across all areas of the state, with an emphasis on areas determined by the department to be economically distressed.
(6) The department may hold special lettings for contracts using the above appropriations. The department shall strive to limit each contract to a maximum of $10,000,000.
(7) The department shall strive to diversify the type of work using the above appropriations.

In preparing that portion of the plan for expenditure for Highway Capital Improvements - Local Government and Highway Capital Improvements - Metro Planning Organizations, Cities, Towns, and Counties, the department shall adhere to the following guidelines to the extent practical:

(1) The plan shall comply with all applicable federal statutes, rules, and policies as necessary to ensure eligibility for the maximum level of federal funding.
(2) The plan shall be designed to obligate the federal funds and begin construction as soon as practical.
(3) The plan shall be designed to minimize the likelihood that any funding apportioned to Indiana will have to be returned to the federal government.
(4) The plan shall strive to make Indiana eligible for any increased funding that may become available as a result of reallocation from other states.
(5) The plan shall reasonably allocate funds to projects located across all areas of the state. However, if the department cannot identify local government projects that can be obligated within the established time frames the department may allocate funds as necessary to fully obligate all federal funding.
(6) For Highway Capital Improvements for Metro Planning Organizations the plan shall include projects selected by the respective metropolitan planning organizations. However, if the metropolitan planning organizations cannot identify projects that can be obligated within the established time frames, the department may select alternate projects as necessary to fully obligate all federal funding.
(7) The department may hold special lettings for contracts using the above appropriations. The department shall strive to limit each contract for Highway Capital Improvements for Cities, Towns, and Counties to a maximum of $7,000,000.

The department shall establish reasonable policies and guidelines for cities, towns, and counties and metropolitan planning organizations to follow to help ensure reasonable access and timely obligation of funds. The department shall provide reasonable assistance to cities, towns, and counties and metropolitan planning organizations in meeting deadlines established to ensure timely obligation of funding.

If the governor finds that any of the above goals conflict with another goal, the governor shall determine the appropriate weight to give to each goal. Actions taken by the governor or the department with respect to allocation, obligation, or expenditure of the above appropriations before passage of this act is deemed to have satisfied the requirement for budget committee review providing such actions were taken to

conform to the plan or to comply with laws, policies, or direction issued by the United States Department of Transportation or any other federal agency as a condition to qualifying for the federal funds.

The department with the approval of the governor may adjust the above appropriations for Highway Capital Improvements, Transportation Enhancements, Highway Capital Improvements - Metropolitan Planning Organizations, Cities, Towns, and Counties as necessary to comply with federal law, policies, or direction established to ensure continuing eligibility for federal funding.

The department shall submit reports to the budget committee and legislative council by December 31 of 2009, 2010, and 2011 detailing the status of the appropriations and projects funded under the plan. The department may submit copies of reports required to be submitted to the federal government to fulfill this requirement.

The above appropriations do not revert but remain in effect until obligated.

SECTION 8. [EFFECTIVE JULY 1, 2009]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE STATE BUDGET AGENCY

INDIANA PRESCRIPTION DRUG PROGRAM		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**1,117,830**	**1,117,830**

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	**34,918,921**	**36,984,511**
FAMILY AND SOCIAL SERVICES ADMINISTRATION		
Total Operating Expense	**19,764,734**	**19,764,734**
OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION		
Total Operating Expense	**6,061,868**	**6,062,487**
MEDICAID ADMINISTRATION		
Total Operating Expense	**36,427,564**	**36,427,564**
MEDICAID - CURRENT OBLIGATIONS		
General Fund		
Total Operating Expense	**1,130,995,000**	**1,392,188,000**

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.

INDIANA CHECK-UP PLAN (EXCLUDING IMMUNIZATION)		
Indiana Check-Up Plan Trust Fund (IC 12-15-44.2-17)		
Total Operating Expense	**137,466,043**	**157,766,043**
HOSPITAL CARE FOR THE INDIGENT FUND		
Total Operating Expense	**63,000,000**	**63,000,000**
MEDICAID DISABILITY ELIGIBILITY EXAMS		
Total Operating Expense	**937,000**	**937,000**
MEDICAL ASSISTANCE TO WARDS (MAW)		
Total Operating Expense	**13,100,000**	**13,100,000**
MARION COUNTY HEALTH AND HOSPITAL CORPORATION		
Total Operating Expense	**40,000,000**	**40,000,000**
MENTAL HEALTH ADMINISTRATION		
Other Operating Expense	**4,059,047**	**4,059,047**

Two hundred seventy-five thousand dollars ($275,000) of the above appropriation for the state fiscal year beginning July 1, 2009, and ending June 30, 2010, and two hundred seventy-five thousand dollars ($275,000) of the above appropriation for the state fiscal year beginning July 1, 2010, and ending June 30, 2011, shall be distributed in the state fiscal year to neighborhood based community service programs.

CHILD PSYCHIATRIC SERVICES FUND		
Total Operating Expense	**20,423,760**	**20,423,760**
SERIOUSLY EMOTIONALLY DISTURBED		
Total Operating Expense	**15,975,408**	**15,975,408**
SERIOUSLY MENTALLY ILL		
General Fund		
Total Operating Expense	**91,046,702**	**91,046,702**
Mental Health Centers Fund (IC 6-7-1-32.1)		
Total Operating Expense	**4,311,650**	**4,311,650**
Augmentation allowed.		
COMMUNITY MENTAL HEALTH CENTERS		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**7,000,000**	**7,000,000**

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	**4,490,809**	**4,490,809**
MVOV CONFERENCE		
Gamblers' Assistance Fund (IC 4-33-12-6)		
Total Operating Expense	**199,763**	**199,763**
SUBSTANCE ABUSE TREATMENT		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**4,855,820**	**4,855,820**

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	**812,860**	**812,860**
PREVENTION		
Gamblers' Assistance Fund (IC 4-33-12-6)		
Total Operating Expense	**2,858,528**	**2,858,528**
Augmentation allowed.		
METHADONE DIVERSION CONTROL AND OVERSIGHT (MDCO) PROGRAM		
MDCO Fund (IC 12-23-18)		
Total Operating Expense	**243,486**	**243,486**
Augmentation allowed.		
DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM		
DMHA Youth Tobacco Reduction Support Program (IC 4-33-12-6)		
Total Operating Expense	**250,000**	**250,000**
Augmentation allowed.		
EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER		
Personal Services	**496,318**	**473,948**
Other Operating Expense	**123,252**	**123,252**
EVANSVILLE STATE HOSPITAL		
From the General Fund		
	20,276,654	**20,340,477**
From the Mental Health Fund (IC 12-24-14-4)		
	677,943	**678,778**
Augmentation allowed.		

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

Personal Services	**15,636,749**	**15,701,407**
Other Operating Expense	**5,317,848**	**5,317,848**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

LARUE CARTER MEMORIAL HOSPITAL

From the General Fund

22,483,147 22,534,726

From the Mental Health Fund (IC 12-24-14-4)

476,465 472,254

Augmentation allowed.

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

Personal Services	**16,020,593**	**16,067,961**
Other Operating Expense	**6,939,019**	**6,939,019**

LOGANSPORT STATE HOSPITAL

From the General Fund

40,772,672 40,769,722

From the Mental Health Fund (IC 12-24-14-4)

1,378,232 1,378,232

Augmentation allowed.

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

Personal Services	**32,407,597**	**32,404,647**
Other Operating Expense	**9,743,307**	**9,743,307**

MADISON STATE HOSPITAL

From the General Fund

16,403,876 16,402,626

From the Mental Health Fund (IC 12-24-14-4)

666,308 666,308

Augmentation allowed.

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

Personal Services	**13,135,516**	**13,134,266**
Other Operating Expense	**3,934,668**	**3,934,668**

RICHMOND STATE HOSPITAL

From the General Fund

37,112,498 37,096,244

From the Mental Health Fund (IC 12-24-14-4)

650,335 650,335

Augmentation allowed.

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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Personal Services	**29,512,684**	**29,496,430**	
Other Operating Expense	**8,250,149**	**8,250,149**	
PATIENT PAYROLL			
Total Operating Expense	**285,785**	**285,785**	

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.

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, 2009.

DIVISION OF FAMILY RESOURCES ADMINISTRATION			
Personal Services	**6,061,903**	**6,061,903**	
Other Operating Expense	**1,963,063**	**1,963,063**	
COMMISSION ON THE SOCIAL STATUS OF BLACK MALES			
Total Operating Expense	**173,179**	**173,179**	
CHILD CARE LICENSING FUND			
Division of Family Resources Child Care Fund (IC 12-17.2-2-3)			
Total Operating Expense	**100,000**	**100,000**	
Augmentation allowed.			
ELECTRONIC BENEFIT TRANSFER PROGRAM			
Total Operating Expense	**2,529,915**	**2,529,915**	

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	**56,464,688**	**56,464,688**	
INDIANA CLIENT ELIGIBILITY SYSTEM (ICES)			
Total Operating Expense	**7,402,387**	**7,402,387**	
IMPACT PROGRAM			
Total Operating Expense	**689,001**	**689,001**	
TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)			
Total Operating Expense	**31,776,757**	**31,776,757**	
IMPACT - TANF			
Total Operating Expense	**1,880,252**	**1,880,252**	
CHILD CARE & DEVELOPMENT FUND			
Total Operating Expense	**34,418,255**	**34,418,255**	

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.

BURIAL EXPENSES		
Total Operating Expense	**1,607,219**	**1,607,219**
DOMESTIC VIOLENCE PREVENTION AND TREATMENT		
General Fund		
Total Operating Expense	**1,734,014**	**1,734,014**
Domestic Violence Prevention and Treatment Fund (IC 12-18-4)		
Total Operating Expense	**1,115,590**	**1,115,590**
Augmentation allowed.		
SCHOOL AGE CHILD CARE PROJECT FUND		
Total Operating Expense	**955,780**	**955,780**
DIVISION OF AGING ADMINISTRATION		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Personal Services	**594,659**	**594,659**
Other Operating Expense	**852,751**	**852,751**

The above appropriations for the division of aging 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	**13,477,844**	**13,477,844**
C.H.O.I.C.E. IN-HOME SERVICES		
Total Operating Expense	**48,765,643**	**48,765,643**

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 may not exceed in the state fiscal year beginning July 1, 2009, and ending June 30, 2010, $12,900,000. After July 1, 2009, and before August 1, 2010, the office of the secretary (as defined in IC 12-7-2-135) shall submit a report to the legislative council in an electronic format under IC 5-14-6 and the governor in each July, October, January, and April specifying the number of persons on the waiting list for C.H.O.I.C.E. In-Home Services at the end of the month preceding the date of the report, a schedule indicating the length of time persons have been on the waiting list, a description of the conditions or problems that contribute to the waiting list, the plan in the next six (6) months after the end of the reporting period to reduce the waiting list, and any other information that is necessary or appropriate to interpret the information provided in the report.

The division of aging 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.

The foregoing appropriations for C.H.O.I.C.E. In-Home Services do not revert to the state general fund or any other fund at the close of any state fiscal year but remain available for the purposes of C.H.O.I.C.E. In-Home Services in subsequent state fiscal years.

OLDER HOOSIERS ACT		
Total Operating Expense	**1,573,446**	**1,573,446**
ADULT PROTECTIVE SERVICES		
Total Operating Expense	**1,956,528**	**1,956,528**
ADULT GUARDIANSHIP SERVICES		
Total Operating Expense	**477,135**	**477,135**
TITLE V EMPLOYMENT GRANT (OLDER WORKERS)		
Total Operating Expense	**229,034**	**229,034**
MEDICAID WAIVER		
Total Operating Expense	**322,275**	**322,275**
OBRA/PASSARR		
Total Operating Expense	**91,108**	**91,108**
TITLE III ADMINISTRATION GRANT		
Total Operating Expense	**252,163**	**252,163**
OMBUDSMAN		
Total Operating Expense	**310,124**	**310,124**
DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**360,764**	**360,764**
VOCATIONAL REHABILITATION SERVICES		
Personal Services	**3,525,457**	**3,525,457**
Other Operating Expense	**12,348,257**	**12,348,257**
AID TO INDEPENDENT LIVING		
Total Operating Expense	**46,927**	**46,927**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
INDIANAPOLIS RESOURCE CENTER FOR INDEPENDENT LIVING			
Total Operating Expense	**87,665**	**87,665**	
SOUTHERN INDIANA CENTER FOR INDEPENDENT LIVING			
Total Operating Expense	**87,665**	**87,665**	
ATTIC, INCORPORATED			
Total Operating Expense	**87,665**	**87,665**	
LEAGUE FOR THE BLIND AND DISABLED			
Total Operating Expense	**87,665**	**87,665**	
FUTURE CHOICES, INC.			
Total Operating Expense	**158,113**	**158,113**	
THE WABASH INDEPENDENT LIVING AND LEARNING CENTER, INC.			
Total Operating Expense	**158,113**	**158,113**	
INDEPENDENT LIVING CENTER OF EASTERN INDIANA			
Total Operating Expense	**158,113**	**158,113**	

FSSA shall use the above appropriations for Indianapolis Resource Center for Independent Living; Southern Indiana Center for Independent Living; Attic, Incorporated; League for the Blind and Disabled; Future Choices, Inc.; The Wabash Independent Living and Learning Center, Inc.; and Independent Living Center of Eastern Indiana to match federal funds so that total funding available for Indianapolis Resource Center for Independent Living; Southern Indiana Center for Independent Living; Attic, Incorporated; and League for the Blind and Disabled each totals $263,000 and funding available for Future Choices, Inc.; The Wabash Independent Living and Learning Center, Inc.; and Independent Living Center of Eastern Indiana each totals $474,000.

OFFICE OF DEAF AND HEARING IMPAIRED			
Personal Services	**185,104**	**185,104**	
Other Operating Expense	**131,670**	**131,670**	
BLIND VENDING OPERATIONS			
Total Operating Expense	**129,905**	**129,905**	
DEVELOPMENTAL DISABILITY RESIDENTIAL FACILITIES COUNCIL			
Personal Services	**2,970**	**2,970**	
Other Operating Expense	**12,038**	**12,038**	
OFFICE OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED			
Personal Services	**56,751**	**56,751**	
Other Operating Expense	**24,985**	**24,985**	
EMPLOYEE TRAINING			
Total Operating Expense	**6,112**	**6,112**	
BUREAU OF QUALITY IMPROVEMENT SERVICES - BQIS			
Total Operating Expense	**3,936,983**	**3,936,983**	
DAY SERVICES - DEVELOPMENTALLY DISABLED			
Other Operating Expense	**11,759,384**	**11,759,384**	
DIAGNOSIS AND EVALUATION			
Other Operating Expense	**400,125**	**400,125**	
FEDERAL EARLY INTERVENTION			
Total Operating Expense	**6,149,513**	**6,149,513**	
SUPPORTED EMPLOYMENT			
Other Operating Expense	**3,880,000**	**3,880,000**	

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
EPILEPSY PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Other Operating Expense	**463,758**	**463,758**	
CAREGIVER SUPPORT			
Other Operating Expense	**809,500**	**809,500**	
BDDS OPERATING			
General Fund			
Total Operating Expense	**5,286,709**	**5,286,709**	
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**1,869,887**	**1,869,887**	
Augmentation allowed.			
OASIS - OBJECTIVE ASSISTANCE SYSTEM FROM INDEPENDENT SERVICES			
Total Operating Expense	**5,529,000**	**5,529,000**	
CRISIS MANAGEMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**4,136,080**	**4,136,080**	
Augmentation allowed.			
OUTREACH - STATE OPERATING SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**2,232,973**	**2,232,973**	
Augmentation allowed.			
RESIDENTIAL SERVICES FOR DEVELOPMENTALLY DISABLED PERSONS			
General Fund			
Total Operating Expense	**93,996,290**	**93,996,290**	
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**15,229,000**	**15,229,000**	

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 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.

FOR THE DEPARTMENT OF CHILD SERVICES			
DEPARTMENT OF CHILD SERVICES - ADMINISTRATION			
Personal Services	**89,445,563**	**89,445,563**	
Other Operating Expense	**20,582,245**	**20,582,245**	
DEPARTMENT OF CHILD SERVICES - STATE ADMINISTRATION			
Personal Services	**14,689,383**	**14,689,383**	
Other Operating Expense	**3,636,219**	**3,636,219**	
CHILD WELFARE SERVICES STATE GRANTS			
General Fund			
Total Operating Expense	**7,500,000**	**7,500,000**	
Excise and Financial Institution Taxes			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
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	**5,598,019**	**5,598,019**	

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.

FAMILY AND CHILDREN FUND			
General Fund			
Total Operating Expense	**463,660,000**	**463,660,000**	
Family and Children Reimbursement (IC 31-40-1-3)			
Total Operating Expense	**8,782,173**	**8,782,173**	
Augmentation allowed.			
YOUTH SERVICE BUREAU			
Total Operating Expense	**1,528,000**	**1,528,000**	
PROJECT SAFEPLACE			
Total Operating Expense	**230,000**	**230,000**	
HEALTHY FAMILIES INDIANA			
Total Operating Expense	**6,826,935**	**6,826,935**	
CHILD WELFARE TRAINING			
Total Operating Expense	**1,729,473**	**1,729,473**	
SPECIAL NEEDS ADOPTION II			
Personal Services	**243,060**	**243,060**	
Other Operating Expense	**456,540**	**456,540**	
ADOPTION ASSISTANCE			
Total Operating Expense	**14,307,971**	**14,307,971**	
NON-RECURRING ADOPTION ASSISTANCE			
Total Operating Expense	**921,500**	**921,500**	
INDIANA SUPPORT ENFORCEMENT TRACKING (ISETS)			
Total Operating Expense	**4,804,602**	**4,804,602**	
CHILD PROTECTION AUTOMATION PROJECT (ICWIS)			
Total Operating Expense	**4,224,334**	**4,224,334**	
SOCIAL SERVICES BLOCK GRANT (SSBG)			
Total Operating Expense	**4,012,083**	**4,012,083**	

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

Division of Disability and Rehabilitative Services		
	343,481	**343,481**
Division of Family Resources		
	1,100,000	**1,100,000**
Division of Aging		
	687,396	**687,396**
Department of Child Services		
	289,352	**289,352**
Department of Health		

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
	296,504	296,504	
Department of Correction			
	1,295,350	1,295,350	

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH

Personal Services	21,315,999	21,315,999	
Other Operating Expense	7,885,840	7,885,840	

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.

The above appropriations for the state department of health include funds to establish a medical adverse events reporting system by making a grant to or an agreement with an appropriate agency.

AREA HEALTH EDUCATION CENTERS			
Total Operating Expense	1,387,500	1,387,500	
CANCER REGISTRY			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	610,647	610,647	
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.

SICKLE CELL			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	250,000	250,000	
AID TO COUNTY TUBERCULOSIS HOSPITALS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	96,883	96,883	

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	6,269,426	6,269,426	

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.

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
AIDS EDUCATION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Personal Services	**286,161**	**286,161**	
Other Operating Expense	**381,084**	**381,084**	
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	**58,121**	**58,121**	

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	**120,459**	**120,459**
Other Operating Expense	**957,968**	**957,968**

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	**190,000**	**190,000**
MATERNAL AND CHILD HEALTH SUPPLEMENT		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**190,000**	**190,000**
CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**86,490**	**86,490**
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	**215,543**	**215,543**
Augmentation allowed.		
CHILDREN WITH SPECIAL HEALTH CARE NEEDS		
Total Operating Expense	**13,862,070**	**13,862,070**
NEWBORN SCREENING PROGRAM		
Newborn Screening Fund (IC 16-41-17-11)		
Personal Services	**366,971**	**366,971**
Other Operating Expense	**2,294,672**	**2,294,672**
Augmentation allowed.		
RADON GAS TRUST FUND		
Radon Gas Trust Fund (IC 16-41-38-8)		
Total Operating Expense	**11,458**	**11,458**
Augmentation allowed.		

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
BIRTH PROBLEMS REGISTRY			
Birth Problems Registry Fund (IC 16-38-4-17)			
Personal Services	**62,071**	**62,071**	
Other Operating Expense	**62,389**	**62,389**	
Augmentation allowed.			
MOTOR FUEL INSPECTION PROGRAM			
Motor Fuel Inspection Fund (IC 16-44-3-10)			
Total Operating Expense	**174,464**	**174,464**	
Augmentation allowed.			
PROJECT RESPECT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**537,904**	**537,904**	
DONATED DENTAL SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
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			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**121,248**	**121,248**	
SPINAL CORD AND BRAIN INJURY			
Spinal Cord and Brain Injury Fund (IC 16-41-42.2-3)			
Total Operating Expense	**1,175,770**	**1,175,770**	
INDIANA CHECK-UP PLAN - IMMUNIZATIONS			
Indiana Check-Up Plan Trust Fund (IC 12-15-44.2-17)			
Total Operating Expense	**11,000,000**	**11,000,000**	
WEIGHTS AND MEASURES FUND			
Weights and Measures Fund (IC 16-19-5-4)			
Total Operating Expense	**22,824**	**22,824**	
Augmentation allowed.			
MINORITY EPIDEMIOLOGY			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**697,500**	**697,500**	
COMMUNITY HEALTH CENTERS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**15,000,000**	**15,000,000**	

Of the above appropriation for community health centers, $15,000,000 may be used for capital projects.

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.

INDIANA HEALTH INFORMATICS CORPORATION		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**300,000**	**300,000**
SOLDIERS' AND SAILORS' CHILDREN'S HOME		
Personal Services	**8,463,872**	**1**
Other Operating Expense	**1,229,925**	**1**

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	**14,500,000**	**14,500,000**

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 AND VISUALLY IMPAIRED

Personal Services	**10,525,311**	**10,524,650**
Other Operating Expense	**1,028,728**	**1,029,396**

FOR THE INDIANA SCHOOL FOR THE DEAF

Personal Services	**16,817,364**	**16,822,021**
Other Operating Expense	**1,959,367**	**1,959,367**

C. VETERANS' AFFAIRS

FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Personal Services	**538,944**	**538,944**	
Other Operating Expense	**80,108**	**80,108**	
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			
Military Family Relief Fund (IC 10-17-12-8)			
Total Operating Expense	**450,000**	**450,000**	

INDIANA VETERANS' HOME

From the General Fund

12,815,594 12,815,594

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

9,381,362 9,381,362

Augmentation allowed from the Veterans' Home 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	**16,956,676**	**16,956,676**
Other Operating Expense	**5,240,280**	**5,240,280**
COMFORT AND WELFARE PROGRAM		
Comfort-Welfare Fund (IC 10-17-9-7(c))		
Total Operating Expense	**10,127,221**	**10,127,221**

Augmentation allowed.

SECTION 9. [EFFECTIVE JULY 1, 2009]

EDUCATION

A. HIGHER EDUCATION

FOR INDIANA UNIVERSITY

BLOOMINGTON CAMPUS

From the General Fund

200,180,174 200,180,174

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

2,022,022 2,022,022

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense	**202,202,196**	**202,202,196**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

From the General Fund
26,901,091 40,317,272
Fee Replacement 26,901,091 40,317,272

FOR INDIANA UNIVERSITY REGIONAL CAMPUSES
EAST
From the General Fund
8,238,916 8,238,916
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))
83,221 83,221
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:
Total Operating Expense 8,322,137 8,322,137

From the General Fund
1,896,844 1,400,591
Fee Replacement 1,896,844 1,400,591

KOKOMO
From the General Fund
10,709,280 10,709,280
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))
108,175 108,175
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:
Total Operating Expense 10,817,455 10,817,455

From the General Fund
2,103,973 1,553,532
Fee Replacement 2,103,973 1,553,532

NORTHWEST
From the General Fund
17,880,683 17,880,683
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))
180,613 180,613
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:
Total Operating Expense 18,061,296 18,061,296

From the General Fund
3,899,173 2,879,072
Fee Replacement 3,899,173 2,879,072

SOUTH BEND
From the General Fund
23,003,647 23,003,647
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
	232,360	232,360	
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))			
	24,416	24,416	
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:			
Total Operating Expense	23,260,423	23,260,423	
From the General Fund			
	5,658,917	6,437,774	
Fee Replacement	5,658,917	6,437,774	
SOUTHEAST			
From the General Fund			
	20,640,314	20,640,314	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	208,488	208,488	
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))			
	136,025	265,227	
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:			
Total Operating Expense	20,984,827	21,114,029	
From the General Fund			
	5,048,022	3,811,038	
Fee Replacement	5,048,022	3,811,038	
TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES			
	100,053,067	97,657,347	
FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)			
HEALTH DIVISIONS			
From the General Fund			
	111,113,964	111,113,964	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	1,122,363	1,122,363	
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:			
Total Operating Expense	112,236,327	112,236,327	
From the General Fund			
	4,189,020	2,821,231	
Fee Replacement	4,189,020	2,821,231	
FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE ON THE CAMPUS OF THE UNIVERSITY OF SOUTHERN INDIANA			
From the General Fund			
	1,594,256	1,594,256	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
	16,105	16,105	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**1,610,361**	**1,610,361**	

THE CAMPUS OF INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE

From the General Fund			
	1,466,616	**1,466,616**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	14,814	**14,814**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**1,481,430**	**1,481,430**	

THE CAMPUS OF INDIANA UNIVERSITY-NORTHWEST

From the General Fund			
	2,083,528	**2,083,528**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	21,046	**21,046**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**2,104,574**	**2,104,574**	

THE CAMPUS OF PURDUE UNIVERSITY

From the General Fund			
	1,859,843	**1,859,843**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	18,786	**18,786**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**1,878,629**	**1,878,629**	

THE CAMPUS OF BALL STATE UNIVERSITY

From the General Fund			
	1,672,302	**1,672,302**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	16,892	**16,892**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**1,689,194**	**1,689,194**	

THE CAMPUS OF THE UNIVERSITY OF NOTRE DAME

From the General Fund			
	1,550,860	**1,550,860**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	15,665	**15,665**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**1,566,525**	**1,566,525**	

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

THE CAMPUS OF INDIANA STATE UNIVERSITY

From the General Fund

	1,848,960	1,848,960

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	18,676	18,676

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	1,867,636	1,867,636

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

From the General Fund

	82,478,446	82,478,446

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	833,116	833,116

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

	119,954	119,954

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense	83,431,516	83,431,516

From the General Fund

	20,004,544	13,472,705
Fee Replacement	20,004,544	13,472,705

TOTAL APPROPRIATIONS - IUPUI

	232,059,756	224,160,128

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

FOR INDIANA UNIVERSITY

OPTOMETRY EDUCATION

Total Operating Expense	29,000	1,500

ABILENE NETWORK OPERATIONS CENTER

From the General Fund

	858,615	858,615

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	8,673	8,673

The amounts specified from the General Fund and the American Recovery and Reinvestment

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

Act are for the following purpose:

Total Operating Expense **867,288** **867,288**

SPINAL CORD AND HEAD INJURY RESEARCH CENTER

Spinal Cord and Brain Injury Fund (IC 16-41-42.3-3)

Total Operating Expense **546,073** **546,073**

STATE DEPARTMENT OF TOXICOLOGY

Total Operating Expense **2,463,380** **2,463,380**

INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES

From the General Fund

2,554,860 **2,554,860**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

25,807 **25,807**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense **2,580,667** **2,580,667**

GEOLOGICAL SURVEY

From the General Fund

3,199,188 **3,199,188**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

32,316 **32,316**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense **3,231,504** **3,231,504**

LOCAL GOVERNMENT ADVISORY COMMISSION

From the General Fund

58,310 **58,310**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

589 **589**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense **58,899** **58,899**

I-LIGHT NETWORK OPERATIONS

From the General Fund

2,000,000 **2,000,000**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

2,000,000 **2,000,000**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense **4,000,000** **4,000,000**

The sums herein appropriated to the Indiana Higher Education Telecommunications System (IHETS) are in addition to all income of IHETS 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, 2009, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the directors of IHETS and may be expended for any necessary expenses of IHETS. 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 to IHETS include the employers' share of Social Security payments for IHETS employees under the public employees' retirement fund, or 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 IHETS employees covered by these retirement plans.

The directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

FOR PURDUE UNIVERSITY
WEST LAFAYETTE
From the General Fund
259,413,399 259,413,399
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))
2,620,338 2,620,338
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:
Total Operating Expense 262,033,737 262,033,737

From the General Fund
26,722,911 26,777,731
Fee Replacement 26,722,911 26,777,731

FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES
CALUMET
From the General Fund
27,930,577 27,930,577
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))
282,127 282,127
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))
209,264 346,305
The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:
Total Operating Expense 28,421,968 28,559,009

From the General Fund
1,491,261 1,692,654
Fee Replacement 1,491,261 1,692,654

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

NORTH CENTRAL

From the General Fund

11,850,126 11,850,126

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

119,698 119,698

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

410,997 697,412

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 12,380,821 12,667,236

From the General Fund

1 83,679

Fee Replacement 1 83,679

TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES

42,294,051 43,002,578

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

AT FORT WAYNE (IPFW)

From the General Fund

38,065,207 38,065,207

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

384,498 384,498

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

591,056 1,153,467

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 39,040,761 39,603,172

From the General Fund

5,995,241 5,980,642

Fee Replacement 5,995,241 5,980,642

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

From the General Fund

3,557,509 3,557,509

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

35,935 35,935

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense 3,593,444 3,593,444

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 21-46-3-5. Notwithstanding IC 21-46-3-4, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY

From the General Fund

	6,634,999	**6,634,999**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	67,021	**67,021**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**6,702,020**	**6,702,020**

COUNTY AGRICULTURAL EXTENSION EDUCATORS

From the General Fund

	7,460,686	**7,460,686**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	75,361	**75,361**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**7,536,047**	**7,536,047**

AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS

From the General Fund

	7,465,178	**7,465,178**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	75,406	**75,406**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**7,540,584**	**7,540,584**

CENTER FOR PARALYSIS RESEARCH

From the General Fund

	538,887	**538,887**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	5,444	**5,444**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**544,331**	**544,331**

UNIVERSITY-BASED BUSINESS ASSISTANCE

From the General Fund

	1,948,071	**1,948,071**

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

	19,678	**19,678**

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense 1,967,749 1,967,749

FOR INDIANA STATE UNIVERSITY

From the General Fund

76,142,019 76,142,019

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

769,112 769,112

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

0 703,611

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 76,911,131 77,614,742

From the General Fund

8,231,452 9,455,023

Fee Replacement 8,231,452 9,455,023

NURSING PROGRAM

From the General Fund

247,500 247,500

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

2,500 2,500

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 250,000 250,000

FOR UNIVERSITY OF SOUTHERN INDIANA

From the General Fund

39,983,554 39,983,554

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

403,875 403,875

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

578,861 802,094

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 40,966,290 41,189,523

From the General Fund

11,920,469 11,119,519

Fee Replacement 11,920,469 11,119,519

HISTORIC NEW HARMONY

From the General Fund

570,723 570,723

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

5,765 5,765

The amounts specified from the General Fund and the American Recovery and Reinvestment

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

Act are for the following purpose:

Total Operating Expense 576,488 576,488

FOR BALL STATE UNIVERSITY

From the General Fund

129,077,431 129,077,431

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

1,303,813 1,303,813

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

1,658,682 1,658,682

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 132,039,926 132,039,926

From the General Fund

11,543,674 14,296,955

Fee Replacement 11,543,674 14,296,955

ENTREPRENEURIAL COLLEGE

From the General Fund

990,000 990,000

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

10,000 10,000

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

1,000,000 1,000,000

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense 2,000,000 2,000,000

ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES

From the General Fund

4,407,399 4,407,399

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

44,514 44,514

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense 4,451,913 4,451,913

FOR VINCENNES UNIVERSITY

From the General Fund

38,577,469 38,577,469

From the ARRA State Fiscal Stabilization Fund (Section 14002(a))

389,672 389,672

From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

350,102 717,313

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense 39,317,243 39,684,454

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
From the General Fund			
	5,275,650	**5,952,097**	
Fee Replacement	**5,275,650**	**5,952,097**	

FOR IVY TECH COMMUNITY COLLEGE

From the General Fund			
	160,790,902	**160,790,902**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	1,624,151	**1,624,151**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))			
	7,996,186	**15,977,929**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purposes:

Total Operating Expense	**170,411,239**	**178,392,982**	

From the General Fund			
	26,656,511	**28,602,954**	
Fee Replacement	**26,656,511**	**28,602,954**	

VALPO NURSING PARTNERSHIP

From the General Fund			
	103,624	**103,624**	
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))			
	1,047	**1,047**	

The amounts specified from the General Fund and the American Recovery and Reinvestment Act are for the following purpose:

Total Operating Expense	**104,671**	**104,671**	

FT. WAYNE PUBLIC SAFETY TRAINING CENTER

From the General Fund			
Total Operating Expense	**1,000,000**	**1,000,000**	

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, and Ivy Tech Community College are in addition to all income of said institutions, 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, 2009, 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 may be expended for any necessary expenses of the respective institutions, 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 to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College, include the employers' share of Social Security payments for university 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's 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, and the trustees of Ivy Tech Community College are hereby authorized to accept federal grants, subject to IC 4-12-1.

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

FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND

Total Operating Expense	**2,340,683**	**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 STATE BUDGET AGENCY
MEDICAL EDUCATION CENTER EXPANSION
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

Total Operating Expense	**5,000,000**	**5,000,000**

The above appropriations for medical education center expansion are intended to help increase medical school class size by 30% on a statewide basis. The funds shall be used to help increase enrollment for years 1 and 2 and to provide clinical instruction for years 3 and 4. The funds shall be distributed to the nine existing medical education centers in proportion to the increase in enrollment for each center. The budget agency shall release the funds after a plan is submitted and favorably reviewed by the budget committee.

TECHNICAL ASSISTANCE AND ADVANCED MANUFACTURING
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

Total Operating Expense	**3,750,000**	**3,750,000**

The above appropriation for technical assistance and advanced manufacturing is intended to be used to expand post graduate pharmacy residency training and post graduate biomedical engineering specialization and for a technical assistance program for cost containment through the healthcare technology assistance program at Purdue University. Funds shall be released after favorable review by the budget committee.

CORE RESEARCH
From the ARRA State Fiscal Stabilization Fund (Section 14002(b))

Total Operating Expense	**11,250,000**	**11,250,000**

The above appropriations for core research are intended to fund facilities, equipment, researchers, and related expenses at Purdue University and Indiana University to conduct basic research in the core life sciences that are aligned with Indiana's major bioscience employment sectors. Those sectors include pharmaceutical, biotech, medical devices and equipment, orthopedics, and agricultural feedstock and chemicals. Funds shall

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

be released after favorable review by the budget committee. Purdue University and Indiana University shall report to the budget committee on the status of the program one (1) year after the funds are released.

FOR THE COMMISSION FOR HIGHER EDUCATION

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

STATEWIDE TRANSFER WEB SITE

Total Operating Expense	**644,293**	**644,293**

LEARN MORE INDIANA

Total Operating Expense	**1**	**1**

FOR THE DEPARTMENT OF ADMINISTRATION

ANIMAL DISEASE DIAGNOSTIC LABORATORY LEASE RENTAL

Total Operating Expense	**1,045,098**	**1,046,630**

ANIMAL DISEASE DIAGNOSTIC LABORATORY BSL-3 LEASE RENTAL

Total Operating Expense	**1**	**2,600,000**

COLUMBUS LEARNING CENTER LEASE PAYMENT

Total Operating Expense	**4,988,000**	**4,934,000**

FOR THE STATE BUDGET AGENCY

GIGAPOP PROJECT

Total Operating Expense	**771,951**	**771,951**

SOUTH CENTRAL EDUCATIONAL ALLIANCE - BEDFORD SERVICE AREA

Total Operating Expense	**403,172**	**403,172**

SOUTHEAST INDIANA EDUCATION SERVICES

Total Operating Expense	**709,130**	**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	**552,294**	**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	**887,973**	**887,973**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
MIDWEST HIGHER EDUCATION COMMISSION			
Total Operating Expense	**95,000**	**95,000**	
FOR THE STATE STUDENT ASSISTANCE COMMISSION			
Total Operating Expense	**1,073,337**	**1,073,337**	
FREEDOM OF CHOICE GRANTS			
General Fund			
Total Operating Expense	**47,583,031**	**47,583,031**	
ARRA State Fiscal Stabilization Fund (Section 14002(b))			
Total Operating Expense	**7,823,465**	**7,823,465**	
HIGHER EDUCATION AWARD PROGRAM			
General Fund			
Total Operating Expense	**139,515,254**	**139,515,254**	
ARRA State Fiscal Stabilization Fund (Section 14002(b))			
Total Operating Expense	**25,719,861**	**25,719,861**	
NURSING SCHOLARSHIP PROGRAM			
Total Operating Expense	**418,389**	**418,389**	
HOOSIER SCHOLAR PROGRAM			
Total Operating Expense	**404,500**	**404,500**	

For the higher education awards and freedom of choice grants made for the 2009-2011 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 2009-2011 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	**20,557,932**	**20,557,932**
PART-TIME STUDENT GRANT DISTRIBUTION		
Total Operating Expense	**5,462,100**	**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 21-12-3 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 for Needy Families (TANF) program (45 CFR 260 et seq.).

CONTRACT FOR INSTRUCTIONAL OPPORTUNITIES IN SOUTHEASTERN INDIANA		
Total Operating Expense	**458,253**	**458,253**
MINORITY TEACHER SCHOLARSHIP FUND		
Total Operating Expense	**415,919**	**415,919**
COLLEGE WORK STUDY PROGRAM		
Total Operating Expense	**837,719**	**837,719**
21ST CENTURY ADMINISTRATION		
Total Operating Expense	**2,102,648**	**2,102,648**
21ST CENTURY SCHOLAR AWARDS		
Total Operating Expense	**30,658,675**	**30,658,675**

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 for Needy Families (TANF) program (45 CFR 260 et seq.)

NATIONAL GUARD SCHOLARSHIP

Total Operating Expense	**2,874,264**	**2,874,264**

The above appropriations for national guard scholarship and any program reserves existing on June 30, 2009, shall be the total allowable state expenditure for the program in the 2009-2011 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.

INSURANCE EDUCATION SCHOLARSHIPS

Insurance Education Scholarship Fund (IC 21-12-9-5)

Total Operating Expense	**100,000**	**100,000**

Augmentation allowed.

The foregoing appropriations for higher education and the student assistance commission that are made from money received under the federal American Recovery and Reinvestment Act of 2009 (ARRA) are intended to be one (1) time appropriations.

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

Total Operating Expense	**3,144,762**	**3,144,762**

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 roundtable administrative expenses.

SUPERINTENDENT'S OFFICE

From the General Fund

	8,495,125	**8,495,125**

From the Professional Standards Fund (IC 20-28-2-8)

	395,000	**395,000**

Augmentation allowed from the Professional Standards Fund.

The amounts specified from the General Fund and the Professional Standards Fund are for the following purposes:

Personal Services	**5,895,372**	**5,895,372**
Other Operating Expense	**2,994,753**	**2,994,753**

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Of the foregoing appropriations for the Superintendent's Office, up to $140,000 is dedicated for the Center for Evaluation and Education Policy.

RILEY HOSPITAL		
Total Operating Expense	**27,900**	**27,900**
BEST BUDDIES		
Total Operating Expense	**250,000**	**250,000**
MOTORCYCLE OPERATOR SAFETY EDUCATION FUND		
Motorcycle Operator Safety Education Fund (IC 20-30-13-11)		
Personal Services	**154,388**	**154,388**
Other Operating Expense	**829,642**	**829,642**

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		
Motor Vehicle Highway Account (IC 8-14-1)		
Personal Services	**242,989**	**242,989**
Other Operating Expense	**30,405**	**30,405**
Augmentation allowed.		
EDUCATION LICENSE PLATE FEES		
Education License Plate Fees Fund (IC 9-18-31-6)		
Total Operating Expense	**141,200**	**141,200**
ACCREDITATION SYSTEM		
Personal Services	**566,462**	**566,462**
Other Operating Expense	**283,966**	**283,966**
SPECIAL EDUCATION (S-5)		
Total Operating Expense	**24,750,000**	**24,750,000**

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

SPECIAL EDUCATION EXCISE		
Alcoholic Beverage Excise Tax Funds (IC 20-35-4-4)		
Personal Services	**344,351**	**344,351**
Augmentation Allowed.		
CAREER AND TECHNICAL EDUCATION		
Personal Services	**1,390,117**	**1,390,117**
Other Operating Expense	**36,828**	**36,828**
ADVANCED PLACEMENT PROGRAM		
Other Operating Expense	**953,284**	**953,284**

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.

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
PRINCIPAL LEADERSHIP ACADEMY			
Personal Services	**320,632**	**320,632**	
Other Operating Expense	**142,204**	**142,204**	
EDUCATION SERVICE CENTERS			
Total Operating Expense	**2,205,223**	**2,205,223**	

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 2009-2010 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2008, and at least three dollars ($3) per student for fiscal year 2010-2011, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 2009. 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	**25,000**	**25,000**	

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

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 career and technical education 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			
Total Operating Expense	**6,381,650,000**	**6,497,650,000**	

The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, including special education preschool, career and technical education programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2009 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, any excess shall revert to the general 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.

The above appropriation for tuition support shall be distributed to guarantee a minimum of $2,750 per child enrolled in special education preschool programs from state sources for this purpose. It is the intent of the 2009 general assembly that the above appropriation for Special Education Preschool is the total allowable expenditure for the 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.

DISTRIBUTION FOR FISCAL STABILIZATION FUND GRANTS (IC 20-43-12)		
ARRA State Fiscal Stabilization Fund (Section 14002(a))		
Total Operating Expense	**166,550,000**	**272,750,000**

The above appropriations for fiscal stabilization fund grants are intended to be one-time grants to school corporations in addition to distributions for tuition support. The calendar year 2011 amount is to be distributed in the first six months of calendar year 2011.

LEVY REPLACEMENT GRANTS		
From the ARRA State Fiscal Stabilization Fund (Section 14002(a))		
Restore Reductions from Circuit Breaker		**156,695,000**
Augmentation Allowed		

The foregoing appropriations are to restore the level of funding for levy replacement grants for the school fiscal year beginning January 1, 2009, and ending December 31, 2009, and the school fiscal year beginning January 1, 2010, and ending December 31, 2010. The foregoing appropriation does not expire. The budget agency may adjust the three and fifty-four hundredths percent (3.54%) threshold and the calculation in IC 20-20-36.2-5, as added in HEA 1198-2009, and as amended by this act, based on the actual amount of funds available under the federal American Recovery and Reinvestment Act of 2009 for appropriation under this SECTION for levy replacement grants. The calendar year 2011 amount is to be distributed in the first six months of calendar year 2011. Levy replacement grants are intended to be one-time distributions for the FY 2009-2011 biennium.

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

It is the intent of the 2009 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 AND READING DIAGNOSTIC ASSESSMENT

Total Operating Expense	**4,720,000**	**4,720,000**

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

The foregoing appropriations may 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 nonpublic 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	**13,000,000**	**13,000,000**

It is the intent of the 2009 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

NATIONAL SCHOOL LUNCH PROGRAM

Total Operating Expense	**5,400,000**	**5,400,000**

MARION COUNTY DESEGREGATION COURT ORDER

Total Operating Expense	**18,000,000**	**18,000,000**

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	**39,000,000**	**39,000,000**

Before a school corporation or an accredited nonpublic school may receive a distribution under the textbook reimbursement program, the school corporation or accredited nonpublic 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	**58,500,000**	**58,500,000**

The above appropriations for full day kindergarten are available to school corporations and charter schools that apply to the department of education for funding of full day kindergarten. The amount available to a school corporation or charter school equals the amount appropriated divided by the total number of eligible pupils (as defined in IC 20-43-1-11) enrolled in full day kindergarten in all participating school corporations and charter schools in the current year, and then multiplied by the total number of eligible pupils (as defined in IC 20-43-1-11) enrolled in full day kindergarten in the school corporation or charter school in the current year, as determined on the initial count. However, a school corporation or charter school may not receive more than $1,132 dollars per student for full day kindergarten. A school corporation or charter school that is awarded a grant must provide to the department of education a financial report stating how the funds were spent. Any unspent funds at the end of the biennium must be returned to the state by the school corporation or charter school.

To provide full day kindergarten programs, a school corporation or charter school that determines there is inadequate space to offer a program in the school corporation's or charter school's existing facilities may offer the program in any suitable space located within the geographic boundaries of the school corporation or, in the case of a charter school, a location that is in the general vicinity of the charter school's existing facilities. A full day kindergarten program offered by a school corporation or charter school must meet the academic standards and other requirements of IC 20.

A school corporation or charter school that receives a grant must meet the academic standards and other requirements of IC 20.

In awarding grants from the above appropriations, the department of education may not refuse to make a grant to a school corporation or reduce the award that would otherwise be made to the school corporation because the school corporation used federal grants or loans, including Title I grants, to fund part or all of the school corporation's full day kindergarten program in a school year before the school year in which the grant will be given or because the school corporation intends to use federal grants or loans, including Title I grants, to fund part of the school corporation's full day kindergarten program in a school year in which the grant will be given.

The state board and department shall provide support to school corporations and charter schools in the development and implementation of child centered and learning focused programs using the following methods:

(1) Targeting professional development funds to provide teachers in kindergarten

through grade 3 education in:
(A) scientifically proven methods of teaching reading;
(B) the use of data to guide instruction; and
(C) the use of age appropriate literacy and mathematics assessments.
(2) Making uniform, predictively valid, observational assessments that:
(A) provide frequent information concerning the student's progress to the student's teacher; and
(B) measure the student's progress in literacy;
available to teachers in kindergarten through grade 3. Teachers shall monitor students participating in a program, and the school corporation or charter school shall report the results of the assessments to the parents of a child completing an assessment and to the department.
(3) Undertaking a longitudinal study of students in programs in Indiana to determine the achievement levels of the students in kindergarten and later grades.

TESTING AND REMEDIATION

Other Operating Expense	**39,000,000**	**39,000,000**

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.

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

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.

NON-ENGLISH SPEAKING PROGRAM

Other Operating Expense	**7,000,000**	**7,000,000**

The above appropriation for the Non-English Speaking Program is 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 2009 general assembly that the above appropriation for the Non-English Speaking Program is 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.

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
GIFTED AND TALENTED EDUCATION PROGRAM			
Personal Services	**211,348**	**211,348**	
Other Operating Expense	**12,788,801**	**12,788,801**	
DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION			
Total Operating Expense	**250,000**	**250,000**	

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

PRIMETIME			
Personal Services	**202,136**	**202,136**	
Other Operating Expense	**32,053**	**32,053**	
DRUG FREE SCHOOLS			
Personal Services	**52,361**	**52,361**	
Other Operating Expense	**20,093**	**20,093**	
PROFESSIONAL DEVELOPMENT DISTRIBUTION			
Other Operating Expense	**7,000,000**	**7,000,000**	

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

ALTERNATIVE EDUCATION			
Total Operating Expense	**6,380,319**	**6,380,319**	
SENATOR DAVID C. FORD EDUCATIONAL TECHNOLOGY PROGRAM (IC 20-20-13)			
General Fund			
Total Operating Expense	**6,000,000**	**6,000,000**	
Build Indiana Fund (IC 4-30-17)			
Total Operating Expense	**3,000,000**	**3,000,000**	

Of the above appropriations for the Senator David C. Ford Educational Technology Program, $825,000 shall be allocated each year to the buddy system. The department shall use the remaining funds to make grants to school corporations to promote student learning through the use of technology. Notwithstanding distribution guidelines in IC 20-20-13, the department shall develop guidelines for distribution of the grants. Up to $200,000 may be used each year to support the operation of the office of the special assistant to the superintendent of public instruction for technology.

PROFESSIONAL STANDARDS DIVISION			
General Fund			
	2,882,513	**2,882,513**	
Professional Standards Board Licensing Fund			
	1,000,000	**1,000,000**	

The amounts specified for the professional standards division are for the following purposes:

Personal Services	**2,243,571**	**2,243,571**	
Other Operating Expense	**1,638,942**	**1,638,942**	

Augmentation Allowed

The above appropriations for the professional standards division do not include funds to pay stipends for mentor teachers.

SCHOOL BUSINESS OFFICIALS ACADEMY

Total Operating Expense	**150,000**	**150,000**

The department shall make the foregoing appropriation for School Business Officials Academy available to the Indiana Association of School Business Officials to assist in the creation of an academy designed to strengthen the management and leadership skills of practicing Indiana school business officials.

PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	**1,750,000**	**1,750,000**

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, $250,000 each year shall be distributed equally among the eight radio stations.

FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND

POSTRETIREMENT PENSION INCREASES

Other Operating Expense	**58,190,084**	**60,517,687**

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	**629,116,164**	**654,280,810**

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.

D. OTHER EDUCATION

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD			
Personal Services	**587,688**	**587,688**	
Other Operating Expense	**52,720**	**52,720**	
FOR THE STATE LIBRARY			
Personal Services	**2,589,615**	**2,589,615**	
Other Operating Expense	**850,689**	**850,689**	
STATEWIDE LIBRARY SERVICES			
Total Operating Expense	**1,593,503**	**1,593,503**	

The foregoing appropriations for statewide library services will be used to provide services to libraries across the state. These services may include, but will not be limited to, programs including Wheels, I*Ask, and professional development. The state library shall identify statewide library services that are to be provided by a vendor. Those services identified by the library shall be procured through a competitive process using one or more requests for proposals covering the service.

LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES			
Other Operating Expense	**36,400**	**36,400**	
ACADEMY OF SCIENCE			
Total Operating Expense	**8,811**	**8,811**	
FOR THE ARTS COMMISSION			
Personal Services	**373,720**	**373,720**	
Other Operating Expense	**3,309,003**	**3,309,003**	

The foregoing appropriation to the arts commission includes $625,000 each year 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 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 arts commission and its regional re-granting partners.

FOR THE HISTORICAL BUREAU			
Personal Services	**361,055**	**361,055**	
Other Operating Expense	**10,479**	**10,479**	
HISTORICAL MARKER PROGRAM			
Total Operating Expense			**25,444**
FOR THE COMMISSION ON PROPRIETARY EDUCATION			
Personal Services	**299,783**	**299,783**	
Other Operating Expense	**22,040**	**22,040**	

SECTION 10. [EFFECTIVE JULY 1, 2009]

DISTRIBUTIONS

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
FOR THE AUDITOR OF STATE			
HEA 1001 (2008) HOMESTEAD CREDITS			
Total Operating Expense	**110,000,000**	**40,000,000**	

The above appropriations are for additional homestead credits for property taxes paid in 2009 and 2010.

GAMING TAX			
Total Operating Expense	**139,753,902**	**139,753,902**	

SECTION 11. [EFFECTIVE JULY 1, 2009]

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		
	2,557,290	**2,557,290**
SECONDARY VOCATIONAL PROGRAMS		
	14,318,661	**14,318,661**
POSTSECONDARY VOCATIONAL PROGRAMS		
	8,202,039	**8,202,039**
TECHNOLOGY - PREPARATION EDUCATION		
	2,463,650	**2,463,650**

SECTION 12. [EFFECTIVE JULY 1, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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

SECTION 19. [EFFECTIVE JULY 1, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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, 2009]

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 2009-2011 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 31. [EFFECTIVE JULY 1, 2009]

CONSTRUCTION

For the 2009-2011 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 and other projects as specified.

State General Fund - Lease Rentals	**328,620,484**
State General Fund - Construction	**104,834,276**
State Police Building Commission Fund (IC 9-29-1-4)	**3,200,000**
Law Enforcement Academy Building Fund (IC 5-2-1-13(a))	**330,727**
Cigarette Tax Fund (IC 6-7-1-29.1)	**3,600,000**
Veterans' Home Building Fund (IC 10-17-9-7)	**5,449,777**
Postwar Construction Fund (IC 7.1-4-8-1)	**34,411,484**
Regional Health Care Construction Account (IC 4-12-8.5)	**21,489,259**
Build Indiana Fund (IC 4-30-17)	**9,000,000**
State Highway Fund (IC 8-23-9-54)	**25,000,000**
American Recovery and Reinvestment Act	**63,570,098**
TOTAL	**599,506,105**

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 SENATE

Remodeling	**260,000**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
FOR THE STATE BUDGET AGENCY			
Health and Safety Contingency Fund			**5,000,000**
Aviation Technology Center			**2,471,771**
Airport Facilities Lease			**45,301,441**
Stadium Lease Rental			**82,000,000**
DEPARTMENT OF ADMINISTRATION - PROJECTS			
Preventive Maintenance			**7,841,835**
Repair and Rehabilitation			**5,335,000**
DEPARTMENT OF ADMINISTRATION - LEASES			
General Fund			
Lease - Government Center North			**27,872,783**
Lease - Government Center South			**34,073,925**
Lease - State Museum			**14,579,033**
Lease - McCarty Street Warehouse			**1,509,375**
Lease - Parking Garages			**10,428,265**
Lease - Toxicology Lab			**10,593,099**
Lease - Wabash Valley Correctional			**36,517,566**
Lease - Miami Correctional			**29,364,180**
Lease - Pendleton Juvenile Correctional			**10,217,237**
Lease - New Castle Correctional			**23,691,809**
Postwar Construction Fund (IC 7.1-4-8-1)			
Lease - Rockville Correctional			**10,783,470**
Lease - Miami Correctional			**1,500,000**
Lease - Wabash Valley Correctional			**1,500,000**
Regional Health Care Construction Account (IC 4-12-8.5)			
Lease - Evansville State Hospital			**5,462,562**
Lease - Southeast Regional Treatment			**10,358,654**
Lease - Logansport State Hospital			**5,668,043**
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			**2,185,000**
LAW ENFORCEMENT TRAINING BOARD			
Law Enforcement Academy Building Fund (IC 5-2-1-13(a))			
Preventive Maintenance			**330,727**
ADJUTANT GENERAL			
Preventive Maintenance			**250,000**
Land Acquistion			**4,000,000**
(2) CORRECTIONS			
DEPARTMENT OF CORRECTION - PROJECTS			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Preventive Maintenance			**76,828**
CORRECTIONAL UNITS			
Preventive Maintenance			**1,438,770**
STATE PRISON			
Preventive Maintenance			**954,492**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**2,298,000**
PENDLETON CORRECTIONAL FACILITY			
Preventive Maintenance			**1,257,064**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**3,465,000**
WOMEN'S PRISON			
Preventive Maintenance			**538,832**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**291,000**
NEW CASTLE CORRECTIONAL FACILITY			
Preventive Maintenance			**350,388**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**365,000**
PUTNAMVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**864,822**
Postwar Construction Fund (IC 7.1-4-8-1)			
Construct New Fire Station			**250,000**
Repair and Rehabilitation			**1,570,000**
PLAINFIELD EDUCATION RE-ENTRY FACILITY			
Preventive Maintenance			**322,804**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**740,000**
INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**395,510**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**212,500**
BRANCHVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**272,932**
WESTVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**806,330**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**2,300,000**
ROCKVILLE CORRECTIONAL FACILITY			
Preventive Maintenance			**357,296**
PLAINFIELD CORRECTIONAL FACILITY			
Preventive Maintenance			**663,704**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**1,054,000**
RECEPTION-DIAGNOSTIC CENTER			
Preventive Maintenance			**214,464**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**692,000**
CORRECTIONAL INDUSTRIAL FACILITY			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Preventive Maintenance			**584,172**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**1,853,000**
WABASH VALLEY CORRECTIONAL FACILITY			
Preventive Maintenance			**608,820**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**160,000**
CHAIN O' LAKES CORRECTIONAL FACILITY			
Preventive Maintenance			**76,828**
Postwar Construction Fund (IC 7.1-4-8-1)			
Construct New Maintenance Building			**180,000**
Construct New Dormitory			**320,000**
MADISON CORRECTIONAL FACILITY			
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**90,000**
MIAMI CORRECTIONAL FACILITY			
Preventive Maintenance			**664,560**
CAMP SUMMIT CORRECTIONAL FACILITY			
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**470,000**
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance			**228,738**
C. CONSERVATION AND ENVIRONMENT			
DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION			
Preventive Maintenance			**150,000**
Repair and Rehabilitation			**1,000,000**
FISH AND WILDLIFE			
Preventive Maintenance			**2,000,000**
Repair and Rehabilitation			**3,650,000**
FORESTRY			
Preventive Maintenance			**2,000,000**
Repair and Rehabilitation			**4,000,000**
MUSEUMS AND HISTORIC SITES			
Preventive Maintenance			**475,000**
Historic Sites Exhibits			**650,000**
Repair and Rehabilitation			**2,720,000**
NATURE PRESERVES			
Preventive Maintenance			**230,000**
Repair and Rehabilitation			**1,268,542**
OUTDOOR RECREATION			
Preventive Maintenance			**50,000**
Outdoor Rec. SCORP			**40,000**
Repair and Rehabilitation			**473,645**
STATE PARKS AND RESERVOIR MANAGEMENT			
Preventive Maintenance			**2,900,000**
Repair and Rehabilitation			**21,563,689**
State Parks Bond Payments			**917,028**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
Falls of the Ohio Lease			**364,000**
Cigarette Tax Fund (IC 6-7-1-29.1)			
Preventive Maintenance			**3,600,000**
DIVISION OF WATER			
Preventive Maintenance			**125,000**
Div. of Water Flood Plain Mapping			**400,000**
Repair and Rehabilitation			**2,425,000**
ENFORCEMENT			
Preventive Maintenance			**250,000**
STATE MUSEUM			
Preventive Maintenance			**762,500**
ENTOMOLOGY			
Repair and Rehabilitation			**1,000,000**
WAR MEMORIALS COMMISSION			
Preventive Maintenance			**1,234,000**
IWM Fire Suppression/Material abate			**300,000**
Indiana War Memorial ADA Access			**250,000**
Repair and Rehabilitation			**692,000**
LITTLE CALUMET RIVER BASIN COMMISSION			
Build Indiana Fund (IC 4-30-17)			
Repair and Rehabilitation			**9,000,000**
KANKAKEE RIVER BASIN COMMISSION			
ARRA State Fiscal Stabilization Fund (Section 14002(b))			
Repair and Rehabilitation			**1,500,000**

D. TRANSPORTATION

DEPARTMENT OF TRANSPORTATION			
State Highway Fund (IC 8-23-9-54)			
Buildings and Grounds			**25,000,000**

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.

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 governments 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

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION			
EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER			
Preventive Maintenance			**45,000**
Repair and Rehabilitation			**287,660**
EVANSVILLE STATE HOSPITAL			
Preventive Maintenance			**500,000**
Repair and Rehabilitation			**360,000**
MADISON STATE HOSPITAL			
Preventive Maintenance			**971,409**
Repair and Rehabilitation			**956,800**
LOGANSPORT STATE HOSPITAL			
Preventive Maintenance			**963,144**
Repair and Rehabilitation			**4,486,700**
RICHMOND STATE HOSPITAL			
Preventive Maintenance			**1,210,724**
Repair and Rehabilitation			**2,403,700**
LARUE CARTER MEMORIAL HOSPITAL			
Preventive Maintenance			**3,863,118**
(2) PUBLIC HEALTH			
SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED			
Preventive Maintenance			**565,714**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**2,288,013**
SCHOOL FOR THE DEAF			
Preventive Maintenance			**565,714**
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			**2,029,501**
(3) VETERANS' AFFAIRS			
INDIANA VETERANS' HOME			
Veterans' Home Building Fund (IC 10-17-9-7)			
Preventive Maintenance			**1,500,000**
Repair and Rehabilitation			**3,949,777**
F. EDUCATION			
HIGHER EDUCATION			
INDIANA UNIVERSITY - TOTAL SYSTEM			
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**25,202,564**
PURDUE UNIVERSITY - TOTAL SYSTEM			
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**19,777,318**
INDIANA STATE UNIVERSITY			

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**4,681,980**
UNIVERSITY OF SOUTHERN INDIANA			
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**1,121,926**
BALL STATE UNIVERSITY			
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**6,726,300**
VINCENNES UNIVERSITY			
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**2,272,968**
IVY TECH COMMUNITY COLLEGE			
ARRA State Fiscal Stabilization Fund (Section 14002(a))			
General Repair and Rehab			**2,287,042**

SECTION 32. [EFFECTIVE JULY 1, 2008 (RETROACTIVE)]

A. MEDICAID

The appropriation from the state general fund for the period beginning July 1, 2008, and ending June 30, 2009, as set forth in P.L. 234-2007, SECTION 8, Part A, that was made to the budget agency for Medicaid current obligations total operating expense in the amount of one billion six hundred seventeen million three hundred sixty-seven thousand five hundred dollars ($1,617,367,500) is canceled.

For the period beginning July 1, 2008, and ending June 30, 2009, one billion three hundred thirteen million three hundred sixty-seven thousand five hundred dollars ($1,313,367,500) is appropriated to the budget agency from the state general fund for Medicaid current obligations total operating expense. Augmentation of this appropriation is allowed.

B. HIGHER EDUCATION OPERATING

The following appropriations from the state general fund for higher education that are set forth in P.L. 234-2007, SECTIONS 6 and 9, for the state fiscal year beginning July 1, 2008, and ending June 30, 2009, or for the biennium, are canceled:

FOR INDIANA UNIVERSITY, BLOOMINGTON CAMPUS	
Total Operating Expense	**202,202,196**
FOR INDIANA UNIVERSITY, REGIONAL CAMPUSES	
EAST	
Total Operating Expense	**8,322,137**
KOKOMO	
Total Operating Expense	**10,817,455**
NORTHWEST	
Total Operating Expense	**18,061,296**
SOUTH BEND	
Total Operating Expense	**23,236,007**

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

SOUTHEAST
Total Operating Expense 20,848,802

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY INDIANAPOLIS
HEALTH DIVISIONS
Total Operating Expense 112,236,327

FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE
THE CAMPUS OF THE UNIVERSITY OF SOUTHERN INDIANA
Total Operating Expense 1,610,361
THE CAMPUS OF INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE
Total Operating Expense 1,481,430
THE CAMPUS OF INDIANA UNIVERSITY NORTHWEST
Total Operating Expense 2,104,574
THE CAMPUS OF PURDUE UNIVERSITY
Total Operating Expense 1,878,629
THE CAMPUS OF BALL STATE UNIVERSITY
Total Operating Expense 1,689,194
THE CAMPUS OF THE UNIVERSITY OF NOTRE DAME
Total Operating Expense 1,566,525
THE CAMPUS OF INDIANA STATE UNIVERSITY
Total Operating Expense 1,867,636

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS
GENERAL ACADEMIC DIVISIONS
Total Operating Expense 83,311,562

FOR INDIANA UNIVERSITY
ABILENE NETWORK OPERATIONS CENTER
Total Operating Expense 867,288
SPINAL CORD AND HEAD INJURY RESEARCH CENTER
Total Operating Expense 546,073
INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES
Total Operating Expense 2,580,667
GEOLOGICAL SURVEY
Total Operating Expense 3,231,504
LOCAL GOVERNMENT ADVISORY COMMISSION
Total Operating Expense 58,899

FOR PURDUE UNIVERSITY, WEST LAFAYETTE
Total Operating Expense 262,033,737

FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES
CALUMET
Total Operating Expense 28,212,704
NORTH CENTRAL
Total Operating Expense 11,969,824

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY, AT FORT WAYNE

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

Total Operating Expense 38,449,705

FOR PURDUE UNIVERSITY
ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM
Total Operating Expense 3,593,444
STATEWIDE TECHNOLOGY
Total Operating Expense 6,702,020
COUNTY AGRICULTURAL EXTENSION EDUCATORS
Total Operating Expense 7,536,047
AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS
Total Operating Expense 7,540,584
CENTER FOR PARALYSIS RESEARCH
Total Operating Expense 544,331
UNIVERSITY-BASED BUSINESS ASSISTANCE
Total Operating Expense 1,967,749

FOR INDIANA STATE UNIVERSITY
Total Operating Expense 76,911,131
Nursing Program 250,000

FOR UNIVERSITY OF SOUTHERN INDIANA
Total Operating Expense 40,387,429
HISTORIC NEW HARMONY
Total Operating Expense 576,488

FOR BALL STATE UNIVERSITY
Total Operating Expense 130,381,244
ENTREPRENEURIAL COLLEGE
Total Operating Expense 1,000,000
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES
Total Operating Expense 4,451,913

FOR VINCENNES UNIVERSITY
Total Operating Expense 38,967,141

FOR IVY TECH COMMUNITY COLLEGE
Total Operating Expense 162,415,053

VALPO NURSING PARTNERSHIP
Total Operating Expense 104,671

FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)
Total Operating Expense 4,972,024

For the state fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts are appropriated for higher education total operating expenses from the state general fund and from money received for higher education under Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009 (referred to as ARRA" in this SECTION):

	FY 2009-2010 Appropriation	FY 2010-2011 Appropriation	Biennial Appropriation

FOR INDIANA UNIVERSITY, BLOOMINGTON CAMPUS

General Fund	200,180,174
ARRA State Fiscal Stabilization Fund (Section 14002(a))	2,022,022
Total Operating Expense	202,202,196

FOR INDIANA UNIVERSITY REGIONAL CAMPUSES

EAST	
General Fund	8,238,916
ARRA State Fiscal Stabilization Fund (Section 14002(a))	83,221
Total Operating Expense	8,322,137
KOKOMO	
General Fund	10,709,280
ARRA State Fiscal Stabilization Fund (Section 14002(a))	108,175
Total Operating Expense	10,817,455
NORTHWEST	
General Fund	17,880,683
ARRA State Fiscal Stabilization Fund (Section 14002(a))	180,613
Total Operating Expense	18,061,296
SOUTH BEND	
General Fund	23,003,647
ARRA State Fiscal Stabilization Fund (Section 14002(a))	232,360
Total Operating Expense	23,236,007
SOUTHEAST	
General Fund	20,640,314
ARRA State Fiscal Stabilization Fund (Section 14002(a))	208,488
Total Operating Expense	20,848,802

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY INDIANAPOLIS (IUPUI)

HEALTH DIVISIONS	
General Fund	111,113,964
ARRA State Fiscal Stabilization Fund (Section 14002(a))	1,122,363
Total Operating Expense	112,236,327

FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE

THE CAMPUS OF THE UNIVERSITY OF SOUTHERN INDIANA	
General Fund	1,594,256
ARRA State Fiscal Stabilization Fund (Section 14002(a))	16,105
Total Operating Expense	1,610,361
THE CAMPUS OF INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE	
General Fund	1,466,616
ARRA State Fiscal Stabilization Fund (Section 14002(a))	

14,814
Total Operating Expense 1,481,430
THE CAMPUS OF INDIANA UNIVERSITY NORTHWEST
General Fund 2,083,528
ARRA State Fiscal Stabilization Fund (Section 14002(a))
21,046
Total Operating Expense 2,104,574
THE CAMPUS OF PURDUE UNIVERSITY
General Fund 1,859,843
ARRA State Fiscal Stabilization Fund (Section 14002(a))
18,786
Total Operating Expense 1,878,629
THE CAMPUS OF BALL STATE UNIVERSITY
General Fund 1,672,302
ARRA State Fiscal Stabilization Fund (Section 14002(a))
16,892
Total Operating Expense 1,689,194
THE CAMPUS OF THE UNIVERSITY OF NOTRE DAME
General Fund 1,550,860
ARRA State Fiscal Stabilization Fund (Section 14002(a))
15,665
Total Operating Expense 1,566,525
THE CAMPUS OF INDIANA STATE UNIVERSITY
General Fund 1,848,960
ARRA State Fiscal Stabilization Fund (Section 14002(a))
18,676
Total Operating Expense 1,867,636

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI),
GENERAL ACADEMIC DIVISIONS
General Fund 82,478,446
ARRA State Fiscal Stabilization Fund (Section 14002(a))
833,116
Total Operating Expense 83,311,562

FOR INDIANA UNIVERSITY
ABILENE NETWORK OPERATIONS CENTER
General Fund 858,615
ARRA State Fiscal Stabilization Fund (Section 14002(a))
8,673
Total Operating Expense 867,288
SPINAL CORD AND HEAD INJURY RESEARCH CENTER
General Fund 540,612
ARRA State Fiscal Stabilization Fund (Section 14002(a))
5,461
Total Operating Expense 546,073
INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES
General Fund 2,554,860
ARRA State Fiscal Stabilization Fund (Section 14002(a))

25,807
Total Operating Expense 2,580,667
GEOLOGICAL SURVEY
General Fund 3,199,188
ARRA State Fiscal Stabilization Fund (Section 14002(a))
32,316
Total Operating Expense 3,231,504
LOCAL GOVERNMENT ADVISORY COMMISSION
General Fund 58,310
ARRA State Fiscal Stabilization Fund (Section 14002(a))
589
Total Operating Expense 58,899

FOR PURDUE UNIVERSITY, WEST LAFAYETTE
General Fund 259,413,399
ARRA State Fiscal Stabilization Fund (Section 14002(a))
2,620,338
Total Operating Expense 262,033,737

FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES
CALUMET
General Fund 27,930,577
ARRA State Fiscal Stabilization Fund (Section 14002(a))
282,127
Total Operating Expense 28,212,704
NORTH CENTRAL
General Fund 11,850,126
ARRA State Fiscal Stabilization Fund (Section 14002(a))
119,698
Total Operating Expense 11,969,824

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY, AT FORT WAYNE (IPFW)
General Fund 38,065,207
ARRA State Fiscal Stabilization Fund (Section 14002(a))
384,498
Total Operating Expense 38,449,705

FOR PURDUE UNIVERSITY
ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM
General Fund 3,557,509
ARRA State Fiscal Stabilization Fund (Section 14002(a))
35,935
Total Operating Expense 3,593,444
STATEWIDE TECHNOLOGY
General Fund 6,634,999
ARRA State Fiscal Stabilization Fund (Section 14002(a))
67,021
Total Operating Expense 6,702,020
COUNTY AGRICULTURAL EXTENSION EDUCATORS

General Fund 7,460,686
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 75,361
Total Operating Expense 7,536,047
AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS
General Fund 7,465,178
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 75,406
Total Operating Expense 7,540,584
CENTER FOR PARALYSIS RESEARCH
General Fund 538,887
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 5,444
Total Operating Expense 544,331
UNIVERSITY-BASED BUSINESS ASSISTANCE
General Fund 1,948,071
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 19,678
Total Operating Expense 1,967,749

FOR INDIANA STATE UNIVERSITY
General Fund 76,142,019
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 769,112
Total Operating Expense 76,911,131
ISU NURSING PROGRAM
General Fund 247,500
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 2,500
Total Operating Expense 250,000

FOR UNIVERSITY OF SOUTHERN INDIANA
General Fund 39,983,554
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 403,875
Total Operating Expense 40,387,429
HISTORIC NEW HARMONY
General Fund 570,723
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 5,765
Total Operating Expense 576,488

FOR BALL STATE UNIVERSITY
General Fund 129,077,431
ARRA State Fiscal Stabilization Fund (Section 14002(a)) 1,303,813
Total Operating Expense 130,381,244
ENTREPRENEURIAL COLLEGE
General Fund 990,000

ARRA State Fiscal Stabilization Fund (Section 14002(a))
10,000
Total Operating Expense 1,000,000
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES
General Fund 4,407,399
ARRA State Fiscal Stabilization Fund (Section 14002(a))
44,514
Total Operating Expense 4,451,913

FOR VINCENNES UNIVERSITY
General Fund 38,577,469
ARRA State Fiscal Stabilization Fund (Section 14002(a))
389,672
Total Operating Expense 38,967,141

FOR IVY TECH COMMUNITY COLLEGE
General Fund 160,790,902
ARRA State Fiscal Stabilization Fund (Section 14002(a))
1,624,151
Total Operating Expense 162,415,053
VALPO NURSING PARTNERSHIP
General Fund 103,624
ARRA State Fiscal Stabilization Fund (Section 14002(a))
1,047
Total Operating Expense 104,671

FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)
General Fund 2,972,024
ARRA State Fiscal Stabilization Fund (Section 14002(a))
2,000,000
Total Operating Expense 4,972,024

The foregoing appropriations for higher education total operating expense that are made from money received under the federal American Recovery and Reinvestment Act of 2009 (ARRA) are intended to be one (1) time appropriations. The foregoing appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College, include the employers' share of Social Security payments for university 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 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 June 2009, 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, and the trustees of Ivy Tech Community College are hereby authorized to accept federal grants, subject to IC 4-12-1.

C. ELEMENTARY AND SECONDARY EDUCATION

The following appropriations from the state general fund, as set forth in SECTION 854 of HEA 1001-2008, are cancelled for elementary and secondary education for the school fiscal year beginning January 1, 2009, and ending December 31, 2009, and for distributions beginning January 1, 2009, and ending June 30, 2009:

FOR THE DEPARTMENT OF EDUCATION AND STATE BOARD OF EDUCATION
DISTRIBUTION FOR TUITION SUPPORT - General Fund

Total Operating Expense 5,234,950,000

To restore the level of support for elementary and secondary education funding for the school fiscal year beginning January 1, 2009, and ending December 31, 2009, and for distributions beginning January 1, 2009, and ending June 30, 2009, the following amounts are appropriated for total operating expenses from the state general fund for the state fiscal year beginning July 1, 2008, and ending June 30, 2009, and from money received for elementary and secondary education under Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009:

FOR THE DEPARTMENT OF EDUCATION AND STATE BOARD OF EDUCATION
DISTRIBUTION FOR TUITION SUPPORT
General Fund 5,111,800,000

DISTRIBUTION FOR STATE FISCAL STABILIZATION FUND GRANTS (IC 20-43-12)
ARRA State Fiscal Stabilization Fund (Section 14002(a))
77,500,000

The above appropriation for fiscal stabilization fund grants are intended to be one-time grants to school corporations in addition to tuition support.

If money is not available to the state for distribution from the federal American Recovery and Reinvestment Act of 2009 at the time distributions are normally made to school corporations, the distribution to a school corporation shall not be reduced and shall be made from the state general fund as determined by the state budget agency, which shall be reimbursed with money from the federal American Recovery and Reinvestment Act of 2009 once the money becomes available to the state.

Notwithstanding P.L.146-2008, the appropriations in P.L.146-2008, SECTION 857 for:
(1) the state fiscal year beginning July 1, 2008, and ending June 30, 2009;
(2) the state fiscal year beginning July 1, 2009, and ending June 30, 2010; and
(3) the state fiscal year beginning July 1, 2010, and ending June 30, 2011;
to the department of education to make distributions under IC 20-20-36, are canceled.

To restore the level of funding for levy replacement grants pursuant to IC 20-20-36.2 for the school fiscal year beginning January 1, 2009, and ending December 31, 2009, there is appropriated from money received for elementary and secondary education under Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009, eleven million nine hundred sixty-five thousand dollars ($11,965,000) for the state fiscal year beginning July 1, 2008, and ending June 30, 2009, to the department of education to make distributions to school corporations under IC 20-20-36.2, as added by HEA 1198-2009, and as amended by this act. The budget agency may adjust the three and fifty-four hundredths of one percent (3.54%) threshold in IC 20-20-36.2-5, based upon the budget agency's determination of the actual amount of funds available under the federal American Recovery and Reinvestment Act of 2009 for appropriation under this SECTION for levy replacement grants for the state fiscal year beginning July 1, 2008, and ending June 30, 2009. Levy replacement grants are intended to be one-time distributions for the FY 2009-2011 biennium.

D. CONSTRUCTION - HIGHER EDUCATION

The following appropriations from the state general fund for the biennium beginning July 1, 2007, and ending June 30, 2009, as set forth in P.L. 234-2007, SECTION 32, Part F, that were made for the general repair and rehabilitation of higher education properties are cancelled:

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

For the biennium beginning July 1, 2007, and ending June 30, 2009, the following amounts are appropriated from the state general fund and from money received for higher education under Division A, Title XIV of the federal American Recovery and Reinvestment Act for the general repair and rehabilitation of higher education properties:

INDIANA UNIVERSITY - TOTAL SYSTEM
General Fund 12,601,282
ARRA State Fiscal Stabilization Fund (Section 14002(a))
12,601,282
General Repair and Rehab 25,202,564
PURDUE UNIVERSITY - TOTAL SYSTEM
General Fund 9,888,659
ARRA State Fiscal Stabilization Fund (Section 14002(a))
9,888,659
General Repair and Rehab 19,777,318
INDIANA STATE UNIVERSITY
General Fund 2,340,990
ARRA State Fiscal Stabilization Fund (Section 14002(a))
2,340,990
General Repair and Rehab 4,681,980
UNIVERSITY OF SOUTHERN INDIANA
General Fund 560,963
ARRA State Fiscal Stabilization Fund (Section 14002(a))
560,962
General Repair and Rehab 1,121,925
BALL STATE UNIVERSITY
General Fund 3,363,151

ARRA State Fiscal Stabilization Fund (Section 14002(a))
3,363,150
General Repair and Rehab 6,726,301
VINCENNES UNIVERSITY
General Fund 1,136,484
ARRA State Fiscal Stabilization Fund (Section 14002(a))
1,136,484
General Repair and Rehab 2,272,968
IVY TECH COMMUNITY COLLEGE
General Fund 1,143,521
ARRA State Fiscal Stabilization Fund (Section 14002(a))
1,143,520
General Repair and Rehab 2,287,041

SECTION 33. [EFFECTIVE JULY 1, 2009]

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, 2009]

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, 2009]

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 any additional amount necessary to maintain a positive balance in the general fund.

SECTION 37. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "ARRA" refers to the federal American Recovery and Reinvestment Act of 2009.**

(b) As used in this SECTION, "Title I" refers to Title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

(c) With respect to ARRA funds that are specifically designated for subgrants to local education agencies based on Title I or incentive grants, the following apply:

(1) There is appropriated from those ARRA funds two hundred twenty-one million six hundred sixty thousand dollars ($221,660,000) for local education agencies. This appropriation of ARRA funds does not expire, and the ARRA funds may be allotted beginning with receipt of the funds. The appropriation may be augmented.

(2) The appropriation is in addition to any other distributions that school corporations may receive or be eligible for under Title I.

(3) The governor and the department of education may take any actions necessary to qualify the state for the ARRA funds related to Title I. If permitted by the ARRA, school corporations shall submit plans to the department of education for approval before spending the ARRA funds related to Title I.

(4) To the extent it does not conflict with federal law or rules or guidelines that would make Indiana ineligible to receive ARRA funds related to Title I, the ARRA funds must be used to support Title 1 eligible students for the following:

(A) Repair and rehabilitation of facilities.

(B) Upgrading technology or equipment.

(C) Training or professional development.

(D) Summer school or other remediation programs and purposes for which the expenses are one (1) time in nature and do not increase the base operating expenses of schools to a level that would be difficult to maintain.

SECTION 38. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "ARRA" refers to the federal American Recovery and Reinvestment Act of 2009.**

(b) With respect to ARRA funds under Division A, Title VIII of the ARRA for special education, the following apply:

(1) There is appropriated from those ARRA funds two hundred seventy-one million three hundred thirty-three thousand dollars ($271,333,000) for local education agencies. This appropriation of the ARRA funds for special education does not expire, and the ARRA funds may be allotted beginning with receipt of the funds. The appropriation may be augmented.

(2) The appropriation is in addition to any other distributions that schools corporations may receive or be eligible for special education.

(3) The governor and the department of education may take any actions necessary to qualify the state for the ARRA funds under Division A, Title VIII of the ARRA. If permitted by the ARRA, school corporations shall submit plans to the department of education for approval before spending the ARRA funds under Division A, Title VIII of the ARRA.

(4) To the extent it does not conflict with federal law or rules or guidelines that would make Indiana ineligible to receive ARRA funds under Division A, Title VIII of the ARRA, the ARRA funds must be used to support special education students for the following:

(A) Repair and rehabilitation of facilities.

(B) Upgrading technology or equipment, including adaptive technology.

(C) Training or professional development.

(D) Programs and purposes for which the expenses are one (1) time in nature and do not increase the base operating expenses of school corporations to a level that would be difficult to maintain.

SECTION 39. [EFFECTIVE FEBRUARY 1, 2009, (RETROACTIVE)] **(a) As used in this SECTION, "ARRA" refers to the federal American Recovery and Reinvestment Act of 2009.**

(b) The governor may make application to the federal government for ARRA funds. The governor may take those actions necessary to qualify the state for the ARRA funds.

(c) The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all ARRA funds available to the state of Indiana. ARRA 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).

(d) The governor shall submit a report covering applications filed and any action necessary to qualify the state for the ARRA funds to the executive director of the legislative services agency in an electronic format under IC 5-14-6. To satisfy this requirement, the governor may submit copies of reports required to be filed with the appropriate federal agency concerning use of the funds.

(e) The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of ARRA funds made by the federal government to the state or its agencies and political subdivisions apply, notwithstanding any other law.

SECTION 40. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "ARRA" means the federal American Recovery and Reinvestment Act of 2009.**

(b) In appropriating the money to be received by Indiana from the state fiscal stabilization fund administered by the federal Department of Education under Division A, Title XIV of the ARRA, the general assembly has made every effort to comply with the requirements and intent expressed in Division A, Title XIV of the ARRA so that the governor may make the assurances required by Section 14005(d) of the ARRA.

(c) If the federal Department of Education or any other federal agency:

(1) determines that Indiana may not meet; or

(2) adopts additional administrative regulations or provides guidelines regarding;

the requirements of Section 14002(a)(2) of the ARRA, which results in Indiana not being eligible for some part of the federal funds under Division A, Title XIV of the ARRA, the governor shall promptly request a waiver from the Secretary of the federal Department of Education under Section 14012 of the ARRA to ensure full availability of funding.

(d) This SECTION expires January 1, 2012.

SECTION 41. [EFFECTIVE JULY 1, 2009] **(a) The trustees of the following institutions may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, 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:**

Purdue University	
Life Sciences Laboratory Renovations	**10,000,000**
Medical School Renovations	**12,000,000**
Indiana University	
Life Sciences Laboratory Renovations	**10,000,000**
Northwest Campus	
Tamarack Hall Replacement	**33,000,000**
Indiana University Purdue University at Indianapolis	
Life Sciences Laboratory Renovations	**10,000,000**
Ivy Tech Community College	
Anderson Campus	**20,000,000**
Warsaw Campus	**10,100,000**

The authorization above for Tamarack Hall Replacement shall be reduced by any funds that Indiana University receives for the replacement as insurance proceeds or from any other source. Of the above authorization for medical school renovations, a maximum of six million dollars ($6,000,000) is eligible for fee replacement. The above project is eligible for fee replacement after July 1, 2011.

(b) The trustees of the following institutions may issue and sell bonds under IC 21-34, subject to the approvals required under IC 21-33-3, to provide funds for the acquisition, renovation, expansion, and improvements for the following projects (including all related and subordinate

components of the following projects) and may undertake the project if the total costs financed by the bond issue, excluding any amount necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, do not exceed the total authority listed below for that institution:

Purdue University	
Lafayette Campus	
Student Fitness and Wellness Center	**98,000,000**
Indiana University Purdue University at Fort Wayne	
Parking Garage	**16,800,000**

The foregoing projects are not eligible for fee replacement appropriations in any year.

SECTION 42. [EFFECTIVE UPON PASSAGE] **The trustees of Vincennes University may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, 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). This authorization is a restatement of and is not in addition to the authorization under P.L.234-2007, SECTION 175.**

SECTION 43. [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). This authorization is a restatement of and is not in addition to the authorization under P.L.234-2007, SECTION 177.**

SECTION 44. [EFFECTIVE UPON PASSAGE] **(a) The trustees of the following institutions may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, 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	**$27,000,000**
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**
Indiana State University - Life Sciences/Chemistry Laboratory Renovations	**14,800,000**
Ball State University - Central Campus Academic Project, Phase I & Utilities	**33,000,000**
Ivy Tech-Fort Wayne Technology Center and Demolition Costs	**26,700,000**
Ivy Tech - Indianapolis Community College for the Fall Creek Expansion Project	**20,000,000**
Ivy Tech - Lamkin Center for Instructional Development and Leadership	**1,000,000**

Ivy Tech - Logansport 16,000,000
Ivy Tech - Sellersburg 20,000,000
Ivy Tech - Warsaw A & E 1,000,000
Ivy Tech - Muncie\Anderson A & E 4,800,000
Ivy Tech - Elkhart Phase I 16,000,000
Ivy Tech - Greencastle 8,000,000
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 29,900,000
Vincennes University - Health and Science
Lab Rehabilitation 2,000,000
Indiana University, Purdue University at Fort Wayne
Student Services and Library Complex 24,000,000

(b) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, 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) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, 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 21-37-3-3. The bids shall be open to inspection by the public.

(d) The authorizations under this SECTION are a restatement of and are not in addition to the authorizations under P.L.234-2007, SECTION 179. However, notwithstanding P.L.234-2007, SECTION 179, the authorization for Ivy Tech - Indianapolis Community College for the Fall Creek Expansion Project is twenty million dollars ($20,000,000) and not sixty-nine million three hundred seventy thousand dollars ($69,370,000).

SECTION 45. [EFFECTIVE UPON PASSAGE] **(a) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, 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 -
Animal Disease Diagnostic Laboratory (BSL-3) $30,000,000

(b) The Indiana department of administration, acting on behalf of the Indiana state board of animal health, in recognition of the state board of animal health's statutory functions involving the animal disease diagnostic laboratory, is hereby authorized and directed to enter into a lease agreement, as lessee, with the trustees of Purdue University as lessor, covering animal disease

diagnostic laboratory (BSL-3).

(c) The authorizations under this SECTION are a restatement of and are not in addition to the authorizations under P.L.234-2007, SECTION 180.

SECTION 46. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding SECTION 244 of HEA 1001-2005, the trustees of Purdue University may issue and sell bonds under IC 21-34, subject to the review by the budget committee required by IC 21-33-3, 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:**

Purdue University North Central Campus	
Parking Garage No. 1	**$8,000,000**

(b) The authorization under this SECTION is a restatement of and is not in addition to the authorization under P.L.234-2007, SECTION 186.

SECTION 47. [EFFECTIVE JULY 1, 2009] **There is appropriated to Ivy Tech Community College from the state general fund for the biennium beginning July 1, 2009, and ending June 30, 2011, three hundred fifty thousand dollars ($350,000) for A&E Phase 2 for the Bloomington campus. The appropriation under this SECTION is a restatement of and is not in addition to the appropriation under P.L.234-2007, SECTION 32.**

SECTION 48. [EFFECTIVE UPON PASSAGE] **(a) There is appropriated to the budget agency from the state general fund:**

(1) three million seven hundred fifty thousand dollars ($3,750,000) for the state fiscal year beginning July 1, 2008, and ending June 30, 2009;

(2) five million six hundred twenty-five thousand dollars ($5,625,000) for the state fiscal year beginning July 1, 2009, and ending June 30, 2010; and

(3) five million six hundred twenty-five thousand dollars ($5,625,000) for the state fiscal year beginning July 1, 2010, and ending June 30, 2011;

to assist Indiana University and Purdue University in attracting major federal research grants.

(b) The appropriations under this SECTION are intended to provide the nonfederal share of funding for research grants. The budget agency shall make a recommendation to the budget committee for each request received for a matching grant. Funding may be released for each grant request that receives a favorable review by the budget committee. Purdue University and Indiana University shall report to the budget committee on the status of the program one (1) year after the funds are released. The foregoing appropriations that are made from money received under the federal American Recovery and Reinvestment Act of 2009 (ARRA) are intended to be one (1) time appropriations.

SECTION 49. [EFFECTIVE UPON PASSAGE] **(a) Thirty million dollars ($30,000,000) is appropriated to the budget agency from the Indiana tobacco master settlement agreement fund established by IC 4-12-1-14.3, and twenty million dollars ($20,000,000) is appropriated from the state general fund for the biennium beginning July 1, 2009, and ending June 30, 2011, to provide the nonfederal match for grants available under federal law. In order to qualify for matching funds:**

(1) The nonfederal share provided under this SECTION may not exceed thirty percent (30%) of the cost of the project or program.

(2) The project or program must be one (1) time in nature.

(b) The appropriations from the Indiana tobacco master settlement agreement fund may be used only to match programs or projects relating to health care or life sciences, including automation and reporting of medical records.

(c) The budget agency may solicit applications for matching grants from universities, state

and local agencies, and other entities eligible for federal funding and shall accept applications for grants from any source.

(d) The budget agency shall do the following:

(1) Submit a first summary of all applications received to the budget committee along with recommendations for funding before June 1, 2009.

(2) Submit a second summary of all applications received to the budget committee along with recommendations for funding before July 1, 2009.

(3) Submit subsequent summaries and recommendations on a quarterly basis thereafter.

(e) The budget agency may award grants under this SECTION only after review by the budget committee. The budget agency shall promptly post a list of all approved grants on its Internet web site.

(f) This SECTION expires June 30, 2011.

SECTION 50. [EFFECTIVE UPON PASSAGE] **(a) There is appropriated from funds received under the federal American Recovery and Reinvestment Act of 2009 to the state energy program within the office of the lieutenant governor sixty-eight million six hundred twenty-one thousand dollars ($68,621,000) for the following energy conservation purposes:**

(1) Increasing energy efficiency to reduce energy costs and consumption for consumers, businesses, and government.

(2) Reducing reliance on imported energy.

(3) Improving the reliability of electricity and fuel supply and the delivery of energy services.

(4) Reducing the impacts of energy production and use on the environment

(b) In using the money appropriated under subsection (a), the office of the lieutenant governor shall to the extent possible support current energy efficiency and renewable energy projects and create sustainable energy programs. The office of the lieutenant governor may create long-term funding mechanisms, such as revolving loan programs and energy savings performance contracting designed to provide lasting benefits. As soon as practical after the effective date of this SECTION, the office of the lieutenant governor shall report to the state budget committee on the use of the money appropriated under subsection (a). The appropriation under subsection (a) does not expire and may be augmented.

SECTION 51. [EFFECTIVE UPON PASSAGE] **(a) There is appropriated from funds received under the federal American Recovery and Reinvestment Act of 2009 to the Indiana housing and community development authority one hundred thirty-one million eight hundred forty-seven thousand dollars ($131,847,000) to fund weatherization projects. The Indiana housing and community development authority may contract with providers to perform weatherization services for qualified applicants, but the office must use a portion of the money appropriated to:**

(1) provide grants to nonprofit organizations to deliver weatherization services; and

(2) increase funding available for training and technical assistance.

(b) The Indiana housing and community development authority may increase the average expenditure limit per home to six thousand five hundred dollars ($6,500) from February 17, 2009, until December 31, 2010.

(c) The Indiana housing and community development authority shall develop a process for distribution and use of the money appropriated under this subsection (a). As soon as practical after the effective date of this SECTION, the Indiana housing and community development authority shall report to the state budget committee on the use of the money appropriated under subsection (a). The appropriation under subsection (a) does not expire and may be augmented.

SECTION 52. [EFFECTIVE UPON PASSAGE] **(a) There is appropriated from funds received**

under the federal American Recovery and Reinvestment Act of 2009 to the Indiana finance authority ninety-four million four hundred forty-seven thousand four hundred eighty-five dollars ($94,447,485) to provide loans for wastewater infrastructure projects and twenty-seven million two hundred twelve thousand dollars ($27,212,000) to provide loans for drinking water infrastructure projects for cities, towns, counties, regional sewer or water districts, conservancy districts, and any other applicants determined by the Indiana finance authority to be eligible for assistance. The Indiana finance authority may grant fixed-rate loans with below market interest rates and provide for forgiveness of a portion of the loan for applicants that have exceedingly high monthly user rates as determined by the Indiana finance authority.

(b) The Indiana finance authority shall develop a process for distribution and use of the money appropriated under subsection (a), including deadlines for applying for assistance. As soon as practical after the effective date of this SECTION, the Indiana finance authority shall report to the state budget committee on the use of the money appropriated under subsection (a). The appropriation under subsection (a) does not expire and may be augmented.

SECTION 53. [EFFECTIVE UPON PASSAGE] **It is the intent of the General Assembly that grants and distributions of funds under the federal American Recovery and Reinvestment Act of 2009 shall be treated as one time revenues and shall not be used in ways that build the general spending base to levels that would be unsustainable in future years. The funds are intended to help prevent layoff of teachers and other employees. However, school corporations and universities should endeavor to not build spending increases into contracts and agreements that extend beyond the 2009-2011 biennium.**

SECTION 54. IC 4-4-11.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE OCTOBER 1, 2008 (RETROACTIVE)]: Sec. 1. As used in this chapter, "bond" means any:

(1) bond or mortgage credit certificate for which it is necessary to procure volume under the volume cap under Section 146 of the Internal Revenue Code; **or**

(2) bond or other obligation for which a special volume cap is authorized under a federal act.

SECTION 55. IC 4-4-11.5-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE OCTOBER 1, 2008 (RETROACTIVE)]: **Sec. 13.5. As used in this chapter, "special volume cap" means the maximum dollar amount of bonds that may be allocated to the state under the authority of a federal act. The special volume cap is in addition to the volume cap, as defined in section 14 of this chapter.**

SECTION 56. IC 4-4-11.5-19.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE OCTOBER 1, 2008 (RETROACTIVE)]: **Sec. 19.5. The IFA shall determine the allocation of any special volume cap in accordance with the federal act authorizing the special volume cap.**

SECTION 57. IC 4-13-1-4, AS AMENDED BY P.L.1-2006, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The department shall, subject to this chapter, do the following:

(1) Execute and administer all appropriations as provided by law, and execute and administer all provisions of law that impose duties and functions upon the executive department of government, including executive investigation of state agencies supported by appropriations and the assembly of all required data and information for the use of the executive department and the legislative department.

(2) Supervise and regulate the making of contracts by state agencies.

(3) Perform the property management functions required by IC 4-20.5-6.

(4) Assign office space and storage space for state agencies in the manner provided by IC 4-20.5-5.

(5) Maintain and operate the following for state agencies:
(A) Central duplicating.
(B) Printing.
(C) Machine tabulating.
(D) Mailing services.
(E) Centrally available supplemental personnel and other essential supporting services.
The department may require state agencies to use these general services in the interests of economy and efficiency. The general services rotary fund is established through which these services may be rendered to state agencies. The budget agency shall determine the amount for the general services rotary fund.
(6) Control and supervise the acquisition, operation, maintenance, and replacement of state owned vehicles by all state agencies. The department may establish and operate, in the interest of economy and efficiency, a motor vehicle pool, and may finance the pool by a rotary fund. The budget agency shall determine the amount to be deposited in the rotary fund.
(7) Promulgate and enforce rules relative to the travel of officers and employees of all state agencies when engaged in the performance of state business. These rules may allow reimbursement for travel expenses by any of the following methods:
(A) Per diem.
(B) For expenses necessarily and actually incurred.
(C) Any combination of the methods in clauses (A) and (B).
The rules must require the approval of the travel by the commissioner and the head of the officer's or employee's department prior to payment.
(8) Administer IC 4-13.6.
(9) Prescribe the amount and form of certified checks, deposits, or bonds to be submitted in connection with bids and contracts when not otherwise provided for by law.
(10) Rent out, with the approval of the governor, any state property, real or personal:
(A) not needed for public use; or
(B) for the purpose of providing services to the state or employees of the state;
the rental of which is not otherwise provided for or prohibited by law. Property may not be rented out under this subdivision for a term exceeding ten (10) years at a time. However, if property is rented out for a term of more than four (4) years, the commissioner must make a written determination stating the reasons that it is in the best interests of the state to rent property for the longer term. This subdivision does not include the power to grant or issue permits or leases to explore for or take coal, sand, gravel, stone, gas, oil, or other minerals or substances from or under the bed of any of the navigable waters of the state or other lands owned by the state.
(11) Have charge of all central storerooms, supply rooms, and warehouses established and operated by the state and serving more than one (1) agency.
(12) Enter into contracts and issue orders for printing as provided by IC 4-13-4.1.
(13) Sell or dispose of surplus property under IC 5-22-22, or if advantageous, to exchange or trade in the surplus property toward the purchase of other supplies, materials, or equipment, and to make proper adjustments in the accounts and inventory pertaining to the state agencies concerned.
(14) With respect to power, heating, and lighting plants owned, operated, or maintained by any state agency:
(A) inspect;
(B) regulate their operation; and
(C) recommend improvements to those plants to promote economical and efficient operation.
(15) Administer, determine salaries, and determine other personnel matters of the department of

correction ombudsman bureau established by IC 4-13-1.2-3.

(16) Adopt rules to establish and implement a "Code Adam" safety protocol as described in IC 4-20.5-6-9.2.

(17) Adopt policies and standards for making state owned property reasonably available to be used free of charge as locations for making motion pictures.

(18) Administer, determine salaries for, and determine other personnel matters of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 58. IC 4-13-19 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 19. Department of Child Services Ombudsman

Sec. 1. As used in this chapter, "child" means a person who:

(1) is less than eighteen (18) years of age;

(2) is at least eighteen (18) years of age at the time the complaint is made but was less than eighteen (18) years of age at the time of the alleged act or omission that is the subject of the complaint; or

(3) is at least eighteen (18) years of age but has been under the continuing jurisdiction of a juvenile court based upon an informal adjustment, child in need of services action under IC 31-34, or termination of parental rights action under IC 31-35 since becoming eighteen (18) years of age.

Sec. 2. As used in this chapter, "ombudsman" means:

(1) the person appointed by the governor to serve as ombudsman; or

(2) an employee or other individual approved by the office of the department of child services ombudsman to act in the capacity of ombudsman;

to investigate and resolve complaints that allege the department of child services failed to protect the health and safety of any child or failed to follow specific laws, rules, or written policies.

Sec. 3. The office of the department of child services ombudsman is established as a separate bureau within the department. The ombudsman appointed by the governor shall report directly to the commissioner. The ombudsman appointed by the governor must be an attorney licensed to practice law in Indiana or a social worker with at least a master's degree. The ombudsman appointed by the governor must have significant experience or education in child development and child advocacy, including at least two (2) years experience working with child abuse and neglect.

Sec. 4. (a) The governor shall appoint the ombudsman. The ombudsman serves at the pleasure of the governor. An individual may not be appointed as ombudsman if the individual has been employed by the department of child services at any time during the preceding twelve (12) months. The governor shall appoint a successor ombudsman not later than thirty (30) days after a vacancy occurs in the position of the ombudsman.

(b) The office of the department of child services ombudsman may employ technical experts and other employees to carry out the purposes of this chapter. However, the office of the department of child services ombudsman may not hire an individual to serve as an ombudsman if the individual has been employed by the department of child services during the preceding twelve (12) months.

(c) The ombudsman and any other person employed or authorized by the ombudsman:

(1) are subject to the same criminal history and background checks, to be performed by the department of child services, that are required for department of child services family case managers; and

(2) are subject to the same disqualification for employment criteria as department of child services family case managers.

Sec. 5. (a) The office of the department of child services ombudsman may receive, investigate, and attempt to resolve a complaint alleging that the department of child services, by an action or omission occurring on or after January 11, 2005, failed to follow a specific law, rule, or department written policy and thereby failed to protect the health or safety of any child.

(b) The office of the department of child services ombudsman may also do the following:

(1) Take action, including the establishing of a program of public education, to secure and ensure the legal rights of children.

(2) Periodically review relevant policies and procedures with a view toward the safety and welfare of children.

(3) When appropriate, refer a person making a report of child abuse or neglect to the department of child services and, if appropriate, to an appropriate law enforcement agency.

(4) Recommend changes in procedures for investigating reports of abuse and neglect and overseeing the welfare of children who are under the jurisdiction of a juvenile court.

(5) Make the public aware of the services of the ombudsman, the purpose of the office, and information concerning contacting the office.

(6) Examine policies and procedures and evaluate the effectiveness of the child protection system, specifically the respective roles of the department of child services, the court, the medical community, service providers, guardians ad litem, court appointed special advocates, and law enforcement agencies.

(7) Review and make recommendations concerning investigative procedures and emergency responses contained in the report prepared under section 10 of this chapter.

(c) Upon request of the office of the department of child services ombudsman, the local child protection team shall assist the office of the department of child services ombudsman by:

(1) investigating and making recommendations on a matter; or

(2) redacting or revising any report to be prepared for the complainant so that confidentiality laws are maintained.

If a local child protection team was involved in an initial investigation, a different local child protection team may assist in the investigation under this subsection.

(d) At the end of an investigation of a complaint, the office of the department of child services ombudsman shall provide an appropriate report as follows:

(1) If the complainant is a parent, guardian, custodian, court appointed special advocate, guardian ad litem, or court, the ombudsman may provide the same report to the complainant and the department of child services.

(2) If the complainant is not a person described in subdivision (1), the ombudsman shall provide a redacted version of its findings to the complainant stating in general terms that the actions of the department of child services were or were not appropriate.

(e) The department of child services ombudsman shall provide a copy of the report and recommendations to the department of child services. The office of the department of child services ombudsman may not disclose to:

(1) a complainant;

(2) another person who is not a parent, guardian, or custodian of the child who was the subject of the department of child services' action or omission; or

(3) the court, court appointed special advocate, or guardian ad litem of the child in a case that was filed as a child in need of services or termination of parental rights action;

any information that the department of child services could not, by law, reveal to the complainant, parent, guardian, custodian, person, court, court appointed special advocate, or guardian ad litem.

(f) If, after reviewing a complaint or conducting an investigation and considering the response

of an agency, facility, or program and any other pertinent material, the office of the department of child services ombudsman determines that the complaint has merit or the investigation reveals a problem, the ombudsman may recommend that the agency, facility, or program:

(1) consider the matter further;

(2) modify or cancel its actions;

(3) alter a rule, order, or internal policy; or

(4) explain more fully the action in question.

(g) At the office of the department of child services ombudsman's request, the agency, facility, or program shall, within a reasonable time, inform the office of the department of child services ombudsman about the action taken on the recommendation or the reasons for not complying with it.

(h) The office of the department of child services ombudsman may not investigate the following:

(1) A complaint from an employee of the department of child services that relates to the employee's employment relationship with the department of child services.

(2) A complaint concerning a matter that is currently the subject of a pending administrative review procedure before the exhaustion of administrative remedies provided by law, rule, or written policy. Investigation of any such complaint received shall be stayed until the administrative remedy has been exhausted. However, if the administrative process is not completed within six (6) months after initiation of the administrative process, the office of child services ombudsman may proceed with its investigation.

(i) If the office of the department of child services ombudsman does not investigate a complaint, the office of the department of child services ombudsman shall notify the complainant of the decision not to investigate and the reasons for the decision.

Sec. 6. (a) The office of the department of child services ombudsman shall be given appropriate access to department of child services records of a child who is the subject of a complaint that is filed under this chapter.

(b) A state or local government agency or entity that has records that are relevant to a complaint or an investigation conducted by an ombudsman shall provide the ombudsman with access to the records.

(c) A person is immune from:

(1) civil or criminal liability; and

(2) actions taken under:

(A) a professional disciplinary procedure; or

(B) procedures related to the termination or imposition of penalties under a contract dealing with an employee or contractor of the department of child services;

for the release or disclosure of records to the ombudsman under this chapter, unless the release or disclosure constitutes gross negligence or willful or wanton misconduct.

(d) Information or records of a state or local government agency provided to the office of the department of child services ombudsman may not be disclosed to the complainant or others if confidential under laws, rules, or regulations governing the state or local government agency that provided the information or records.

Sec. 7. (a) The office of the department of child services ombudsman shall do the following:

(1) Establish procedures to receive and investigate complaints.

(2) Establish physical, technological, and administrative access controls for all information maintained by the office of the department of child services ombudsman.

(3) Except as necessary to investigate and resolve a complaint, ensure that the identity of a complainant will not be disclosed without:

(A) the complainant's written consent; or
(B) a court order.

(b) Records created and received by the office of the department of child services ombudsman concerning a specific child's case are confidential, and a communication by the ombudsman concerning a specific child's case is a privileged communication.

Sec. 8. The office of the department of child services ombudsman may adopt rules under IC 4-22-2 necessary to carry out this chapter.

Sec. 9. An ombudsman is not personally liable for the good faith performance of the ombudsman's official duties.

Sec. 10. (a) The office of the department of child services ombudsman shall prepare a report each year on the operations of the office.

(b) The office of the department of child services ombudsman shall include the following information in the annual report required under subsection (a):

(1) The office of the department of child services ombudsman's activities.
(2) The general status of children in Indiana, including:
(A) the health and education of children; and
(B) the administration or implementation of programs for children; and
(3) Any other issues, concerns, or information concerning children.

(c) A copy of the report shall be provided to the following:

(1) The governor.
(2) The legislative council.
(3) The Indiana department of administration.
(4) The department of child services.

A report provided under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

(d) A copy of the report shall be posted on the department of child services' Internet web site and on any Internet web site maintained by the office of the department of child services ombudsman.

Sec. 11. (a) A person who:

(1) except as provided in subsection (b), intentionally interferes with or prevents the completion of the work of an ombudsman;
(2) knowingly offers compensation to an ombudsman in an effort to affect the outcome of an investigation or a potential investigation;
(3) knowingly or intentionally retaliates against another person who provides information to an ombudsman; or
(4) knowingly or intentionally threatens an ombudsman, a person who has filed a complaint, or a person who provides information to an ombudsman, because of an investigation or potential investigation;

commits interference with the office of the department of child services ombudsman, a Class A misdemeanor.

(b) Expungement of records held by the department of child services that occurs by statutory mandate, judicial order or decree, administrative review or process, automatic operation of the Indiana Child Welfare Information System (ICWIS) computer system, or in the normal course of business shall not be considered intentional interference or prevention for the purposes of subsection (a).

(c) A complainant who knowingly or intentionally discloses to the public information about a case before the conclusion of an investigation and the release of the finding to the department of child services commits unlawful disclosure of information concerning a department of child

services investigation, a Class A misdemeanor.

Sec. 12. The Indiana department of administration shall provide and maintain office space for the office of the department of child services ombudsman.

SECTION 59. IC 4-31-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. **Subject to section 14 of this chapter,** the commission may:

(1) adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article, including rules that prescribe:
  (A) the forms of wagering that are permitted;
  (B) the number of races;
  (C) the procedures for wagering;
  (D) the wagering information to be provided to the public;
  (E) fees for the issuance and renewal of:
    (i) permits under IC 4-31-5;
    (ii) satellite facility licenses under IC 4-31-5.5; and
    (iii) licenses for racetrack personnel and racing participants under IC 4-31-6;
  (F) investigative fees;
  (G) fines and penalties; and
  (H) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana;
(2) appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13;
(3) enter into contracts necessary to implement this article; and
(4) receive and consider recommendations from an advisory development committee established under IC 4-31-11.

SECTION 60. IC 4-31-3-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14. The commission may not do the following:**

(1) Impose, charge, or collect by rule a fee that is not authorized by this article on any party to a proposed transfer of an ownership interest in a permit issued under IC 4-31-5.

(2) Make the commission's approval of a proposed transfer of an ownership interest in a permit issued under IC 4-31-5 contingent upon the payment of any amount that is not authorized by this article.

SECTION 61. IC 4-33-4-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) A licensed owner or any other person must apply for and receive the commission's approval before:

(1) an owner's license is:
  (A) transferred;
  (B) sold; or
  (C) purchased; or
(2) a voting trust agreement or other similar agreement is established with respect to the owner's license.

(b) **Subject to section 24 of this chapter,** the commission shall adopt rules governing the procedure a licensed owner or other person must follow to take an action under subsection (a). The rules must specify that a person who obtains an ownership interest in a license must meet the criteria of this article and any rules adopted by the commission. A licensed owner may transfer an owner's license only in accordance with this article and rules adopted by the commission.

(c) A licensed owner or any other person may not:

(1) lease;

(2) hypothecate; or
(3) borrow or loan money against;
an owner's license.
(d) A transfer fee is imposed on a licensed owner who purchases or otherwise acquires a controlling interest, as determined under the rules of the commission, in a second owner's license. The fee is equal to two million dollars ($2,000,000). The commission shall collect and deposit a fee imposed under this subsection in the state general fund.
SECTION 62. IC 4-33-4-24 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 24. The commission may not do the following:**
(1) Impose by rule a fee that is not authorized by this article on any party to a proposed transfer of an ownership interest in a riverboat owner's license or an operating permit.
(2) Make the commission's approval of a proposed transfer of an ownership interest in a riverboat owner's license or an operating permit contingent upon the payment of any amount that is not authorized by this article.
SECTION 63. IC 4-35-4-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13. The commission may not do the following:**
(1) Impose, charge, or collect by rule a fee that is not authorized by this article on any party to a proposed transfer of an ownership interest in a license issued under IC 4-35-5.
(2) Make the commission's approval of a proposed transfer of an ownership interest in a license issued under IC 4-35-5 contingent upon the payment of any amount that is not authorized by this article.
SECTION 64. IC 5-1-14-16, AS ADDED BY P.L.146-2008, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) This section applies to obligations that are:
(1) issued after June 30, 2008, by a local issuing body; and
(2) payable from ad valorem property taxes, special benefit taxes on property, or tax increment revenues derived from property taxes;
including obligations that are issued under a statute that permits the bonds to be issued without complying with any other law or otherwise expressly exempts the bonds from the requirements of this section.
(b) An agreement for the issuance of obligations must provide for the payment of principal and interest on the obligations in nearly equal payment amounts and at regular designated intervals over the maximum term of the obligations except to the extent that:
(1) interest for a particular repayment period has been paid from the proceeds of the obligations under section 6 of this chapter; or
(2) the local issuing body authorizes a different payment schedule to:
(A) maintain substantially equal payments, in the aggregate, in any period in which the local issuing body pays the interest and principal on outstanding obligations;
(B) provide for the payment of principal on the obligations in amounts and at intervals that will produce an aggregate amount of principal payments greater than or equal to the aggregate amount that would otherwise be paid as of the same date;
(C) provide for level principal payments over the term of the obligations, in order to reduce total interest costs; ~~or~~
(D) with respect to obligations wholly or partially payable from tax increment revenues derived from property taxes, provide for the payment of principal and interest in varying amounts over the term of the obligations as necessary due to the variation in the amount of tax

increment revenues available for those payments; **or**

(E) provide for a repayment schedule that will result in the same or a lower amount of interest being paid on obligations that would be issued using nearly equal payment amounts.

SECTION 65. IC 5-10-8-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. (a) The state employee retiree health benefit trust fund is established to provide funding for a retiree health benefit plan developed under section 8.3 of this chapter.**

(b) The trust fund shall be administered by the budget agency. The expenses of administering the trust fund shall be paid from money in the trust fund. The trust fund consists of cigarette tax revenues deposited in the fund under IC 6-7-1-28.1(7) and other appropriations, revenues, or transfers to the trust fund under IC 4-12-1.

(c) The treasurer of state shall invest the money in the trust fund not currently needed to meet the obligations of the trust fund in the same manner as other public money may be invested.

(d) The trust fund is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the trust fund by the state board of finance, the budget agency, or any other state agency.

(e) The trust fund shall be established and administered in a manner that complies with Internal Revenue Code requirements concerning health reimbursement arrangement (HRA) trusts. Contributions by the state to the trust fund are irrevocable. All assets held in the trust fund must be held for the exclusive benefit of participants of the retiree health benefit plan developed under section 8.3 of this chapter and their beneficiaries. All assets in the trust fund:

(1) are dedicated exclusively to providing benefits to participants of the plan and their beneficiaries according to the terms of the plan; and

(2) are exempt from levy, sale, garnishment, attachment, or other legal process.

(f) Money in the trust fund does not revert to the state general fund at the end of any state fiscal year.

(g) The money in the trust fund is appropriated to the budget agency for providing the retiree health benefit plan developed under section 8.3 of this chapter.

SECTION 66. IC 5-28-30-17, AS ADDED BY P.L.162-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. **(a)** To further the purposes of this chapter, and in addition to the corporation's other powers under this chapter, the corporation may, upon a written finding as described in section 10 of this chapter, make direct loans from money in the guaranty fund to or for the benefit of:

(1) any industrial development project, mining operation, or agricultural operation that involves the processing of agricultural products; **or**

(2) an Indiana supplier, contractor, or subcontractor for an industrial development project for which:

(A) bankruptcy was declared with respect to the project before January 1, 2009;

(B) the estimated value of the project or operation before bankruptcy was declared was at least five hundred million dollars ($500,000,000); and

(C) the estimated number of employees upon completion of the project or operation was expected to be at least one thousand two hundred (1,200) persons;

upon the terms and conditions that the corporation prescribes.

(b) Loans made under this section are subject to the following conditions:

(1) A new or additional loan may not be made if the loan would cause the then outstanding total guarantee obligations with respect to all loans and leases guaranteed under this section and the other provisions of this chapter to exceed eight (8) times the amount of money then in the

guaranty fund, or would cause the then outstanding total principal balance of all loans made under this section and then owing to the corporation to exceed twenty percent (20%) of the amount of money then in the guaranty fund.

(2) The principal amount of such a loan to or for the benefit of a project or operation may not exceed one million dollars ($1,000,000), less the then outstanding total guarantee obligations with respect to any loans or leases guaranteed under this chapter to or for the benefit of that project or operation.

(3) With respect to any loan made under this section, a loan agreement with the corporation must contain the following terms:

(A) A requirement that the loan proceeds be used for specified purposes consistent with and in furtherance of the purposes of the corporation under this chapter.

(B) The term of the loan, which may not be later than twenty (20) years from the date of the loan.

(C) The repayment schedule.

(D) The interest rate or rates of the loan, which may include variations in the rate, but which may not be less than the amount necessary to cover all expenses of the corporation in making the loan.

(E) Any other terms and provisions that the corporation requires.

(4) A loan agreement under this section may also contain a requirement that the loan be insured directly or indirectly by a loan insurer or be guaranteed by a loan guarantor, and a requirement of any other type or types of security or collateral that the corporation considers reasonable or necessary.

(5) A loan made under this section may be sold by the corporation, and the corporation may permit other lenders to participate in a loan made under this section, at the time or times and upon the terms and conditions that the corporation considers reasonable or necessary. A loan sold or in which other lenders participate may be guaranteed by the corporation, upon terms and conditions established by the corporation.

SECTION 67. IC 6-1.1-17-5, AS AMENDED BY P.L.146-2008, SECTION 149, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) for budget years beginning before July 1, ~~2010,~~ **2011,** September 30 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(2) The proper officers of all other political subdivisions, not later than September 30.

(3) The governing body of each school corporation (including a school corporation described in subdivision (1)), not later than the time required under section 5.6(b) of this chapter for budget years beginning after June 30, ~~2010.~~ **2011.**

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political

subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting after September 20 of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting under IC 6-1.1-29-4 after September 20 of that year.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 68. IC 6-1.1-17-5.6, AS AMENDED BY P.L.146-2008, SECTION 150, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.6. (a) For budget years beginning before July 1, ~~2010,~~ **2011,** this section applies only to a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000). For budget years beginning after June 30, ~~2010,~~ **2011,** this section applies to all school corporations. Beginning in ~~2010,~~ **2011,** each school corporation shall adopt a budget under this section that applies from July 1 of the year through June 30 of the following year. In the initial budget adopted by a school corporation in ~~2010~~ **2011** under this section, the first six (6) months of that initial budget must be consistent with the last six (6) months of the budget adopted by the school corporation for calendar year ~~2010.~~ **2011.**

(b) Before February 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before September 30.

(c) Each year, at least two (2) days before the first meeting after September 20 of the county board of tax adjustment held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

(1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;

(2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and

(3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting after September 20 of that year.

(d) This subsection does not apply to budget years after June 30, ~~2010.~~ **2011.** The governing body

of the school corporation may adopt a resolution to cease using a school year budget year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget fixed by the department of local government finance before the adoption of a resolution under this subsection. Notwithstanding any resolution adopted under this subsection, beginning in ~~2010,~~ **2011,** each school corporation shall adopt a budget under this section that applies from July 1 of the year through June 30 of the following year.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last six (6) months of the last calendar year budget fixed by the department of local government finance before the adoption of a rescinding resolution under this subsection.

SECTION 69. IC 6-3-1-3.5, AS AMENDED BY P.L.131-2008, SECTION 11, AND AS AMENDED BY P.L.3-2008, SECTION 60, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars ($1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars ($1,000).

(4) Subtract one thousand dollars ($1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) for taxable years beginning after December 31, 2004, one thousand five hundred dollars ($1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004); and

(B) five hundred dollars ($500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars ($40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political

subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars ($2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(15) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999, subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

(A) for a taxable year:

(i) including any part of 2004, the amount determined under subsection (f); and

(ii) beginning after December 31, 2004, two thousand five hundred dollars ($2,500); or

(B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(18) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(20) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(21) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(22) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(23) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

(24) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

(25) Subtract any amount of a credit (including an advance refund of the credit) that is provided to an individual under 26 U.S.C. 6428 (federal Economic Stimulus Act of 2008) and included in the individual's federal adjusted gross income.

(26) Add any amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code.

(27) Add the amount excluded from gross income under Section 108(a)(1)(e) of the Internal Revenue Code for the discharge of debt on a qualified principal residence.

(28) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(29) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified restaurant property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(30) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified retail improvement property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(31) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the

property.

(32) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(33) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(34) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.

(10) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

(11) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the corporation's taxable income under the Internal Revenue Code.

(12) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(13) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified restaurant property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(14) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified retail improvement property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(16) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(18) Add an amount equal to any loss that is treated under Section 301 of the Emergency

Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to

adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(11) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified restaurant property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(12) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified retail improvement property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(14) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(16) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).

(17) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and

statutes of the United States.
(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.
(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.
(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.
(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.
(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).
(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
(9) Subtract income that is:
(A) exempt from taxation under IC 6-3-2-21.7; and
(B) included in the insurance company's taxable income under the Internal Revenue Code.
(10) Add or subtract an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.
(11) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified restaurant property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.
(12) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified retail improvement property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.
(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.
(14) Add or subtract the amount necessary to make the adjusted gross income of any

taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(16) Add or subtract an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

(17) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code for active financing income under Subpart F, Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(7) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7; and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

(8) Add an amount equal to any income not included in gross income as a result of the deferral

of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

(9) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified restaurant property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(10) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified retail improvement property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(11) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(12) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(13) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(14) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).

(f) This subsection applies only to the extent that an individual paid property taxes in 2004 that were imposed for the March 1, 2002, assessment date or the January 15, 2003, assessment date. The maximum amount of the deduction under subsection (a)(17) is equal to the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the amount of property taxes that the taxpayer paid after December 31, 2003, in the taxable year for property taxes imposed for the March 1, 2002, assessment date and the January 15, 2003, assessment date.

STEP TWO: Determine the amount of property taxes that the taxpayer paid in the taxable year for the March 1, 2003, assessment date and the January 15, 2004, assessment date.

STEP THREE: Determine the result of the STEP ONE amount divided by the STEP TWO amount.

STEP FOUR: Multiply the STEP THREE amount by two thousand five hundred dollars ($2,500).

STEP FIVE: Determine the sum of the STEP FOUR amount and two thousand five hundred dollars ($2,500).

SECTION 70. IC 6-3-1-11, AS AMENDED BY P.L.131-2008, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (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, 2008.~~ **February 17, 2009.**

(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, 2008,~~ **February 17, 2009,** 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, 2008.~~ **February 17, 2009,** 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, 2008,~~ **February 17, 2009,** that is effective for any taxable year that began before January 1, ~~2008,~~ **2009,** 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 71. IC 6-3-2-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2.5. (a) This section applies to a resident person.

(b) Resident persons are entitled to a net operating loss deduction. The amount of the deduction taken in a taxable year may not exceed the taxpayer's unused Indiana net operating losses carried back or carried over to that year.

(c) An Indiana net operating loss equals the taxpayer's federal net operating loss for a taxable year as calculated under Section 172 of the Internal Revenue Code, adjusted for the modifications required by IC 6-3-1-3.5.

(d) The following provisions apply for purposes of subsection (c):

(1) The modifications that are to be applied are those modifications required under IC 6-3-1-3.5 for the same taxable year in which each net operating loss was incurred.

(2) An Indiana net operating loss includes a net operating loss that arises when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal adjusted gross income (as defined in

Section 62 of the Internal Revenue Code) for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryback or carryover shall be available as a deduction from the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryback or carryover year provided in subsection (f).

(f) Carrybacks and carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryback to each of the carryback years preceding the taxable year of the loss.

(2) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years following the taxable year of the loss.

(3) Carryback years shall be determined by reference to the number of years allowed for carrying back a net operating loss under Section 172(b) of the Internal Revenue Code. **However, with respect to the carryback period for a net operating loss:**

(A) for which for an eligible small business, as defined in Section 172(b)(1)(H)(iv) of the Internal Revenue Code, made an election to use five (5) years instead of two (2) years under Section 172(b)(1)(H) of the Internal Revenue Code, two (2) years shall be used instead of five (5) years; or

(B) that is a qualified disaster loss for which the taxpayer elected to have the net operating loss carryback period with respect to the loss year determined without regard to Section 172(b)(1)(J) of the Internal Revenue Code, five (5) years shall be used.

(4) Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.

(5) A taxpayer who makes an election under Section 172(b)(3) of the Internal Revenue Code to relinquish the carryback period with respect to a net operating loss for any taxable year shall be considered to have also relinquished the carryback of the Indiana net operating loss for purposes of this section.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which (as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried back or carried over as provided in subsection (f). The amount of the Indiana net operating loss carried back or carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryback or carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.

(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

SECTION 72. IC 6-3-2-2.6, AS AMENDED BY P.L.2-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2.6. (a) This section applies to a corporation or a nonresident person.

(b) Corporations and nonresident persons are entitled to a net operating loss deduction. The amount of the deduction taken in a taxable year may not exceed the taxpayer's unused Indiana net operating losses carried back or carried over to that year.

(c) An Indiana net operating loss equals the taxpayer's federal net operating loss for a taxable year as calculated under Section 172 of the Internal Revenue Code, derived from sources within Indiana and adjusted for the modifications required by IC 6-3-1-3.5.

(d) The following provisions apply for purposes of subsection (c):

(1) The modifications that are to be applied are those modifications required under IC 6-3-1-3.5 for the same taxable year in which each net operating loss was incurred.

(2) The amount of the taxpayer's net operating loss that is derived from sources within Indiana shall be determined in the same manner that the amount of the taxpayer's adjusted income derived from sources within Indiana is determined under section 2 of this chapter for the same taxable year during which each loss was incurred.

(3) An Indiana net operating loss includes a net operating loss that arises when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal taxable income (as defined in Section 63 of the Internal Revenue Code), if the taxpayer is a corporation, or when the modifications required by IC 6-3-1-3.5 exceed the taxpayer's federal adjusted gross income (as defined by Section 62 of the Internal Revenue Code), if the taxpayer is a nonresident person, for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryback or carryover shall be available as a deduction from the taxpayer's adjusted gross income derived from sources within Indiana (as defined in section 2 of this chapter) in the carryback or carryover year provided in subsection (f).

(f) Carrybacks and carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryback to each of the carryback years preceding the taxable year of the loss.

(2) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years following the taxable year of the loss.

(3) Carryback years shall be determined by reference to the number of years allowed for carrying back a net operating loss under Section 172(b) of the Internal Revenue Code. **However, with respect to the carryback period for a net operating loss:**

(A) for which for an eligible small business, as defined in Section 172(b)(1)(H)(iv) of the Internal Revenue Code, made an election to use five (5) years instead of two (2) years under Section 172(b)(1)(H) of the Internal Revenue Code, two (2) years shall be used instead of five (5) years; or

(B) that is a qualified disaster loss for which the taxpayer elected to have the net operating loss carryback period with respect to the loss year determined without regard to Section 172(b)(1)(J) of the Internal Revenue Code, five (5) years shall be used.

(4) Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.

(5) A taxpayer who makes an election under Section 172(b)(3) of the Internal Revenue Code to relinquish the carryback period with respect to a net operating loss for any taxable year shall be considered to have also relinquished the carryback of the Indiana net operating loss for purposes of this section.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which (as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried back or carried over as provided in subsection (f). The amount of the Indiana net operating loss carried back or carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryback or carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.

(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

(h) An Indiana net operating loss deduction determined under this section shall be allowed notwithstanding the fact that in the year the taxpayer incurred the net operating loss the taxpayer was not subject to the tax imposed under section 1 of this chapter because the taxpayer was:

(1) a life insurance company (as defined in Section 816(a) of the Internal Revenue Code); or
(2) an insurance company subject to tax under Section 831 of the Internal Revenue Code.

(i) In the case of a life insurance company that claims an operations loss deduction under Section 810 of the Internal Revenue Code, this section shall be applied by:

(1) substituting the corresponding provisions of Section 810 of the Internal Revenue Code in place of references to Section 172 of the Internal Revenue Code; and
(2) substituting life insurance company taxable income (as defined in Section 801 the Internal Revenue Code) in place of references to taxable income (as defined in Section 63 of the Internal Revenue Code).

(j) For purposes of an amended return filed to carry back an Indiana net operating loss:

(1) the term "due date of the return", as used in IC 6-8.1-9-1(a)(1), means the due date of the return for the taxable year in which the net operating loss was incurred; and
(2) the term "date the payment was due", as used in IC 6-8.1-9-2(c), means the due date of the return for the taxable year in which the net operating loss was incurred.

SECTION 73. IC 6-3-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 10. (a) An individual who received unemployment compensation, as defined in subsection (c), during the taxable year is entitled to a deduction from the individual's adjusted gross income for that taxable year in the amount determined using the following formula:

STEP ONE: Determine the **greater of zero (0) or the** difference between:

(A) the **sum of:**

(i) the federal adjusted gross income of the individual (or the individual and the individual's spouse, in the case of a joint return), as defined in Section 62 of the Internal Revenue Code; **plus**

(ii) the amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code; minus

(B) the base amount as defined in subsection (b).

STEP TWO: Determine the greater of zero (0) or the difference between:

(A) the individual's unemployment compensation for the taxable year; minus
(B) one-half (1/2) of the amount determined under STEP ONE.

(b) As used in this section, "base amount" means:

(1) twelve thousand dollars ($12,000) in all cases not covered by subdivision (2) or (3);
(2) eighteen thousand dollars ($18,000) in the case of an individual who files a joint return for the taxable year; or
(3) zero (0), in the case of an individual who:

(A) is married at the close of the taxable year, as determined under Section 143 of the Internal Revenue Code;
(B) does not file a joint return for the taxable year; and
(C) does not live apart from the individual's spouse at all times during the taxable year.

(c) As used in this section, "unemployment compensation" means the amount of unemployment compensation that is included in the individual's federal gross income under Section 85 of the Internal Revenue Code.

SECTION 74. IC 6-3.1-30.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 30.5. School Scholarship Tax Credit

Sec. 1. As used in this chapter, "credit" refers to a credit granted under this chapter.

Sec. 2. As used in this chapter, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;
(3) a trust;
(4) a limited liability company; or
(5) a limited liability partnership.

Sec. 3. As used in this chapter, "scholarship granting organization" refers to an organization that:
(1) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and
(2) conducts a school scholarship program.

Sec. 4. As used in this chapter, "school scholarship program" refers to a scholarship program certified by the department under IC 20-51.

Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:
(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
(2) IC 6-5.5 (the financial institutions tax); and
(3) IC 27-1-18-2 (the insurance premiums tax);
as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 6. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

Sec. 7. A taxpayer that makes a contribution to a scholarship granting organization for use by the scholarship granting organization in a school scholarship program is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer makes the contribution.

Sec. 8. The amount of a taxpayer's credit is equal to fifty percent (50%) of the amount of the contribution made to the scholarship granting organization for a school scholarship program.

Sec. 9. A taxpayer is not entitled to a carryover, carryback, or refund of an unused credit.

Sec. 10. If a pass through entity is entitled to a credit under section 7 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:
(1) the tax credit determined for the pass through entity for the taxable year; multiplied by
(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

Sec. 11. To apply a credit against the taxpayer's state tax liability, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department the information that the department determines is necessary for the department to determine whether the taxpayer is eligible for the credit.

Sec. 12. A contribution shall be treated as having been made for use in a school scholarship program if:
(1) the contribution is made directly to a scholarship granting organization; and
(2) either:
(A) not later than the date of the contribution, the taxpayer designates in writing to the scholarship granting organization that the contribution is to be used only for a school scholarship program; or
(B) the scholarship granting organization provides the taxpayer with written confirmation that the contribution will be dedicated solely for use in a school scholarship program.

Sec. 13. (a) The total amount of tax credits awarded under this chapter may not exceed five million dollars ($5,000,000) in any state fiscal year.

(b) The department shall:

(1) record the time of filing of each application for a credit under this chapter; and

(2) approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total credits approved under this section equal the maximum amount allowable in any state fiscal year, an application filed after that time for the same fiscal year may not be approved. However, if an applicant for whom a credit has been approved fails to file any necessary information required by department, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

Sec. 14. The department, on an Internet web site used by the department to provide information to the public, shall provide the following information:

(1) The application for the credit provided in this chapter.

(2) A timeline for receiving the credit provided in this chapter.

(3) The total amount of credits awarded under this chapter during the current calendar year.

Sec. 15. The department shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 75. IC 6-3.5-1.1-14, AS AMENDED BY P.L.146-2008, SECTION 328, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 14. (a) In determining the amount of property tax replacement credits civil taxing units and school corporations of a county are entitled to receive during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property that was assessed in that county.

(b) If a civil taxing unit or a school corporation is located in more than one (1) county and receives property tax replacement credits from one (1) or more of the counties, then the property tax replacement credits received from each county shall be used only to reduce the property tax rates that are imposed within the county that distributed the property tax replacement credits.

(c) A civil taxing unit shall treat any property tax replacement credits that it receives or is to receive during a particular calendar year as a part of its property tax levy for that same calendar year for purposes of fixing its budget and for purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

(d) Subject to subsection (e), if a civil taxing unit or school corporation of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which property tax replacement credits are being distributed, the civil taxing unit or school corporation is entitled to use the property tax replacement credits distributed to the civil taxing unit or school corporation for any purpose for which a property tax levy could be used.

(e) A school corporation shall treat any property tax replacement credits that the school corporation receives or is to receive during a particular calendar year as a part of its property tax levy for its debt service fund, capital projects fund, transportation fund, **and** school bus replacement fund ~~and special education preschool fund~~ in proportion to the levy for each of these funds for that same calendar year for purposes of fixing its budget. A school corporation shall allocate the property tax replacement credits described in this subsection to all ~~five (5)~~ **four (4)** funds in proportion to the levy for each fund.

SECTION 76. IC 6-5.5-1-2, AS AMENDED BY P.L.223-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2. (a) Except as provided in subsections (b) through (d), "adjusted gross income" means taxable income as defined in Section 63 of the Internal Revenue Code, adjusted as follows:

(1) Add the following amounts:

(A) An amount equal to a deduction allowed or allowable under Section 166, Section 585, or Section 593 of the Internal Revenue Code.
(B) An amount equal to a deduction allowed or allowable under Section 170 of the Internal Revenue Code.
(C) An amount equal to a deduction or deductions allowed or allowable under Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by a state of the United States or levied at the local level by any subdivision of a state of the United States.
(D) The amount of interest excluded under Section 103 of the Internal Revenue Code or under any other federal law, minus the associated expenses disallowed in the computation of taxable income under Section 265 of the Internal Revenue Code.
(E) An amount equal to the deduction allowed under Section 172 or 1212 of the Internal Revenue Code for net operating losses or net capital losses.
(F) For a taxpayer that is not a large bank (as defined in Section 585(c)(2) of the Internal Revenue Code), an amount equal to the recovery of a debt, or part of a debt, that becomes worthless to the extent a deduction was allowed from gross income in a prior taxable year under Section 166(a) of the Internal Revenue Code.
(G) Add the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.
(H) Add the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).
(I) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.
(J) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.
(K) Add the amount necessary to make the adjusted gross income of any taxpayer that placed qualified restaurant property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.
(L) Add the amount necessary to make the adjusted gross income of any taxpayer that

placed qualified retail improvement property in service during the taxable year and that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the classification not applied to the property in the year that it was placed in service.

(M) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that claimed the special allowance for qualified disaster assistance property under Section 168(n) of the Internal Revenue Code equal to the amount of adjusted gross income that would have been computed had the special allowance not been claimed for the property.

(N) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 179C of the Internal Revenue Code to expense costs for qualified refinery property equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(O) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that made an election under Section 181 of the Internal Revenue Code to expense costs for a qualified film or television production equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year.

(P) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(i) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(ii) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in item (i) or (ii).

(Q) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code for active financing income under Subpart F, Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(2) Subtract the following amounts:

(A) Income that the United States Constitution or any statute of the United States prohibits from being used to measure the tax imposed by this chapter.

(B) Income that is derived from sources outside the United States, as defined by the Internal Revenue Code.

(C) An amount equal to a debt or part of a debt that becomes worthless, as permitted under Section 166(a) of the Internal Revenue Code.

(D) An amount equal to any bad debt reserves that are included in federal income because of accounting method changes required by Section 585(c)(3)(A) or Section 593 of the Internal Revenue Code.

(E) The amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus

depreciation.

(F) The amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars ($25,000).

(G) Income that is:

(i) exempt from taxation under IC 6-3-2-21.7; and

(ii) included in the taxpayer's taxable income under the Internal Revenue Code.

(b) In the case of a credit union, "adjusted gross income" for a taxable year means the total transfers to undivided earnings minus dividends for that taxable year after statutory reserves are set aside under IC 28-7-1-24.

(c) In the case of an investment company, "adjusted gross income" means the company's federal taxable income multiplied by the quotient of:

(1) the aggregate of the gross payments collected by the company during the taxable year from old and new business upon investment contracts issued by the company and held by residents of Indiana; divided by

(2) the total amount of gross payments collected during the taxable year by the company from the business upon investment contracts issued by the company and held by persons residing within Indiana and elsewhere.

(d) As used in subsection (c), "investment company" means a person, copartnership, association, limited liability company, or corporation, whether domestic or foreign, that:

(1) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and

(2) solicits or receives a payment to be made to itself and issues in exchange for the payment:

(A) a so-called bond;

(B) a share;

(C) a coupon;

(D) a certificate of membership;

(E) an agreement;

(F) a pretended agreement; or

(G) other evidences of obligation;

entitling the holder to anything of value at some future date, if the gross payments received by the company during the taxable year on outstanding investment contracts, plus interest and dividends earned on those contracts (by prorating the interest and dividends earned on investment contracts by the same proportion that certificate reserves (as defined by the Investment Company Act of 1940) is to the company's total assets) is at least fifty percent (50%) of the company's gross payments upon investment contracts plus gross income from all other sources except dividends from subsidiaries for the taxable year. The term "investment contract" means an instrument listed in clauses (A) through (G).

SECTION 77. IC 6-7-1-28.1, AS AMENDED BY P.L.3-2008, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 28.1. The taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:

(1) Four and twenty-two hundredths percent (4.22%) of the money shall be deposited in a fund to be known as the cigarette tax fund.

(2) Six-tenths percent (0.6%) of the money shall be deposited in a fund to be known as the mental health centers fund.

(3) Fifty-three and sixty-eight hundredths percent (53.68%) of the money shall be deposited in the state general fund.

(4) Five and forty-three hundredths percent (5.43%) of the money shall be deposited into the pension relief fund established in IC 5-10.3-11.

(5) Twenty-seven and five hundredths percent (27.05%) of the money shall be deposited in the Indiana check-up plan trust fund established by IC 12-15-44.2-17.

(6) Two and forty-six hundredths percent (2.46%) of the money shall be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations, for provider reimbursements.

(7) ~~Four and one-tenth~~ **Six and fifty-six hundredths** percent ~~(4.1%)~~ **(6.56%)** of the money shall be deposited in the ~~state general fund for the purpose of paying any appropriation for a health initiative.~~ **state retiree health benefit trust fund established by IC 5-10-8-8.5.**

~~(8) Two and forty-six hundredths percent (2.46%) of the money shall be deposited in the state general fund for the purpose of reimbursing the state general fund for a tax credit provided under IC 6-3.1-31.~~

The money in the cigarette tax fund, the mental health centers fund, the Indiana check-up plan trust fund, or the pension relief fund at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) or (2) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (3) shall be reduced by the amount of that difference. Money deposited under subdivisions (6) through ~~(8)~~ **(7)** may not be used for any purpose other than the purpose stated in the subdivision.

SECTION 78. IC 9-20-6-2, AS AMENDED BY P.L.3-2008, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The Indiana department of transportation or local authority that:

(1) has jurisdiction over a highway or street; and

(2) is responsible for the repair and maintenance of the highway or street;

may, upon proper application in writing and upon good cause shown, grant a permit for transporting heavy vehicles and loads or other objects not conforming to this article, including a vehicle transporting an ocean going container, if the department or authority finds that other traffic will not be seriously affected and the highway or bridge will not be seriously damaged.

(b) The permit granted under subsection (a) must authorize the operation of a tractor-semitrailer and load that:

(1) exceeds the maximum length limitation under this chapter; and

(2) is subject to regulation under this chapter;

from one-half (1/2) hour before sunrise to one-half (1/2) hour after sunset.

(c) A permit may be issued under this section for the following:

(1) A single trip.

(2) A definite time not exceeding thirty (30) days.

(3) A ninety (90) day period.

(4) A one (1) year period.

(d) This subsection applies to the transportation of ocean going containers that:

(1) have been sealed at the place of origin and have not been opened except by an agent of the federal government that may inspect the contents; **and**

~~(2) originated outside the United States; and~~

~~(3)~~ **(2)** are being transported to or from a distribution facility.

The total gross weight, with load of a vehicle or combination of vehicles transporting an ocean going

container may not exceed ~~ninety~~ **ninety-five** thousand ~~(90,000)~~ **(95,000)** pounds. A permit issued under this section must be issued on an annual basis. A permit issued under this subsection may not impose a limit on the number of movements generated by the applicant or operator of a vehicle granted a permit under this subsection.

SECTION 79. IC 12-7-2-189.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 189.6. "Tamper resistant prescription drug form", for purposes of IC 12-8-1-14.5, has the meaning set forth in IC 12-8-1-14.5(a).**

SECTION 80. IC 12-8-1-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 14.5. (a) As used in this section, "tamper resistant prescription drug form" means a prescription drug form that meets the following conditions:**

(1) Prevents the erasure or modification of written instructions.

(2) Prevents counterfeit forms.

(3) Supports the capability of automated validation through a pharmacy claims processing system.

(b) The office of the secretary may implement and require the use of tamper resistant prescription drug forms in any health care program administered by the office of the secretary.

(c) The office of the secretary may adopt rules under IC 4-22-2 necessary to implement this section.

SECTION 81. IC 12-12-8-6, AS AMENDED BY P.L.141-2006, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) There is established a statewide independent living council. The council is not a part of a state agency.

(b) The council consists of at least twenty (20) members appointed by the governor, including the following:

(1) ~~Each~~ **At least one (1)** director of a center for independent living located in Indiana **chosen by the directors of the centers for independent living located in Indiana.**

(2) Nonvoting members from state agencies that provide services for individuals with disabilities.

(3) Other members, who may include the following:

(A) Representatives of centers for independent living.

(B) Parents and guardians of individuals with disabilities.

(C) Advocates for individuals with disabilities.

(D) Representatives from private business.

(E) Representatives of organizations that provide services for individuals with disabilities.

(F) Other appropriate individuals.

(c) The members appointed under subsection (b) must:

(1) provide statewide representation;

(2) represent a broad range of individuals with disabilities from diverse backgrounds;

(3) be knowledgeable about centers for independent living and independent living services; and

(4) include a majority of members who:

(A) are individuals with disabilities; and

(B) are not employed by a state agency or a center for independent living.

SECTION 82. IC 20-20-13-6, AS AMENDED BY SEA 27-2009, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The Senator David C. Ford educational technology fund is established to extend educational technologies to elementary and secondary schools. The fund may be used for any of the following:

(1) The 4R's technology grant program to assist school corporations (on behalf of public schools) in purchasing technology equipment:

(A) for kindergarten and grade 1 students, to learn reading, writing, and arithmetic using

technology;

(B) for students in all grades, to understand that technology is a tool for learning; and

(C) for students in kindergarten through grade 3 who have been identified as needing remediation, to offer daily remediation opportunities using technology to prevent those students from failing to make appropriate progress at the particular grade level.

(2) A school technology program developed by the department. The program may include grants to school corporations for the purchase of:

(A) equipment, hardware, and software;

(B) learning and teaching systems; and

(C) other materials;

that promote student learning, as determined by the department.

~~(2)~~ **(3)** Providing educational technologies, including computers in the homes of students.

~~(3)~~ **(4)** Conducting educational technology training for teachers. ~~and~~

~~(4)~~ **(5)** Other innovative educational technology programs.

(b) The department may also use money in the fund under contracts entered into with the office of technology established by IC 4-13.1-2-1 to study the feasibility of establishing an information telecommunications gateway that provides access to information on employment opportunities, career development, and instructional services from data bases operated by the state among the following:

(1) Elementary and secondary schools.

(2) Postsecondary educational institutions.

(3) Career and technical educational centers and institutions that are not postsecondary educational institutions.

(4) Libraries.

(5) Any other agencies offering education and training programs.

(c) The fund consists of:

(1) state appropriations;

(2) private donations to the fund;

(3) money directed to the fund from the corporation for educational technology under IC 20-20-15; or

(4) any combination of the amounts described in subdivisions (1) through (3).

(d) The fund shall be administered by the department.

(e) Unexpended money appropriated to or otherwise available in the fund at the end of a state fiscal year does not revert to the state general fund but remains available to the department for use under this chapter.

(f) Subject to section 7 of this chapter, a school corporation may use money from the school corporation's capital projects fund as permitted under IC 20-40-8 for educational technology equipment.

SECTION 83. IC 20-20-13-3, AS ADDED BY P.L.218-2005, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. As used in sections 13 through 24 of this chapter, "school corporation" includes, except as otherwise provided in this chapter, the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1, ~~and~~ the Indiana School for the Deaf established by IC 20-22-2-1, **and a charter school established under IC 20-24.**

SECTION 84. IC 20-20-36.2-4, AS ADDED BY HB 1198-2009, SECTION 120, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. ~~(a)~~ Notwithstanding any other provision, a school corporation is eligible for a grant under this chapter in a particular year ~~only~~ if for that year the school corporation's total property tax revenue is expected to be reduced by more than ~~two~~ **three and fifty-four hundredths** percent ~~(2%)~~ **(3.54%)** because of the application of credits in that year.

~~(b) Subject to subsection (a), an eligible school corporation is entitled to a grant in:~~

~~(1) 2009 equal to the eligible school corporation's circuit breaker replacement amount for property taxes imposed for the March 1, 2008, and January 15, 2009, assessment dates; and~~

~~(2) 2010 equal to the eligible school corporation's circuit breaker replacement amount for property taxes imposed for the March 1, 2009, and January 15, 2010, assessment dates.~~

SECTION 85. IC 20-20-36.2-5, AS ADDED BY HB 1198-2009, SECTION 120, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. ~~(a) An eligible school corporation's circuit breaker replacement amount for 2009 is equal to the result determined under STEP FOUR of the following formula:~~

~~STEP ONE: Determine the amount of credits granted against the eligible school corporation's combined levy for the eligible school corporation's debt service fund, capital projects fund, transportation fund, school bus replacement fund, and racial balance fund.~~

~~STEP TWO: Determine the sum of the STEP ONE amounts for all eligible school corporations in Indiana.~~

~~STEP THREE: Divide fifty million dollars ($50,000,000) by the STEP TWO amount, rounding to the nearest ten thousandth (0.0001).~~

~~STEP FOUR: Multiply the STEP THREE result by the STEP ONE amount, rounding to the nearest dollar ($1).~~

~~(b)~~ **An eligible school corporation is entitled to a grant under this chapter in a calendar year. Subject to this chapter, the grant is equal to the eligible school corporation's circuit breaker replacement amount, as determined for the calendar year.** An eligible school corporation's circuit breaker replacement amount for ~~2010~~ **a calendar year** is equal to the result determined under STEP ~~FOUR~~ **THREE** of the following formula:

STEP ONE: Determine the amount of credits granted against the eligible school corporation's combined levy, ~~for the school corporation's debt service fund, capital projects fund, transportation fund, school bus replacement fund, and racial balance fund,~~ **rounded to the nearest dollar ($1).**

STEP TWO: Determine ~~the sum of the STEP ONE amounts for all eligible school corporations in Indiana.~~

~~STEP THREE: Divide seventy million dollars ($70,000,000) by the STEP TWO amount, rounding to the nearest ten thousandth (0.0001).~~

~~STEP FOUR: Multiply the STEP THREE result by the STEP ONE amount, rounding to the nearest dollar ($1).~~ **an amount equal to three and fifty-four hundredths percent (3.54%) of the school corporation's total combined property tax levy for 2010, rounded to the nearest dollar ($1).**

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the STEP ONE amount minus the STEP TWO amount.

SECTION 86. IC 20-20-36.2-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 11. Grants may be made only from Indiana's apportionment of grants to the states from the state fiscal stabilization fund established by Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009. The total of all grants distributed in a year to all school corporations may not exceed the lesser of:**

(1) in:

(A) 2009, twenty-three million nine hundred thirty thousand dollars ($23,930,000);

(B) 2010, sixty-seven million five hundred thirty thousand dollars ($67,530,000); and

(C) 2011, seventy-seven million two hundred ninety thousand dollars ($77,290,000); or

(2) the amount available to the state from Indiana's apportionment of grants to the states

from the state fiscal stabilization fund under Section 14001(d) of Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009, after subtracting any reduction required under IC 20-43-12-7.

SECTION 87. IC 20-20-36.2-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 12. If the total amount to be distributed as grants for a particular year exceeds the amount specified in section 11 of this chapter for a year, the amount to be distributed for grants 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.**

SECTION 88. IC 20-20-36.2-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 13. The amount of the reduction for a particular school corporation under section 12 of this chapter is equal to the total amount of the excess determined under section 12 of this chapter multiplied by a fraction. The numerator of the fraction is the amount of the distribution for state fiscal stabilization fund grants that the school corporation would have received if a reduction were not made under section 12 of this chapter and this section. The denominator of the fraction is the total amount that would be distributed for state fiscal stabilization fund grants to all school corporations if a reduction were not made under section 12 of this chapter and this section.**

SECTION 89. IC 20-20-36.2-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 14. (a) This section applies retroactively to January 1, 2009, until the expiration of this section.**

(b) Notwithstanding the effective date of HEA 1198-2009, IC 20-20-36.2, as amended by HEA 1001-2009, applies to the distribution of levy replacement grants after December 31, 2008, and before the passage of HEA 1001-2009. IC 20-20-36, as added by P.L.146-2008, SECTION 456, does not apply to a distribution described in this section.

(c) This section expires January 1, 2010.

SECTION 90. IC 20-20-36.2-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15. This chapter expires January 1, 2012.**

SECTION 91. IC 20-23-6-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 18. (a) This section applies to a school corporation with an ADM on June 30, 2009, of less than one hundred (100) students.**

(b) Before July 1, 2010, a school corporation to which this section applies shall reorganize by consolidating with an adjacent school corporation under this chapter.

(c) If the governing body of a school corporation to which this section applies does not comply with this section before July 1, 2010, the state board shall after June 30, 2010, develop a reorganization plan for the school corporation and require the governing body to implement the plan.

SECTION 92. IC 20-24-7-11, AS ADDED BY P.L.246-2005, SECTION 129, IS CORRECTED AND IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) If the United States Department of Education approves a new competition for states to receive matching funds for charter school facilities, the department shall pursue this federal funding.

~~*(b) There is appropriated to the department of education ten million dollars ($10,000,000) from the common school fund interest balance in the state general fund to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools, beginning July 1, 2005, and ending June 30, 2007.*~~

(b) The department shall use the common school fund interest balance to provide state matching funds for the federal funding described in subsection (a) for the benefit of charter schools.

~~(c) The department shall develop guidelines and the state board shall adopt rules under IC 4-22-2 necessary to implement this section.~~

(c) To increase the state's opportunity to receive matching funds from the United States Department of Education, the department shall develop a facilities incentive grants program before January 1, 2010.

(d) The department shall use the priority criteria set forth in 21 U.S.C. 7221d(b) and 34 CFR 226.12 through 34 CFR 226.14 to develop the facilities incentive grants program.

SECTION 93. IC 20-24-7-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 13. (a) As used in this SECTION, "virtual charter school" means any charter school, including a conversion charter school, that provides for the delivery of more than fifty percent (50%) of instruction to students through:**

(1) virtual distance learning;

(2) online technologies; or

(3) computer based instruction.

(b) A virtual charter school is not entitled to any funding from the state until the following requirements are met:

(1) The proposed establishment of the virtual charter school has been reviewed by the state budget committee.

(2) After the review under subdivision (1) occurs, the department approves the establishment of the virtual charter school.

(c) If the requirements of subsection (b) are satisfied for a virtual charter school, the virtual charter school is entitled to receive funding from the state in an amount equal to the product of:

(1) the virtual charter school's ADM; multiplied by

(2) eighty percent (80%) of the statewide average basic tuition support.

SECTION 94. IC 20-30-6-1, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. **(a) As used in this section, "qualified provider" means any of the following:**

(1) A school corporation.

(2) An eligible provider (as defined in 20 U.S.C. 9202).

~~(a)~~ **(b)** The state board and the state superintendent may prescribe a program of adult education **under this section and the federal Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.).** The state board shall adopt rules under IC 4-22-2 to provide for this program and to provide for the state distribution formula for money appropriated by the general assembly for adult education. Money appropriated by the general assembly for adult education may be used only to reimburse a ~~school corporation~~ **qualified provider** for adult education that is provided to individuals who:

(1) need the education to master a skill that leads to:

(A) the completion of grade 8; or

(B) a state of Indiana general educational development (GED) diploma under IC 20-20-6;

(2) need the education to receive high school credit to obtain a high school diploma; or

(3) have graduated from high school (or received a high school equivalency certificate or a state of Indiana general educational development (GED) diploma) but who demonstrate basic skill deficiencies in mathematics or English/language arts.

For purposes of reimbursement under this section, ~~the school corporation~~ **a qualified provider** may not count an individual who is also enrolled in ~~the school corporation's~~ **a** kindergarten through grade 12 educational program. An individual described in subdivision (3) may be counted for reimbursement by ~~the school corporation~~ **a qualified provider** only for classes taken in mathematics and English/language arts.

~~(b)~~ **(c)** The state board shall provide for reimbursement to a ~~school corporation~~ **qualified provider**

under this section for instructor salaries and administrative and support costs. However, the state board may not allocate more than fifteen percent (15%) of the total appropriation under subsection ~~(a)~~ **(b)** for administrative and support costs.

~~(c)~~ **(d)** A ~~school corporation~~ **qualified provider** may conduct a program of adult education.

~~(d)~~ **(e)** A school corporation may require an individual who:

(1) is at least sixteen (16) years of age; and

(2) wishes to enroll in a school following the student's expulsion from school under IC 20-33-8 on the grounds that the student was:

(A) disorderly; or

(B) dangerous to persons or property;

to attend evening classes or classes established for students who are at least sixteen (16) years of age. However, the school corporation shall provide a child with a disability (as defined in IC 20-35-1-2) who is at least eighteen (18) years of age and whom the school corporation elects to educate with an appropriate special educational program.

SECTION 95. IC 20-33-8.5-5, AS AMENDED BY P.L.234-2007, SECTION 228, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. The agreement must provide how the expenses of supervising a student who has been suspended or expelled are funded. A school corporation may not be required to expend **an amount in a particular year that is** more than **the result of:**

(1) the ~~transition to foundation revenue per adjusted~~ **school corporation's basic tuition support (as defined in IC 20-43-1-8) for the year; divided by**

(2) the school corporation's current ADM (as defined in ~~IC 20-43-1-29.3)~~ **IC 20-43-1-10) for the year;**

for each student referred under the agreement.

SECTION 96. IC 20-43-1-1, AS AMENDED BY P.L.234-2007, SECTION 232, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1. This article expires January 1, ~~2010.~~ **2012.**

SECTION 97. IC 20-43-1-8, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. "Basic tuition support" means the part of a school corporation's state tuition support for basic programs determined under ~~IC 20-43-6-5.~~ **IC 20-43-6-3.**

SECTION 98. IC 20-43-1-24.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 24.5. "Fiscal stabilization fund grant" refers to a grant under IC 20-43-12.**

SECTION 99. IC 20-43-1-31 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 31. For purposes of the calculation of state tuition support under this article and for purposes of federal stabilization grants, a school corporation's fiscal year is the calendar year.**

SECTION 100. IC 20-43-2-2, AS AMENDED BY P.L.146-2008, SECTION 482, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2. The maximum state distribution **(excluding federal funds under the American Recovery and Reinvestment Act of 2009)** for a calendar year for all school corporations for the purposes described in section 3 of this chapter is:

~~(1) three billion eight hundred twelve million five hundred thousand dollars ($3,812,500,000) in 2007;~~

~~(2) three billion nine hundred sixty million nine hundred thousand dollars ($3,960,900,000) in 2008; and~~

~~(3)~~ **(1)** six billion ~~five~~ **three** hundred ~~nine~~ **thirty-two** million **two hundred thousand** dollars

~~($6,509,000,000)~~ **($6,332,200,000)** in 2009;

(2) six billion four hundred thirty-one million one hundred thousand dollars ($6,431,100,000) in 2010; and

(3) six billion five hundred sixty-four million two hundred thousand dollars ($6,564,200,000) in 2011.

SECTION 101. IC 20-43-3-4, AS AMENDED BY P.L.146-2008, SECTION 485, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. (a) **This subsection applies to calendar year 2009.** 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 calendar year 2008.

(C) The school corporation's excise tax revenue for calendar year 2007.

STEP TWO: Subtract from the STEP ONE result an amount equal to the reduction in the school corporation's state tuition support under any combination of subsection ~~(b),~~ **(c),** subsection ~~(c),~~ **(d),** IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.

(b) This subsection applies to calendar years 2010 and 2011. 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 distribution to the school corporation under IC 20-43-11.5 in the year that precedes the current year to cover the costs of opening a new school facility during the year that precedes the current year by two (2).

(C) The amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

STEP TWO: Subtract from the STEP ONE result an amount equal to the reduction in the school corporation's state tuition support under any combination of subsection (c) or IC 20-30-2-4.

~~(b)~~ **(c)** A school corporation's previous year revenue must be reduced if:

(1) the school corporation's state tuition support for special education or career and technical 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 education programs or career and technical 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 education and career and technical education because of the overstatement.

~~(c)~~ **(d)** This section applies only to 2009. 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 20-24-11. The amount of the reduction equals the product of:

(1) the sum of the amounts distributed to the conversion charter school under IC 20-24-7-3(c) and IC 20-24-7-3(d) (as effective December 31, 2008); multiplied by

(2) two (2).

SECTION 102. IC 20-43-5-3, AS AMENDED BY P.L.3-2008, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. 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 school corporation's students who were eligible for free or reduced price lunches in the school year ending in the later of ~~2007~~ **2009** or the first year of operation of the school corporation.

(2) Determine the quotient of:

~~(A) in 2008:~~

~~(i) two thousand two hundred fifty dollars ($2,250); divided by~~

~~(ii) four thousand seven hundred ninety dollars ($4,790); and~~

~~(B) in 2009:~~

~~(i)~~ **(A)** two thousand four hundred dollars ($2,400); divided by

~~(ii)~~ **(B)** four thousand eight hundred twenty-five dollars ($4,825).

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP TWO: Determine the result of one (1) plus the STEP ONE result.

~~STEP THREE: This STEP applies if the STEP TWO 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 TWO result.~~

~~(2) Determine the result of:~~

~~(A) the STEP TWO result; plus~~

~~(B) the subdivision (1) result.~~

The data to be used in making the calculations under STEP ONE must be the data collected in the annual pupil enrollment count by the department.

SECTION 103. IC 20-43-5-4, AS AMENDED BY P.L.234-2007, SECTION 244, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: 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) in 2008, four thousand seven hundred ninety dollars ($4,790); or~~

~~(B) in 2009,~~ **The STEP ONE amount is** four thousand eight hundred twenty-five dollars ($4,825).

STEP TWO: Multiply the STEP ONE amount by the school corporation's complexity index.

SECTION 104. IC 20-43-5-5, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. A school corporation's previous year revenue foundation amount for a calendar year is equal to the **result of:**

(1) the school corporation's previous year revenue; divided by

(2) the school corporation's ~~adjusted~~ ADM for the previous year.

SECTION 105. IC 20-43-5-6, AS AMENDED BY P.L.234-2007, SECTION 245, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 6. **(a) This subsection applies to a charter school that has previous year revenue that is not greater than zero (0). A charter school's transition to foundation amount for a year is equal to the foundation amount for the year.**

(b) This subsection applies to a school corporation that is not described in subsection (a). 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) four (4) in 2008; or~~

~~(B)~~ **(A)** ~~three (3)~~ in 2009:

(i) two (2), if the STEP ONE amount for the school corporation is less than zero (0); and

(ii) three (3), if the STEP ONE amount for the school corporation is at least zero (0);

(B) in 2010:

(i) one (1), if the STEP ONE amount for the school corporation is less than zero (0); and

(ii) two (2), if the STEP ONE amount for the school corporation is at least zero (0); and

(C) one (1) in 2011.

STEP THREE: ~~A school corporation's STEP THREE amount is the following:~~

~~(A) For a charter school located outside Marion County 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 transition to foundation revenue for the calendar year where the charter school is located; divided by~~

~~(ii) the school corporation's current ADM.~~

~~(B) For a charter school located in Marion County that has previous year revenue that is not greater than zero (0), the charter school's STEP THREE amount is the weighted average of the transition to foundation revenue for the school corporations where the students counted in the current ADM of the charter school have legal settlement, as determined under item (iv) of the following formula:~~

~~(i) Determine the transition to foundation revenue for each school corporation where a student counted in the current ADM of the charter school has legal settlement.~~

~~(ii) For each school corporation identified in item (i), divide the item (i) amount by the school corporation's current ADM.~~

~~(iii) For each school corporation identified in item (i), multiply the item (ii) amount by the number of students counted in the current ADM of the charter school that have legal settlement in the particular school corporation.~~

~~(iv) Determine the sum of the item (iii) amounts for the charter school.~~

~~(C) The STEP THREE amount for a school corporation that is not a charter school described in clause (A) or (B) is the following:~~

~~(i) The school corporation's foundation amount for the calendar year if the STEP ONE amount is at least negative fifty dollars (-$50) and not more than one hundred dollars ($100).~~

~~(ii) For 2009, the school corporation's foundation amount for the calendar year, if the foundation amount in 2008 equaled the school corporation's transition to foundation revenue per adjusted ADM in 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 one hundred dollars ($100), if the school corporation's STEP ONE amount is greater than one hundred dollars ($100).~~

~~(iv) The difference determined by subtracting 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).~~ **Determine the sum of the school corporation's previous year revenue foundation amount and the school corporation's STEP TWO amount.**

SECTION 106. IC 20-43-6-1, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO

READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1. Subject to the amount appropriated by the general assembly for state tuition support and IC 20-43-2, the amount that a school corporation is entitled to receive in basic tuition support for a year is the amount determined in section ~~5~~ **3** of this chapter.

SECTION 107. IC 20-43-6-3, AS AMENDED BY P.L.146-2008, SECTION 488, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. (a) A school corporation's ~~total regular program~~ **basic** tuition support for a ~~calendar~~ year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that has transition to foundation ~~revenue per adjusted ADM~~ **amount** for a ~~calendar~~ year that is not equal to the ~~school corporation's~~ foundation amount for the ~~calendar~~ year. The school corporation's ~~total regular program~~ **basic** tuition support for a ~~calendar~~ year is equal to the school corporation's transition to foundation ~~revenue~~ **amount** for the ~~calendar~~ year **multiplied by the school corporation's current ADM.**

(c) This subsection applies to a school corporation that has transition to foundation ~~revenue per adjusted ADM~~ **amount** for a ~~calendar~~ year that is equal to the ~~school corporation's~~ foundation amount for the ~~calendar~~ year. The school corporation's ~~total regular program~~ **basic** tuition support for a ~~calendar~~ year is the sum of the following:

(1) The ~~school corporation's~~ foundation amount for the ~~calendar~~ year multiplied by the school corporation's ~~adjusted~~ **current** ADM. ~~for the current year.~~

(2) The amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(3) The distribution to the school corporation under IC 20-43-11.5 in the current year to cover the costs of opening a new school facility during the year that immediately precedes the current year.

(d) This subsection applies to a virtual charter school. A virtual charter school's basic tuition support for a year is the amount determined under IC 20-24-7-13.

SECTION 108. IC 20-43-7-6, AS AMENDED BY P.L.234-2007, SECTION 252, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: 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 three hundred dollars ($8,300); and~~

~~(B) in 2009,~~ eight thousand three hundred fifty dollars ($8,350).

(2) The nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by

~~(A) in 2008, two thousand two hundred fifty dollars ($2,250); and~~

~~(B) in 2009,~~ two thousand two hundred sixty-five dollars ($2,265).

(3) The duplicated count of pupils in programs for communication disorders multiplied by

~~(A) in 2008, five hundred thirty-one dollars ($531); and~~

~~(B) in 2009,~~ five hundred thirty-three dollars ($533).

(4) The cumulative count of pupils in homebound programs multiplied by

~~(A) in 2008, five hundred thirty-one dollars ($531); and~~

~~(B) in 2009,~~ five hundred thirty-three dollars ($533).

(5) The nonduplicated count of pupils in special preschool education programs multiplied by two thousand seven hundred fifty dollars ($2,750).

SECTION 109. IC 20-43-9-4, AS AMENDED BY P.L.234-2007, SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: 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 seventy-two thousand dollars ($72,000); and~~

~~(B) in 2009,~~ is seventy-four thousand five hundred dollars ($74,500).

(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 110. IC 20-43-9-6, AS AMENDED BY P.L.234-2007, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: 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 regular program~~ **basic** tuition support for 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 111. IC 20-43-11.5-1, AS ADDED BY P.L.146-2008, SECTION 490, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A school corporation may appeal to the department ~~of local government finance under IC 6-1.1-19~~ for a new facility adjustment to increase the school corporation's tuition support distribution for the following year. ~~by the amount described in section 2 of this chapter.~~

(b) Upon the demonstration by the school corporation to the department ~~of local government finance~~ that an adjustment is necessary to pay increased costs to open:
(1) a new school facility; or
(2) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;
the department ~~of local government finance~~ may grant the appeal. If the department ~~of local government finance~~ grants an appeal, it shall determine the amount of the new facility adjustment to be distributed to the school corporation under this chapter. In determining the amount of a new facility adjustment, the department ~~of local government finance~~ shall consider the extent to which a part of tuition support distributions offsets any increased costs described in subdivision (1) or (2).

SECTION 112. IC 20-43-11.5-2, AS ADDED BY P.L.146-2008, SECTION 490, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) If a school corporation's appeal under this chapter is granted, the department shall, subject to amounts appropriated, distribute to the school corporation the amount of the new facility adjustment approved by the department. ~~of local government finance.~~

(b) A new facility adjustment is in addition to the amount of the state tuition support distribution to which the school corporation is **otherwise** entitled under this article.

SECTION 113. IC 20-43-12 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]:

Chapter 12. Fiscal Stabilization Fund Grant

Sec. 1. A school corporation is entitled to a fiscal stabilization fund grant.

Sec. 2. Subject to section 4 of this chapter, the amount of the fiscal stabilization fund grant to which a school corporation is entitled in a year is equal to the result determined under STEP SIX of the following formula:
STEP ONE: Determine the school corporation's basic tuition support for the current year.
STEP TWO: Determine the amount of the basic tuition support to which the school corporation would have been entitled for the 2009 year if:
(A) the school corporation's basic tuition support had been computed using the formula

for computing basic tuition support for 2009 as that formula existed after the amendments made by P.L.146-2008; and

(B) the changes made to this article in the 2009 session of the general assembly were not applied.

STEP THREE: For 2010 and 2011, determine the sum of:

(A) the STEP TWO amount divided by the school corporation's 2009 ADM; plus

(B) two hundred seventy-five dollars ($275) for 2010 and four hundred twenty-five dollars ($425) for 2011.

STEP FOUR: Determine the result of:

(A) the school corporation's STEP THREE amount; multiplied by

(B) the school corporation's ADM for the current year.

STEP FIVE: For 2009, determine the STEP TWO amount, and for 2010 and 2011 determine the lesser of:

(A) the STEP FOUR amount; or

(B) the STEP TWO amount.

STEP SIX: Determine the greater of zero (0) or the result of:

(A) the STEP FIVE amount; minus

(B) the STEP ONE amount.

Sec. 3. Fiscal stabilization fund grants may be made only from Indiana's allocation of grants to the states from the state fiscal stabilization fund under Section 14001(d) of Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009. The total of all grants distributed in a year to all school corporations may not exceed the lesser of the following:

(1) in:

(A) 2009, one hundred fifty-five million dollars ($155,000,000);

(B) 2010, one hundred seventy-eight million one hundred thousand dollars ($178,100,000); and

(C) 2011, one hundred eighty-three million seven hundred thousand dollars ($183,700,000); or

(2) the amount available to the state from Indiana's apportionment of grants to the states from the state fiscal stabilization fund under Section 14001(d) of Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009, after subtracting any reduction required under section 7 of this chapter.

Sec. 4. If the total amount to be distributed as fiscal stabilization fund grants for a particular year exceeds in a year the amount specified in section 3 of this chapter for the year, the amount to be distributed for fiscal stabilization fund grants 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.

Sec. 5. The amount of a reduction for a particular school corporation under section 4 of this chapter is equal to the total amount of the excess determined under section 4 of this chapter multiplied by a fraction. The numerator of the fraction is the amount of the distribution for fiscal stabilization fund grants that the school corporation would have received if reduction were not required under section 4 of this chapter. The denominator of the fraction is the total amount that would be distributed for fiscal stabilization fund grants to all school corporations if reductions were not required under section 4 of this chapter.

Sec. 6. A reduction in distributions under section 4 of this chapter shall be made before making any additional reductions required under IC 20-43-2-3 and IC 20-43-2-4.

Sec. 7. (a) If the total amount to be distributed under:

(1) section 3 of this chapter for fiscal stabilization fund grants;

(2) IC 20-20-36.2-11 for circuit breaker replacement grants; and

(3) any appropriations to state educational institutions that are payable from the amount available from Indiana's apportionment of grants to the states from the state fiscal stabilization fund established by Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009;

exceeds the total amount available from Indiana's apportionment of grants to the states from the state fiscal stabilization fund under Section 14001(d) of Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009, as determined by the budget agency with the approval of the governor, the total amount to be distributed for fiscal stabilization fund grants shall be reduced to the extent required under subsection (b).

(b) If a shortfall exists in the amount needed to fund all distributions described in subsection (a), the budget agency, with the approval of the governor, shall reduce the total of all distributions described in subsection (a) by the amount necessary to eliminate the excess. The reductions shall be allocated by the budget agency with the approval of the governor among the three (3) categories of distributions described in subsection (a)(1), (a)(2), and (a)(3) as follows:

(1) The distributions shall be reduced in a manner that complies with Section 14002(a)(2)(B) of Division A, Title XIV of the federal American Recovery and Reinvestment Act of 2009.

(2) To the extent permitted under subdivision (1), the:

(A) distributions to state educational institutions shall be proportionally reduced first by the amount necessary to eliminate the shortfall before reducing any distribution described in subsection (a)(1) or (a)(2); and

(B) if any shortfall remains after complying with clause (A), distributions described in subsection (a)(2) shall be reduced as necessary to eliminate the shortfall before reducing any distribution described in subsection (a)(1).

SECTION 114. IC 20-49-1-3, AS AMENDED BY P.L.234-2007, SECTION 265, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. ~~"Transition to foundation revenue~~ **"Basic tuition support** per ~~adjusted~~ ADM" ~~has the meaning set forth in IC 20-43-1-29.3.~~ **means the result of:**

(1) a school corporation's basic tuition support (as defined in IC 20-43-1-8) for a year; divided by

(2) the school corporation's current ADM for the year.

SECTION 115. IC 20-49-7-10, AS AMENDED BY P.L.234-2007, SECTION 266, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 10. The amount of an advance for operational costs may not exceed the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the product of:

(A) the charter school's enrollment reported under IC 20-24-7-2(a); multiplied by

(B) the charter school's ~~transition to foundation revenue~~ **basic tuition support** per ~~adjusted~~ ADM.

STEP TWO: Determine the quotient of:

(A) the STEP ONE amount; divided by

(B) two (2).

STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) one and fifteen-hundredths (1.15).

SECTION 116. IC 20-49-7-11, AS AMENDED BY P.L.234-2007, SECTION 267, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 11. The

amount of an advance for operational costs may not exceed the amount determined under STEP ~~FOUR~~ **THREE** of the following formula:

STEP ONE: Determine the quotient of:

(A) the charter school's ~~transition to foundation revenue~~ **basic tuition support** per ~~adjusted~~ ADM; divided by

(B) two (2).

STEP TWO: Determine the difference between:

(A) the charter school's current ADM; minus

(B) the charter school's ADM of the previous year.

STEP THREE: Determine the product of:

(A) the STEP ONE amount; multiplied by

(B) the STEP TWO amount.

~~STEP FOUR: Determine the product of:~~

~~(A) the STEP THREE amount; multiplied by~~

~~(B) one and fifteen-hundredths (1.15).~~

SECTION 117. IC 20-49-7-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 21. (a) A charter school, including a conversion charter school, that has received an advance for operational costs from the common school fund under this chapter does not have to make principal or interest payments during the state fiscal year beginning:**

(1) July 1, 2009; and

(2) July 1, 2010;

notwithstanding contrary terms in the charter school and state board advance agreement.

(b) The repayment term of the advance shall be extended by two (2) years to provide for the waiver even though it may make the repayment term for the advance longer than twenty (20) years.

SECTION 118. IC 20-51 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 51. SCHOOL SCHOLARSHIPS

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Agreement" refers to an agreement between the department of state revenue and an applicant that applies for certification of a school scholarship program.

Sec. 3. "Contribution" refers to a contribution to a scholarship granting organization for use in a school scholarship program.

Sec. 4. (a) "Cost of education" means the tuition and fees that would otherwise be charged by a participating school to:

(1) an eligible student; or

(2) a parent of an eligible student.

(b) In the case of an eligible pupil who attends a public school, the term includes any transfer tuition charged to the eligible student or a parent of the eligible student.

Sec. 5. "Eligible student" refers to an individual who:

(1) has legal settlement in Indiana;

(2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7;

(3) either has been or is currently enrolled in a participating school;

(4) either:

(A) is a member of a household with an annual income of not more than two hundred

percent (200%) of the amount required for the individual to qualify for the federal free or reduced price lunch program; or

(B) received a scholarship under this article in the immediately preceding school year or the immediately preceding term of the current school year and qualified under clause (A) in the first year that the individual received a scholarship under this article; and

(5) meets at least one (1) of the following conditions:

(A) The individual is enrolling in kindergarten.

(B) The individual was enrolled in a public school during the school year preceding the first school year for which a scholarship granting organization provides a scholarship to the individual.

(C) The individual received a scholarship in the previous year from a nonprofit scholarship granting organization that qualifies for certification as a school scholarship program.

(D) The individual received a school scholarship for the previous school year.

Sec. 6. (a) "Participating school" refers to a public or nonpublic school that:

(1) an eligible student is required to pay tuition or transfer tuition to attend;

(2) voluntarily agrees to enroll an eligible student;

(3) is accredited by either the state board or a national or regional accreditation agency that is recognized by the state board; and

(4) administers the tests under the Indiana statewide testing for educational progress (ISTEP) program or administers another nationally recognized and norm referenced assessment of the school's students.

(b) The term does not include a public school in a school corporation where the eligible student has legal settlement under IC 20-26-11.

Sec. 7. "Scholarship granting organization" refers to an organization that:

(1) is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(2) is organized at least in part to grant school scholarships.

Sec. 8. "School scholarship" refers to a grant to pay only the cost of education for an eligible student as determined for the school year for which the scholarship will be granted.

Chapter 2. Exchange of Information; Rules

Sec. 1. The department of state revenue shall maintain a publicly available list of the school scholarship programs certified by the department of state revenue. The list must contain names, addresses, and any other information that the department of state revenue determines is necessary for the public to determine which scholarship granting organizations conduct school scholarship programs. A current list must be posted on an Internet web site used by the department of state revenue to provide information to the public.

Chapter 3. Scholarship Granting Organizations; Certification; Administration of Contributions

Sec. 1. (a) A program qualifies for certification as a school scholarship program if:

(1) the program:

(A) is administered by a scholarship granting organization; and

(B) has the primary purpose of providing school scholarships to eligible students; and

(2) the scholarship granting organization administering the program:

(A) applies to the department of state revenue on the form and in the manner prescribed by the department of state revenue; and

(B) enters into an agreement with the department of state revenue to comply with this article.

(b) A program may not be certified as a school scholarship program if the program:

(1) limits a recipient of a school scholarship to attending specific participating schools; or

(2) limits the ability of a recipient of a school scholarship to change attendance from one (1) participating school to another participating school.

Sec. 2. The department of state revenue shall certify all programs that meet the qualifications under section 1 of this chapter as school scholarship programs.

Sec. 3. An agreement entered into under section 1 of this chapter between the department of state revenue and a scholarship granting organization must require the scholarship granting organization to do the following:

(1) Provide a receipt to taxpayers for contributions made to the scholarship granting organization that will be used in a school scholarship program. The department of state revenue shall prescribe a standardized form for the receipt issued under this subdivision. The receipt must indicate the value of the contribution and portion of the contribution being designated for use in a school scholarship program.

(2) Distribute at least ninety percent (90%) of the total amount of contributions as school scholarships to eligible students.

(3) Distribute one hundred percent (100%) of any income earned on contributions as school scholarships to eligible students.

(4) Conduct criminal background checks on all the scholarship granting organization's employees and board members and exclude from employment or governance any individual who might reasonably pose a risk to the appropriate use of contributed funds.

(5) Make the reports required by this chapter.

Sec. 4. An agreement entered into under section 1 of this chapter may not prohibit a scholarship granting organization from receiving contributions other than contributions described in section 3(1) of this chapter.

Sec. 5. An agreement entered into under section 1 of this chapter must prohibit a scholarship granting organization from distributing school scholarships for use by an eligible student to:

(1) enroll in a school that has:

(A) paid staff or board members; or

(B) relatives of paid staff or board members;

in common with the scholarship granting support organization;

(2) enroll in a school that the scholarship granting organization knows does not qualify as a participating school; or

(3) pay for the cost of education for a public school where the eligible student is entitled to enroll without the payment of tuition.

Sec. 6. (a) A scholarship granting organization certified under this chapter must publicly report to the department of state revenue by August 1 of each year the following information regarding the organization's scholarships awarded in the previous school year:

(1) The name and address of the scholarship granting organization.

(2) The total number and total dollar amount of contributions received during the previous school year.

(3) The:

(A) total number and total dollar amount of scholarships awarded during the previous school year; and

(B) total number and total dollar amount of school scholarships awarded during the previous school year.

The report must be certified under penalties of perjury by the chief executive officer of the scholarship granting organization.

(b) A scholarship granting organization certified under this chapter shall contract with an independent certified public accountant for an annual financial audit of the scholarship granting organization. The scholarship granting organization must provide a copy of the annual financial audit to the department and must make the annual financial audit available to a member of the public upon request.

Sec. 7. The department of state revenue shall prescribe a standardized form for scholarship granting organizations to report information required under this chapter.

Sec. 8. The department of state revenue may, in a proceeding under IC 4-21.5, suspend or terminate the certification of an organization as a scholarship granting organization if the department of state revenue establishes that the scholarship granting organization has intentionally and substantially failed to comply with the requirements of this article or an agreement entered into under this article.

Sec. 9. If the department of state revenue suspends or terminates the certification of an organization as a scholarship granting organization, the department of state revenue shall notify affected eligible students and their parents of the decision as quickly as possible. An eligible student affected by a suspension or termination of a scholarship granting organization's certification shall remain an eligible student under this article until the end of the school year after the school year in which the scholarship granting organization's certification is suspended or terminated, regardless of whether the scholarship student currently meets the definition of an eligible student.

Sec. 10. The department of state revenue may conduct either a financial review or an audit of a scholarship granting organization certified under this chapter if the department of state revenue has evidence of fraud.

Sec. 11. The department of state revenue shall adopt rules under IC 4-22-2 to implement this article.

SECTION 119. IC 21-29-3-3, AS ADDED BY P.L.2-2007, SECTION 270, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) Subject to subsections (b) through (d), any state educational institution may enter into and modify, amend, or terminate one (1) or more swap agreements that the state educational institution determines to be necessary or desirable in connection with or incidental to the issuance, carrying, or securing of obligations. Swap agreements entered into by a state educational institution must:

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

(2) be with the parties;

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

(b) A state educational institution may not:

(1) enter into, modify, amend, or terminate any swap agreement without the specific approval of the public finance director appointed under IC 4-4-11-9;

~~(1)~~ **(2)** enter into any swap agreement under this section other than for the purpose of managing an interest rate or similar risk that arises in connection with or incidental to the issuance, carrying, or securing of obligations by the state educational institution; or

~~(2)~~ **(3)** carry on a business of acting as a dealer in swap agreements.

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

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

(2) the board of trustees of the state educational institution specifically designates the swap agreement as having a relationship to the particular obligations;

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

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

(d) Payments to be made by a state educational institution to any other party under a swap agreement are payable only from the same source or sources of funds from which the related obligations are payable.

SECTION 120. IC 31-19-19-2, AS AMENDED BY P.L.145-2006, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) All files and records pertaining to the adoption proceedings in:

~~(1) the county office of family and children;~~

~~(2)~~ **(1)** the department; or

~~(3)~~ **(2)** any of the licensed child placing agencies;

are confidential and open to inspection only as provided in IC 31-19-13-2(2), IC 31-19-17, or IC 31-19-25.

(b) The files and records described in subsection (a), including investigation records under IC 31-19-8-5 (or IC 31-3-1-4 before its repeal):

(1) are open to the inspection of the court hearing the petition for adoption; and

(2) on order of the court, may be:

(A) introduced into evidence; and

(B) made a part of the record;

in the adoption proceeding.

SECTION 121. IC 31-25-5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 5. Cooperation With Department of Child Services Ombudsman

Sec. 1. As used in this chapter, "ombudsman" refers to the office of the department of child services ombudsman established within the Indiana department of administration by IC 4-13-19-3. The term includes an employee of the office of the department of child services ombudsman or an individual approved by the office of the department of child services ombudsman to investigate and resolve complaints regarding the health and safety of a child.

Sec. 2. The department and the juvenile court with jurisdiction over a child shall provide the ombudsman with:

(1) appropriate access to all records of the department concerning the child, excluding adoption records, but including all records of the department related to vendors and contractors; and

(2) immediate access, without prior notice, to any facility in which the child is placed or is receiving services funded by the department.

SECTION 122. IC 31-27-3-18, AS AMENDED BY P.L.138-2007, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) A licensee shall keep records regarding each child in the control and care of the licensee as the department requires and shall report to the department upon request the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:

(1) A state agency involved in the licensing of the child caring institution.

(2) A legally mandated child protection agency.

(3) A law enforcement agency.

(4) An agency having the legal responsibility to care for a child placed at the child caring institution.
(5) The parent, guardian, or custodian of the child at the child caring institution.
(6) A citizen review panel established under IC 31-25-2-20.4.
(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 123. IC 31-27-4-21, AS AMENDED BY P.L.138-2007, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) A licensee shall keep records required by the department regarding each child in the control and care of the licensee and shall report to the department upon request the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:
(1) A state agency involved in the licensing of the foster family home.
(2) A legally mandated child protection agency.
(3) A law enforcement agency.
(4) An agency having the legal responsibility to care for a child placed at the foster family home.
(5) The parent, guardian, or custodian of the child at the foster family home.
(6) A citizen review panel established under IC 31-25-2-20.4.
(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 124. IC 31-27-5-18, AS AMENDED BY P.L.138-2007, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) A licensee shall keep records required by the department regarding each child in the control and care of the licensee and shall report to the department, upon request, the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:
(1) A state agency involved in the licensing of the group home.
(2) A legally mandated child protection agency.
(3) A law enforcement agency.
(4) An agency having the legal responsibility to care for a child placed at the group home.
(5) The parent, guardian, or custodian of the child at the group home.
(6) A citizen review panel established under IC 31-25-2-20.4.
(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 125. IC 31-27-6-15, AS AMENDED BY P.L.138-2007, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. (a) A licensee shall keep records required by the department regarding each child in the control and care of the licensee and shall report to the department upon request the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:
(1) A state agency involved in the licensing of the child placing agency.
(2) A legally mandated child protection agency.
(3) A law enforcement agency.
(4) A citizen review panel established under IC 31-25-2-20.4.
(5) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 126. IC 31-33-18-1, AS AMENDED BY P.L.145-2006, SECTION 283, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Except as provided in section 1.5 of this chapter, the following are confidential:

(1) Reports made under this article (or IC 31-6-11 before its repeal).
(2) Any other information obtained, reports written, or photographs taken concerning the reports in the possession of:
(A) the division of family resources;
(B) the county office; ~~or~~
(C) the department; **or**
(D) the office of the department of child services ombudsman established by IC 4-13-19-3.

(b) Except as provided in section 1.5 of this chapter, all records held by:
(1) the division of family resources;
(2) a county office;
(3) the department;
(4) a local child fatality review team established under IC 31-33-24; ~~or~~
(5) the statewide child fatality review committee established under IC 31-33-25; **or**
(6) the office of the department of child services ombudsman established by IC 4-13-19-3;
regarding the death of a child determined to be a result of abuse, abandonment, or neglect are confidential and may not be disclosed.

SECTION 127. IC 31-33-18-1.5, AS AMENDED BY P.L.145-2006, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.5. (a) This section applies to records held by:
(1) the division of family resources;
(2) a county office;
(3) the department;
(4) a local child fatality review team established under IC 31-33-24; ~~or~~
(5) the statewide child fatality review committee established under IC 31-33-25; **or**
(6) the office of the department of child services ombudsman established by IC 4-13-19-3;
regarding a child whose death or near fatality may have been the result of abuse, abandonment, or neglect.

(b) For purposes of subsection (a), a child's death or near fatality may have been the result of abuse, abandonment, or neglect if:
(1) an entity described in subsection (a) determines that the child's death or near fatality is the result of abuse, abandonment, or neglect; or
(2) a prosecuting attorney files:
(A) an indictment or information; or
(B) a complaint alleging the commission of a delinquent act;
that, if proven, would cause a reasonable person to believe that the child's death or near fatality may have been the result of abuse, abandonment, or neglect.

Upon the request of any person, or upon its own motion, the court exercising juvenile jurisdiction in the county in which the child's death or near fatality occurred shall determine whether the allegations contained in the indictment, information, or complaint described in subdivision (2), if proven, would cause a reasonable person to believe that the child's death or near fatality may have been the result of abuse, abandonment, or neglect.

(c) As used in this section:
(1) "identifying information" means information that identifies an individual, including an individual's:
(A) name, address, date of birth, occupation, place of employment, and telephone number;
(B) employer identification number, mother's maiden name, Social Security number, or any identification number issued by a governmental entity;

(C) unique biometric data, including the individual's fingerprint, voice print, or retina or iris image;

(D) unique electronic identification number, address, or routing code;

(E) telecommunication identifying information; or

(F) telecommunication access device, including a card, a plate, a code, an account number, a personal identification number, an electronic serial number, a mobile identification number, or another telecommunications service or device or means of account access; and

(2) "near fatality" has the meaning set forth in 42 U.S.C. 5106a.

(d) Unless information in a record is otherwise confidential under state or federal law, a record described in subsection (a) that has been redacted in accordance with this section is not confidential and may be disclosed to any person who requests the record. The person requesting the record may be required to pay the reasonable expenses of copying the record.

(e) When a person requests a record described in subsection (a), the entity having control of the record shall immediately transmit a copy of the record to the court exercising juvenile jurisdiction in the county in which the death or near fatality of the child occurred. However, if the court requests that the entity having control of a record transmit the original record, the entity shall transmit the original record.

(f) Upon receipt of the record described in subsection (a), the court shall, within thirty (30) days, redact the record to exclude:

(1) identifying information described in subsection (c)(1)(B) through (c)(1)(F) of a person; and

(2) all identifying information of a child less than eighteen (18) years of age.

(g) The court shall disclose the record redacted in accordance with subsection (f) to any person who requests the record, if the person has paid:

(1) to the entity having control of the record, the reasonable expenses of copying under IC 5-14-3-8; and

(2) to the court, the reasonable expenses of copying the record.

(h) The court's determination under subsection (f) that certain identifying information or other information is not relevant to establishing the facts and circumstances leading to the death or near fatality of a child is not admissible in a criminal proceeding or civil action.

SECTION 128. IC 31-33-18-2, AS AMENDED BY P.L.138-2007, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The reports and other material described in section 1(a) of this chapter and the unredacted reports and other material described in section 1(b) of this chapter shall be made available only to the following:

(1) Persons authorized by this article.

(2) A legally mandated public or private child protective agency investigating a report of child abuse or neglect or treating a child or family that is the subject of a report or record.

(3) A police or other law enforcement agency, prosecuting attorney, or coroner in the case of the death of a child who is investigating a report of a child who may be a victim of child abuse or neglect.

(4) A physician who has before the physician a child whom the physician reasonably suspects may be a victim of child abuse or neglect.

(5) An individual legally authorized to place a child in protective custody if:

(A) the individual has before the individual a child whom the individual reasonably suspects may be a victim of abuse or neglect; and

(B) the individual requires the information in the report or record to determine whether to place the child in protective custody.

(6) An agency having the legal responsibility or authorization to care for, treat, or supervise a child who is the subject of a report or record or a parent, guardian, custodian, or other person who

is responsible for the child's welfare.
(7) An individual named in the report or record who is alleged to be abused or neglected or, if the individual named in the report is a child or is otherwise incompetent, the individual's guardian ad litem or the individual's court appointed special advocate, or both.
(8) Each parent, guardian, custodian, or other person responsible for the welfare of a child named in a report or record and an attorney of the person described under this subdivision, with protection for the identity of reporters and other appropriate individuals.
(9) A court, for redaction of the record in accordance with section 1.5 of this chapter, or upon the court's finding that access to the records may be necessary for determination of an issue before the court. However, except for disclosure of a redacted record in accordance with section 1.5 of this chapter, access is limited to in camera inspection unless the court determines that public disclosure of the information contained in the records is necessary for the resolution of an issue then pending before the court.
(10) A grand jury upon the grand jury's determination that access to the records is necessary in the conduct of the grand jury's official business.
(11) An appropriate state or local official responsible for child protection services or legislation carrying out the official's official functions.
(12) A foster care review board established by a juvenile court under IC 31-34-21-9 (or IC 31-6-4-19 before its repeal) upon the court's determination that access to the records is necessary to enable the foster care review board to carry out the board's purpose under IC 31-34-21.
(13) The community child protection team appointed under IC 31-33-3 (or IC 31-6-11-14 before its repeal), upon request, to enable the team to carry out the team's purpose under IC 31-33-3.
(14) A person about whom a report has been made, with protection for the identity of:
(A) any person reporting known or suspected child abuse or neglect; and
(B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.
(15) An employee of the department, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 31-26-5, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:
(A) child at imminent risk of placement;
(B) child in need of services; or
(C) delinquent child.
The results of a criminal history check conducted under this subdivision must be disclosed to a court determining the placement of a child described in clauses (A) through (C).
(16) A local child fatality review team established under IC 31-33-24-6.
(17) The statewide child fatality review committee established by IC 31-33-25-6.
(18) The department.
(19) The division of family resources, if the investigation report:
(A) is classified as substantiated; and
(B) concerns:
(i) an applicant for a license to operate;
(ii) a person licensed to operate;
(iii) an employee of; or
(iv) a volunteer providing services at;
a child care center licensed under IC 12-17.2-4 or a child care home licensed under IC 12-17.2-5.
(20) A citizen review panel established under IC 31-25-2-20.4.
(21) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 129. IC 31-33-25-6, AS ADDED BY P.L.145-2006, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The statewide child fatality review committee is established to review a child's death that is:

(1) sudden;

(2) unexpected; or

(3) unexplained;

if the county where the child died does not have a local child fatality review team or if the local child fatality review team requests a review of the child's death by the statewide committee.

(b) The statewide child fatality review committee may also review the death of a child upon request by an individual **or the office of the department of child services ombudsman established by IC 4-13-19-3.**

(c) A request submitted under subsection (b) must set forth:

(1) the name of the child;

(2) the age of the child;

(3) the county where the child died;

(4) whether a local child fatality review team reviewed the death; and

(5) the cause of death of the deceased child.

SECTION 130. IC 31-33-25-8, AS AMENDED BY P.L.225-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. The statewide child fatality review committee consists of the following members appointed by the governor:

(1) a coroner or deputy coroner;

(2) a representative from:

(A) the state department of health established by IC 16-19-1-1;

(B) a local health department established under IC 16-20-2; or

(C) a multiple county health department established under IC 16-20-3;

(3) a pediatrician;

(4) a representative of law enforcement;

(5) a representative from an emergency medical services provider;

(6) the director or a representative of the department;

(7) a representative of a prosecuting attorney;

(8) a pathologist who is:

(A) certified by the American Board of Pathology in forensic pathology; and

(B) licensed to practice medicine in Indiana;

(9) a mental health provider;

(10) a representative of a child abuse prevention program; ~~and~~

(11) a representative of the department of education; **and**

(12) at the discretion of the office of the department of child services ombudsman, a representative of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 131. IC 31-33-26-5, AS ADDED BY P.L.138-2007, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Subject to the accessibility to files provided in subsection (b), at least ten (10) levels of security for confidentiality in the index must be maintained.

(b) The index must have a comprehensive system of limited access to information as follows:

(1) The index must be accessed only by the entry of an operator identification number and a password.

(2) A child welfare caseworker must be allowed to access only:

(A) cases that are assigned to the caseworker; and

(B) other cases or investigations that involve:

(i) a family member of a child; or
(ii) a child;
who is the subject of a case described in clause (A).
(3) A child welfare supervisor may access only the following:
(A) Cases assigned to the supervisor.
(B) Cases assigned to a caseworker who reports to the supervisor.
(C) Other cases or investigations that involve:
(i) a family member of a child; or
(ii) a child;
who is the subject of a case described in clause (A) or (B).
(D) Cases that are unassigned.
(4) To preserve confidentiality in the workplace, child welfare managers, as designated by the department, may access any case, except restricted cases involving:
(A) a state employee; or
(B) the immediate family member of a state employee;
who has access to the index. Access to restricted information under this subdivision may be obtained only if an additional level of security is implemented.
(5) Access to records of authorized users, including passwords, is restricted to:
(A) users designated by the department as administrators; and
(B) the administrator's level of access as determined by the department.
(6) Ancillary programs that may be designed for the index may not be executed in a manner that would circumvent the index's log-on security measures.
(7) Certain index functions must be accessible only to index operators with specified levels of authorization as determined by the department.
(8) Files containing passwords must be encrypted.
(9) There must be two (2) additional levels of security for confidentiality as determined by the department.
(10) The office of the department of child services ombudsman established by IC 4-13-19-3 shall have read-only access to the index concerning:
(A) children who are the subject of complaints filed with; or
(B) cases being investigated by;
the office of the department of child services ombudsman. The office of the department of child services ombudsman shall not have access to any information related to cases or information that involves the ombudsman or any member of the ombudsman's immediate family.

SECTION 132. IC 31-39-2-6, AS AMENDED BY P.L.145-2006, SECTION 359, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The records of the juvenile court are available without a court order to:
(1) the attorney for the department of child services; or
(2) any authorized staff member of:
(A) the county office;
(B) the department of child services; ~~or~~
(C) the department of correction; **or**
(D) the office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 133. IC 31-39-4-7, AS AMENDED BY P.L.145-2006, SECTION 361, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. The records of a law enforcement agency are available, without specific permission from the head of the agency, to: ~~the:~~

(1) the attorney for the department of child services or any authorized staff member; **or**

(2) any authorized staff member of the office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 134. IC 31-39-9-1, AS ADDED BY P.L.67-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The following entities and agencies may exchange records of a child who is a child in need of services or has been determined to be a delinquent child under IC 31-37-1-2, if the information or records are not confidential under state or federal law:

(1) A court.

(2) A law enforcement agency.

(3) The department of correction.

(4) The department of child services.

(5) The office of the secretary of family and social services.

(6) A primary or secondary school, including a public or nonpublic school.

(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 135. IC 33-24-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) The judicial technology and automation project fund is established to fund the judicial technology and automation project. The ~~division of state court administration~~ **budget agency** shall administer the fund. The fund consists of the following:

(1) Deposits made under IC 33-37-9-4.

(2) Other appropriations made by the general assembly.

(3) Grants and gifts designated for the fund or the judicial technology and automation project.

(b) 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.

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

~~(d) There is annually appropriated to the division of state court administration the money in the fund for the judicial technology and automation project.~~

(d) The budget agency shall establish standards and procedures for the judicial technology and automation project. The standards shall be established to ensure that data collection, storage, and applications are compatible to promote data sharing and consistency among all users in Indiana. The budget agency shall develop a process to provide grants to counties to fund court technology and automation projects that meet the standards for compatibility established under this section. In addition to providing grants to counties, the budget agency may provide funding from the fund to the office of technology or the division of state court administration to assist in the implementation of the project.

(e) The budget agency shall make a progress report to the budget committee on the status of the judicial technology and automation project before December 31, 2009.

SECTION 136. IC 33-37-5-21, AS AMENDED BY P.L.234-2007, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) This section applies to all civil, criminal, infraction, and ordinance violation actions.

(b) The clerk shall collect ~~a seven dollar ($7)~~ **an** automated record keeping fee **in the following amounts:**

(1) Seven dollars ($7) after June 30, 2003, and before July 1, ~~2011.~~ **2009.**

(2) ~~Four~~ **Five** dollars ~~($4)~~ **($5)** after June 30, ~~2011.~~ **2009.**

SECTION 137. IC 33-37-5-27, AS AMENDED BY P.L.122-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 27. (a) This subsection does not apply to the following:

(1) A criminal proceeding.

(2) A proceeding to enforce a statute defining an infraction.
(3) A proceeding for an ordinance violation.

In each action filed in a court described in IC 33-37-1-1, ~~and in each small claims action in a court described in IC 33-34,~~ the clerk shall collect a court administration fee of ~~five~~ **seven** dollars ~~($5).~~ **($7).**

(b) In each action in which a person is:
(1) convicted of an offense;
(2) required to pay a pretrial diversion fee;
(3) found to have committed an infraction; or
(4) found to have violated an ordinance;

the clerk shall collect a court administration fee of ~~five~~ **seven** dollars ~~($5).~~ **($7).**

(c) After June 30, 2009, the clerk shall collect a court administration fee of five dollars ($5) in each small claims action filed in a court described in IC 33-34.

SECTION 138. IC 33-37-7-9, AS AMENDED BY P.L.122-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010]: Sec. 9. (a) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of state ~~nine~~ **ten** million ~~two~~ **three** hundred ~~seventy-seven~~ **twenty-one** thousand ~~twenty-three~~ **one hundred fifty-two** dollars ~~($9,277,023)~~ **($10,321,152)** for distribution under subsection (b).

(b) On June 30 and on December 31 of each year, the treasurer of state shall deposit into:
(1) the family violence and victim assistance fund established by IC 12-18-5-2 an amount equal to ~~eight~~ **seven** and ~~three-hundredths~~ **twenty-two hundredths** percent ~~(8.03%);~~ **(7.22%);**
(2) the Indiana judges' retirement fund established by IC 33-38-6-12 an amount equal to ~~thirty-eight~~ **thirty-four** and ~~fifty-five~~ **sixty-six** hundredths percent ~~(38.55%);~~ **(34.66%);**
(3) the law enforcement academy building fund established by IC 5-2-1-13 an amount equal to two and ~~fifty-six~~ **thirty-one** hundredths percent ~~(2.56%);~~ **(2.31%);**
(4) the law enforcement training fund established by IC 5-2-1-13 an amount equal to ~~ten~~ **nine** and ~~twenty-seven~~ **twenty-four** hundredths percent ~~(10.27%);~~ **(9.24%);**
(5) the violent crime victims compensation fund established by IC 5-2-6.1-40 an amount equal to ~~eleven~~ **ten** and ~~ninety-three~~ **seventy-three** hundredths percent ~~(11.93%);~~ **(10.73%);**
(6) the motor vehicle highway account an amount equal to ~~nineteen~~ **seventeen** and ~~forty-nine~~ **fifty-two** hundredths percent ~~(19.49%);~~ **(17.52%);**
(7) the fish and wildlife fund established by IC 14-22-3-2 an amount equal to ~~twenty-five~~ **twenty-three** hundredths percent ~~(0.25%);~~ **(0.23%);**
(8) the Indiana judicial center drug and alcohol programs fund established by IC 12-23-14-17 for the administration, certification, and support of alcohol and drug services programs under IC 12-23-14 an amount equal to one and ~~sixty-three~~ **forty-seven** hundredths percent ~~(1.63%); and~~ **(1.47%);**
(9) the DNA sample processing fund established under IC 10-13-6-9.5 for the funding of the collection, shipment, analysis, and preservation of DNA samples and the conduct of a DNA data base program under IC 10-13-6 an amount equal to ~~seven~~ **six** and ~~twenty-nine~~ **fifty-six** hundredths percent ~~(7.29%);~~ **(6.56%); and**
(10) the prosecuting attorneys retirement fund established by IC 33-39-7-9 an amount equal to ten and six hundredths percent (10.06%);

of the amount transferred by the auditor of state under subsection (a).

(c) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of state for deposit into the public defense fund established under IC 33-40-6-1:
(1) after June 30, 2004, and before July 1, 2005, one million seven hundred thousand dollars ($1,700,000); and
(2) after June 30, 2005, two million seven hundred thousand dollars ($2,700,000).

SECTION 139. IC 33-39-6-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 5.5. (a) In addition to the salary provided under section 2 or 5 of this chapter, a full-time prosecuting attorney or deputy prosecuting attorney may receive any additional salary provided by the county under IC 36-2-5-14 or IC 36-3-6-3(c).**

(b) Before November 2 each year, the county auditor of each county shall certify to the division of state court administration the amounts, if any, the county will provide during the ensuing calendar year for full-time prosecuting attorney and deputy prosecuting attorney salaries under IC 36-2-5-14 or IC 36-3-6-3(c).

(c) The county council of a county that provides additional salary under IC 36-2-5-14 or IC 36-3-6-3(c) shall appropriate a sufficient amount to pay the additional salary provided by the county.

(d) The state shall deposit quarterly in the state general fund the money received from the counties under subsection (e) for additional salary provided under IC 36-2-5-14 or IC 36-3-6-3(c).

(e) A county that provides additional salary for a full-time prosecuting attorney or deputy prosecuting attorney under IC 36-2-5-14 or IC 36-3-6-3(c) shall determine for the prosecuting attorney and each deputy prosecuting attorney whether the total of:

(1) the payment made on behalf of that prosecuting attorney or deputy prosecuting attorney;

(2) previous payments made on behalf of that prosecuting attorney or deputy prosecuting attorney in the same calendar year; and

(3) the state share of:

(A) the prosecuting attorney's salary under section 5 of this chapter; or

(B) the deputy prosecuting attorney's salary under section 2 of this chapter;

exceeds the Social Security wage base established by the federal government for that year. If the total does not exceed the Social Security wage base, the payment made under subsection (d) on behalf of that prosecuting attorney or deputy prosecuting attorney must also be accompanied by an amount equal to the employer's share of Social Security taxes and Medicare taxes. If the total exceeds the Social Security wage base, the part of the payment on behalf of the prosecuting attorney or deputy prosecuting attorney that is below the Social Security wage base must be accompanied by an amount equal to the employer's share of Social Security taxes and Medicare taxes, and the part of the payment on behalf of the prosecuting attorney or deputy prosecuting attorney that exceeds the Social Security wage base must be accompanied by an amount that is equal to the employer's share of Medicare taxes.

SECTION 140. IC 33-39-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. **(a)** As used in this chapter, "salary" means:

(1) before December 1, 2010, the salary paid to a participant by the state; **or**

(2) subject to subsection (b), after November 30, 2010, the total salary paid to a participant by the state plus any additional salary paid by a county or counties under IC 36-2-5-14(b) or IC 36-3-6-3(c);

determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code. **Before December 1, 2010,** the term does not include an amount paid to a participant by a county or counties.

(b) This subsection applies only to a chief deputy prosecuting attorney. The amount of any additional salary paid by a county or counties under IC 36-2-5-14(b) or IC 36-3-6-3(c) included in a participant's salary under subsection (a)(2) may not exceed five thousand dollars ($5,000).

SECTION 141. IC 33-39-7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,

2009]: Sec. 12. (a) Except as provided in subsection (b) **or (c),** each participant shall make contributions to the fund as follows:

(1) A participant described in section 8(a)(1) of this chapter shall make contributions of six percent (6%) of each payment of salary received for services after December 31, 1989.

(2) A participant described in section 8(a)(2) or 8(a)(3) of this chapter shall make contributions of six percent (6%) of each payment of salary received for services after June 30, 1994.

A participant's contributions shall be deducted from the participant's monthly salary by the auditor of state and credited to the fund.

(b) The state may pay the contributions for a participant.

(c) After November 30, 2010, a participant who completes twenty-two (22) years of creditable service in the fund is not required to make any additional contributions to the fund.

SECTION 142. IC 33-39-7-16, AS AMENDED BY P.L.33-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) This section does not apply to a participant who meets the requirements for disability benefits under section 17 of this chapter.

(b) Except as provided in subsections (c) and ~~(d),~~ **(e),** the amount of the annual retirement benefit to which a participant who applies for a retirement benefit and who is at least sixty-five (65) years of age is entitled equals the product of:

(1) **one (1) of the following:**

(A) before December 1, 2010, the highest annual salary that was paid to the participant before separation from service; **or**

(B) after November 30, 2010, the applicable salary determined under subsection (g); multiplied by

(2) the percentage prescribed in the following table:

Participant's Years of Service	Percentage
Less than 8	0
8	24%
9	27%
10	30%
11	33%
12	50%
13	51%
14	52%
15	53%
16	54%
17	55%
18	56%
19	57%
20	58%
21	59%
22 or more	60%

(c) If a participant who applies for a retirement benefit is not at least sixty-five (65) years of age, the participant is entitled to receive a reduced annual retirement benefit that equals the benefit that would be payable if the participant were sixty-five (65) years of age reduced by ~~one-fourth percent (0.25%)~~ **one (1) of the following percentages** for each month that the participant's age at retirement precedes the participant's sixty-fifth birthday:

(1) For a participant who applies for a retirement benefit before December 1, 2010, one-quarter percent (0.25%).

(2) For a participant who applies for a retirement benefit after November 30, 2010, one-tenth percent (0.1%).

(d) This subsection applies to a retirement benefit computed after November 30, 2010, under subsection (b) or (c). If a participant has a partial year of service in addition to at least eight (8) full years of service, a participant is entitled to have added to the percentage prescribed under subsection (b)(2) an additional amount that is determined by prorating between the applicable percentages based on the number of months in the partial year of service.

~~(d)~~ **(e)** Benefits payable to a participant under this section are reduced by the pension, if any, that would be payable to the participant from the public employees' retirement fund if the participant had retired from the public employees' retirement fund on the date of the participant's retirement from the prosecuting attorneys retirement fund. Benefits payable to a participant under this section are not reduced by annuity payments made to the participant from the public employees' retirement fund.

~~(e)~~ **(f)** If benefits payable from the public employees' retirement fund exceed the benefits payable from the prosecuting attorneys retirement fund, the participant is entitled at retirement to withdraw from the prosecuting attorneys retirement fund the total sum contributed plus interest at the rate of five and one-half percent (5.5%) compounded annually.

(g) The applicable salary is one (1) of the following:

(1) The highest annual salary that was paid to the participant before separation from service for:

(A) a participant who applies to receive a retirement benefit from the fund before December 1, 2010; or

(B) a participant who:

(i) before December 1, 2010, separates from service;

(ii) is entitled to receive a retirement benefit from the fund, but does not apply before December 1, 2010, to receive a retirement benefit from the fund; and

(iii) does not earn any service credit in the fund after November 30, 2010.

(2) The salary being paid for the office with the highest annual salary that the participant held before or at the time of the participant's separation from service for a participant who:

(A) applies to receive a benefit after November 30, 2010; and

(B) is not a participant described in subdivision (1)(B).

SECTION 143. IC 33-39-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. (a) Except as provided in subsection ~~(b),~~ **(c),** a participant who becomes disabled **before December 1, 2010,** while in active service in a position described in section 8 of this chapter may retire for the duration of the disability if:

(1) the participant has at least five (5) years of creditable service;

(2) the participant has qualified for Social Security disability benefits and has furnished proof of the Social Security qualification to the board; and

(3) at least once each year until the participant becomes sixty-five (65) years of age a representative of the board verifies the continued disability.

For purposes of this section, a participant who has qualified for disability benefits under the federal civil service system is considered to have met the requirement of subdivision (2) if the participant furnishes proof of the qualification to the board.

(b) Except as provided in subsection (c), a participant who becomes disabled after November 30, 2010, while in active service in a position described in section 8 of this chapter may retire for the duration of the disability if:

(1) the board determines that:

(A) the participant is incapacitated because of at least one (1) physical or mental condition that renders the participant unable to perform the essential duties of a

prosecuting attorney; and

(B) the condition is likely to be permanent; and

(2) at least once each year until the participant becomes sixty-five (65) years of age the board verifies the continued disability.

~~(b)~~ **(c)** Benefits may not be provided under this chapter for any disability that:

(1) results from an intentionally self-inflicted injury or attempted suicide while sane or insane;

(2) results from the participant's commission or attempted commission of a felony; or

(3) begins within two (2) years after a participant's entry or reentry into active service in a position described in section 8 of this chapter and was caused or contributed to by a mental or physical condition that manifested itself before the participant entered or reentered active service.

~~(c)~~ **(d)** To the extent required by the Americans with Disabilities Act, the transcripts, reports, records, and other material generated to prove that an individual is qualified for disability benefits under this section shall be:

(1) kept in separate medical files for each member; and

(2) treated as confidential medical records.

SECTION 144. IC 33-39-7-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) Except as provided in subsection ~~(b),~~ **(c),** the amount of the annual benefit payable to a participant who meets the requirements for disability benefits under section 17 of this chapter is equal to the product of:

(1) the ~~annual~~ **applicable** salary ~~that was paid to the participant~~ **determined** at the time of **a participant's** separation from service **under section 16(g) of this chapter;** multiplied by

(2) the **applicable** percentage prescribed in **one (1) of** the following ~~table:~~ **tables:**

(A) For a participant who applies for a disability benefit before December 1, 2010:

Participant's Years of Service	Percentage
Less than 5	0
5-10	40%
11	41%
12	42%
13	43%
14	44%
15	45%
16	46%
17	47%
18	48%
19	49%
20 or more	50%

(B) For a participant who applies for a disability benefit after November 30, 2010:

Participant's Years of Service	**Percentage**
0-12	**50%**
13	**51%**
14	**52%**
15	**53%**
16	**54%**
17	**55%**
18	**56%**
19	**57%**

20	**58%**
21	**59%**
22 or more	**60%**

(b) This subsection applies to a disability benefit computed after November 30, 2010, under subsection (a). If a participant has a partial year of service in addition to at least eight (8) full years of service, a participant is entitled to have added to the percentage prescribed under subsection (a)(2) an additional amount that is determined by prorating between the applicable percentages based on the number of months in the partial year of service.

~~(b)~~ **(c)** Benefits payable to a participant under this section are reduced by the amounts, if any, that are payable to the participant from the public employees' retirement fund.

SECTION 145. IC 33-39-7-19, AS AMENDED BY P.L.33-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) The surviving spouse of a participant who:

(1) dies; and

(2) on the date of death:

(A) was receiving benefits under this chapter;

(B) had completed at least eight (8) years of service in a position described in section 8 of this chapter; or

(C) met the requirements for disability benefits under section 17 of this chapter;

is entitled, regardless of the participant's age, to the benefit prescribed by subsection (b) **or (c).**

(b) **This subsection applies to the surviving spouse of a participant who dies before December 1, 2010.** The surviving spouse is entitled to a benefit for life equal to the greater of:

(1) seven thousand dollars ($7,000); or

(2) fifty percent (50%) of the amount of retirement benefit the participant was drawing at the time of death, or to which the participant would have been entitled had the participant retired and begun receiving retirement benefits on the date of death, with reductions as necessary under section 16(c) of this chapter.

(c) This subsection applies to the surviving spouse of a participant who dies after November 30, 2010. The surviving spouse is entitled to a benefit for life equal to the greater of:

(1) twelve thousand dollars ($12,000); or

(2) fifty percent (50%) of the amount of retirement benefit the participant was drawing at the time of death, or to which the participant would have been entitled if the participant retired and began receiving retirement benefits on the date of death, with reductions as necessary under section 16(c) of this chapter.

~~(c)~~ **(d)** Benefits payable to a surviving spouse under this section are reduced by the amounts, if any, that are payable to the surviving spouse from the public employees' retirement fund as a result of the participant's death.

SECTION 146. IC 33-39-7-26 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 26. (a) This section applies in state fiscal years beginning after June 30, 2011.**

(b) If a salary increase is provided in a particular state fiscal year under IC 33-39-6-5 or any other provision enacted by the general assembly in the state fiscal year, the monthly benefit payable under this chapter shall be increased by the same percentage by which salaries are increased under IC 33-39-6-5 in that state fiscal year. The percentage increase shall be applied to the monthly benefit (including any previous increases to the monthly benefit received under this section or under any other provision) received by the participant as of June 30 of the immediately preceding state fiscal year. The percentage increase to the monthly benefit takes effect at the same time that the salary increase under IC 33-39-6-5 takes effect.

(c) A monthly benefit increase payable under this section may not include any amount based on the percentage by which any salary provided by a county or counties under IC 36-2-5-14 or IC 36-3-6-3(c) may have increased in a state fiscal year.

SECTION 147. IC 34-30-2-39.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 39.6. IC 4-13-19-6 (Concerning a person who releases information to the office of the department of child services ombudsman).**

SECTION 148. IC 34-30-2-39.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 39.7. IC 4-13-19-9 (Concerning the office of the department of child services ombudsman for the good faith performance of official duties).**

SECTION 149. IC 36-1-8-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 17. (a) As used in this section, "compensation" means the total of all money paid to an elected county, city, town, or township officer for performing duties as an elected officer, regardless of the source of funds from which the money is paid. The term includes all employee benefits paid to the elected officer, including life insurance, health insurance, disability insurance, retirement benefits, and pension benefits.**

(b) An elected county, city, town, or township officer may waive some or all of the elected officer's compensation for any year by filing a notice that satisfies the following:

(1) The notice is in writing.

(2) The notice states in substance all of the following:

(A) The position held by the elected officer.

(B) The calendar year covered by the notice.

(C) The part of the elected officer's compensation that will be waived under this section.

(D) That the elected officer understands that the notice is irrevocable beginning January 1 of the year covered by the notice.

(3) The notice is signed by the elected officer who wants to waive compensation.

(c) An elected county, city, town, or township officer who wants to waive compensation under this section must file the notice with the fiscal officer of the elected officer's county, city, town, or township before January 1 of the year covered by the notice.

(d) Beginning January 1 of the year covered by the notice, a notice filed under this section is irrevocable during the year covered by the notice.

(e) An elected county, city, town, or township officer who files a notice under this section:

(1) is not entitled to the part of compensation waived for duties performed in the year covered by the notice; and

(2) may not be paid the part of compensation waived for duties performed in the year covered by the notice.

SECTION 150. IC 36-4-8-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15.5. The city of Lawrenceburg may do any of the following:**

(1) Enter into one (1) or more agreements or leases with the Lawrenceburg community school corporation or another public or private entity to provide for the construction or renovation of a school building that will be used by the Lawrenceburg community school corporation. The agreements and leases may provide for the financing of the construction or renovation of the school building.

(2) A school building constructed or renovated as provided in subdivision (1) may be donated, sold, or leased to the Lawrenceburg community school corporation under the conditions determined by the Lawrenceburg community school corporation and the city of Lawrenceburg.

(3) The city of Lawrenceburg may use any revenues (including any gaming revenues) to pay for the construction or renovation of the school building or to finance the construction or renovation of the school building.

SECTION 151. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: IC 20-20-34; IC 20-40-4; IC 20-43-1-4; IC 20-43-1-29.3; IC 20-43-1-27; IC 20-43-1-29; IC 20-43-4-7; IC 20-43-5-1; IC 20-43-5-2; IC 20-43-5-7; IC 20-43-5-9; IC 20-43-6-5; IC 20-45-1-2; IC 20-45-1-6; IC 20-45-1-12; IC 20-45-1-21.3; IC 20-45-1-21.5; IC 20-45-1-21.7.

SECTION 152. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2009]: IC 20-46-5-6; IC 20-46-6-8.

SECTION 153. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2010]: IC 20-40-8-19; IC 20-46-6-4; IC 20-46-6-6.

SECTION 154. IC 36-5-3-6 IS REPEALED [EFFECTIVE JANUARY 1, 2010].

SECTION 155. [EFFECTIVE JULY 1, 2009] **(a) IC 36-1-8-17, as added by this act, applies only to a waiver of compensation for calendar years beginning after December 31, 2009.**

(b) This SECTION expires January 1, 2012.

SECTION 156. [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)] **(a) The department of education shall, on the schedule determined by the department of education, adjust the special education grant distributed to a school corporation under IC 20-43-7-6, as amended by this act, in 2009 to reflect any special education preschool grant distributions made to the school corporation under IC 20-20-34-3 before the effective date of this SECTION. The amount of any reduction in a special education grant under this SECTION shall not be considered for purposes of applying IC 20-43-2-3. The unencumbered balance of a school corporation's special education preschool fund shall be transferred to the school corporation's general fund for purposes of the school corporation's general fund as soon as practicable after the effective date of this SECTION.**

(b) The department of education shall, on the schedule determined by the department of education, adjust state tuition support grants distributed to a school corporation under IC 20-43, as amended by this act, after the passage of this act to reflect any state tuition support grant distributions made before the passage of this act under IC 20-43, as it existed before the passage of this act. The amount of:

(1) any reduction in a state tuition support grant distribution made to comply with this SECTION after the passage of this act shall not be considered for the purposes of applying IC 20-43-2-3; and

(2) any state tuition support grant distributions made before the passage of this act (after any reduction required by this SECTION) shall be considered for purposes of applying IC 20-43-2-3.

(c) This SECTION expires January 1, 2010.

SECTION 157. [EFFECTIVE JULY 1, 2009] **The general assembly finds that the state needs the construction, equipping, renovation, refurbishing, and alteration of additional correctional facilities for use by the department of correction. The general assembly finds that the state will have a continuing need for use and occupancy of those correctional facilities. The correctional facilities shall be provided as additions to two (2) existing correctional facilities. The general assembly authorizes the Indiana finance authority to provide the correctional facilities under IC 4-13.5-1 and IC 4-13.5-4, including the borrowing of money or the issuance and sale of bonds, or both, under IC 4-13.5-4, subject to the approval of the budget agency after review by the budget committee, at a cost of not more than forty-five million dollars ($45,000,000).**

SECTION 158. [EFFECTIVE JULY 1, 2009] **(a) The commission for higher education with the assistance of the state student assistance commission shall study the funding of college**

scholarship programs provided by the state student assistance commission and the state's public universities. The study must examine the following issues:

(1) The limits established for awards and the differences between the limits established for private and public universities.

(2) The extent to which criteria for establishing the eligibility of an applicant should consider receipt of Pell Grants, other wrap-around assistance provided by a university, tax credits, and other assistance.

(3) The relative amounts of assistance provided on the basis of merit and on the basis of need.

(4) Whether means tests should be required for students participating in the twenty-first century scholars program as those students enter college.

(5) Scholarships and awards provided for members of the military and national guard.

(6) Scholarships and awards provided to individuals being held in state correctional facilities.

(b) The state's public universities shall provide the commission for higher education with the data necessary to complete the study. The commission shall before June 30, 2010, provide a report and recommendations to the budget committee for modernizing and improving scholarship programs.

(c) This SECTION expires January 1, 2011.

SECTION 159. [EFFECTIVE JULY 1, 2009] **(a) The budget agency shall review the costs of providing employee health, vision, and dental insurance for state employees and employees of school corporations and public universities. In conducting the review the budget agency shall collect data on the cost of existing plans offered by the state, school corporations, and public universities. School corporations and public universities shall provide the data needed to complete the review as requested by the budget agency. The budget agency shall review the following:**

(1) Comparative costs of providing health insurance among the employer groups.

(2) Comparative benefits among the employee groups.

(3) Differences in amounts paid by employees and amounts paid by the employers.

(4) Opportunities to modernize health plans and take advantage of employee tax incentives in the delivery of health insurance plans.

(5) Opportunities for efficiencies and cost savings for employers and employees by creating additional or larger employee pools.

(6) Other factors the budget agency considers relevant to the review.

(b) The budget agency may use a part of the departmental and institutional contingency fund to hire professionals to assist in gathering and examining data. The budget agency shall report findings of the review to the budget committee before July 1, 2010.

(c) This SECTION expires January 1, 2011.

SECTION 160. [EFFECTIVE UPON PASSAGE] **(a) The following definitions apply throughout this SECTION:**

(1) "Children's home" refers to the Indiana Soldiers' and Sailors' Children's Home established by IC 16-33-4-5.

(2) "Task force" refers to the Indiana Soldiers' and Sailors' Children's Home task force established by subsection (b).

(b) The Indiana Soldiers' and Sailors' Children's Home task force is established to evaluate possible alternative uses for the children's home after June 30, 2010. The Indiana state department of health shall provide administrative support for the task force.

(c) The task force consists of the following members:

(1) The governor or the governor's designee.
(2) The state superintendent of public instruction or the state superintendent's designee.
(3) The director of the department of child services established by IC 31-25-1-1 or the director's designee.
(4) One (1) member appointed by the president pro tempore of the senate.
(5) One (1) member appointed by the minority leader of the senate.
(6) One (1) member appointed by the speaker of the house of representatives.
(7) One (1) member appointed by the minority leader of the house of representatives.

(d) The governor shall before July 1, 2009, appoint one (1) of the members of the task force as chair of the task force.

(e) The task force may seek advice and assistance from the following organizations or individuals or their representatives or designees:
(1) The commissioner of the Indiana department of administration established by IC 4-13-1-2.
(2) The state health commissioner of the state department of health established by IC 16-19-1-1.
(3) The adjutant general.
(4) The department adjutant of the American Legion Department of Indiana.
(5) The Alumni Association of the Indiana Soldiers' and Sailors' Children's Home.
(6) The superintendent of the children's home.
(7) The advisory committee for the Indiana Soldiers' and Sailors' Children's Home established by IC 16-19-6-9.
(8) IARCCA.
(9) School corporations located near the children's home.
(10) Any other organization or individual that the task force determines might be useful to the deliberations of the task force.

(f) The task force shall meet at the call of the chair of the task force and shall hold at least one (1) meeting each month. At least two (2) meetings of the task force shall be held at the children's home.

(g) Each member of the task force 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.

(h) Each member of the task force who is a state employee but 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 travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(i) Each member of the task force who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

(j) Before January 1, 2010, the task force shall submit a report to the governor and the legislative council. The report submitted to the legislative council shall be submitted in an electronic format under IC 5-14-6. The report must include the following:
(1) Estimated future capital and operating costs needed to continue to operate the children's home as it was operated on July 1, 2008.

(2) The current fee structure for parents or guardians of children residing at the children's home.

(3) Whether potential significant efficiencies exist if the children's home is permitted to continue to operate under the same management structure as it was operated under on July 1, 2008.

(4) Whether federal or private funds may be available to continue to operate the children's home as it was operated on July 1, 2008, or under an alternative management and ownership structure.

(5) Possible alternative uses for the buildings, grounds, equipment, and other assets of the children's home, including the possible use as a charter school, a vocational school, a higher education facility, an alternate facility for a state agency or a unit of local government, or any other alternative that the task force considers to be appropriate.

(6) The potential to operate the children's home in its current capacity or in some other capacity under a public-private agreement.

(7) The best alternatives for education and other services for the children at the children's home.

(8) Whether the home should cease operation after June 30, 2010, or whether it should operate in a different capacity.

(9) Specific recommendations regarding the placement of children if the children's home is closed.

(k) This SECTION expires June 30, 2010.

SECTION 161. [EFFECTIVE UPON PASSAGE] **(a) The Indiana finance authority shall study the mission, organization, and management structure of the I-Light fiber optic network. The study shall include the following issues:**

(1) Whether the capabilities of the network are being used in a manner that maximizes benefits to the state, public and private universities, and other existing and potential consortium members.

(2) Whether an alternate provider could provide comparable service levels at a lower cost to the state.

(3) Whether there are opportunities for increased use of the network to support electronic learning, worker training, and workforce development.

(b) A public university that uses or benefits from the I-Light fiber optic network must provide to the Indiana finance authority any information concerning the network that is requested by the Indiana finance authority.

(c) The Indiana finance authority shall before November 1, 2009, submit a report of its findings and any recommendations to the governor and (in an electronic format under IC 5-14-6) to the legislative council.

(d) This SECTION expires July 1, 2010.

SECTION 162. [EFFECTIVE UPON PASSAGE] **The department of state revenue may adopt temporary rules in the manner provided in IC 4-22-2-37.1 for the adoption of emergency rules to implement IC 20-51, as added by this act. A temporary rule adopted under this SECTION expires on the earliest of the following:**

(1) The date another temporary rule is adopted under this SECTION that supersedes or repeals the previously adopted temporary rule.

(2) The date that a permanent rule adopted under IC 4-22-2 supersedes or repeals a temporary rule adopted under this SECTION.

(3) The date specified in the temporary rule.

(4) June 30, 2011.

SECTION 163. [EFFECTIVE JULY 1, 2009] **(a) As used in this SECTION, "fund" refers to the prosecuting attorneys retirement fund established by IC 33-39-7-9.**

(b) IC 33-39-7-7, IC 33-39-7-12, IC 33-39-7-16, IC 33-39-7-17, IC 33-39-7-18, and IC 33-39-7-19, all as amended by this act, apply only to a participant who, after November 30, 2010, earns creditable service in the fund for service in a position described in IC 33-39-7-8(a).

SECTION 164. [EFFECTIVE UPON PASSAGE] **IC 6-3.1-30.5, as added by this act, applies to contributions made in taxable years beginning after December 31, 2009.**

SECTION 165. **An emergency is declared for this act.**

COMMITTEE REPORT

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

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1001 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 14, nays 9.

COMMITTEE REPORT

Madam President: Your Senate Committee on Appropriations, to which was referred House Bill No. 1001, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

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:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1001 as printed February 17, 2009.)

KENLEY, Chairperson

Committee Vote: Yeas 10 , Nays 2.

SENATE MOTION

Madam President: I move that Engrossed House Bill 1001 be amended to read as follows:

Page 49, line 5, after "committee." insert "**The above appropriations include $1,000,000 for grants for local convention and visitors bureaus and other local organizations that exist to promote tourism. The office of tourism shall develop standards for application for grants and award of grants, including a local match**

requirement. The maximum amount of a grant is $50,000. Funds may be released only after review by the budget committee.".

Page 50, line 41, delete "ACADEMY OF" and insert "**INSTITUTE FOR**".

Page 50, line 41, after "NANOELECTRONICS" insert "**DISCOVERY (MIND)**".

Page 79, delete lines 16 through 28.

Page 87, line 10, after "committee." insert "**Purdue University and Indiana University shall report to the budget committee on the status of the program one (1) year after the funds are released.**".

Page 90, between lines 26 and 27, begin a new line and insert:

"**The foregoing appropriations for higher education and the student assistance commission that are made from money received under the federal American Recovery and Reinvestment Act of 2009 (ARRA) are intended to be one (1) time appropriations.**".

Page 111, line 32, after "expense." insert "**Augmentation of this appropriation is allowed.**".

Page 118, line 35, before "The" insert "**The foregoing appropriations for higher education total operating expense that are made from money received under the federal American Recovery and Reinvestment Act of 2009 (ARRA) are intended to be one (1) time appropriations.**".

Page 120, line 22, after "2009" delete "," and insert "**at the time distributions are normally made to school corporations,**".

Page 124, line 14, delete "14002(d)" and insert "**14005(d)**".

Page 127, line 30, after "committee." insert "**Purdue University and Indiana University shall report to the budget committee on the status of the program one (1) year after the funds are released. The foregoing appropriations that are made from money received under the federal American Recovery and Reinvestment Act of 2009 (ARRA) are intended to be one (1) time appropriations.**".

Page 128, line 28, delete "Indiana housing and community development authority".

Page 137, delete lines 6 through 9, begin a new line and insert:

"**(28) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.**".

Page 137, delete lines 35 through 41, begin a new line and insert:

"(34) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).".

Page 138, delete lines 32 through 35, begin a new line and insert:

"**(12) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.**".

Page 139, delete lines 13 through 19, begin a new line and insert:

"**(18) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:**

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).".

Page 140, delete lines 4 through 7, begin a new line and insert:

"**(10) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.**".

Page 140, delete lines 33 through 39, begin a new line and insert:

"**(16) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:**

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).".

Page 142, delete lines 46 through 48, begin a new line and insert:

"**(8) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.**".

Page 143, delete line 1.

Page 143, delete lines 27 through 33, begin a new line and insert:

"(14) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:

(A) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(B) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in clause (A) or (B).".

Page 150, delete lines 22 through 26, begin a new line and insert:

"**(J) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.**".

Page 151, delete lines 4 through 10, begin a new line and insert:

"**(P) Add an amount equal to any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock in:**

(i) the Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.); or

(ii) the Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

Subtract an amount necessary to make the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of any loss that is treated under Section 301 of the Emergency Economic Stabilization Act of 2008 as an ordinary loss from the sale or exchange of preferred stock described in item (i) or (ii).".

Page 153, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 76. IC 9-20-6-2, AS AMENDED BY P.L.3-2008, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The Indiana department of transportation or local authority that:

(1) has jurisdiction over a highway or street; and

(2) is responsible for the repair and maintenance of the highway or street;

may, upon proper application in writing and upon good cause shown, grant a permit for transporting heavy vehicles and loads or other objects not conforming to this article, including a vehicle transporting an ocean going container, if the department or authority finds that other traffic will not be seriously affected and the highway or bridge will not be seriously damaged.

(b) The permit granted under subsection (a) must authorize the operation of a tractor-semitrailer and load that:

(1) exceeds the maximum length limitation under this chapter; and

(2) is subject to regulation under this chapter;

from one-half (1/2) hour before sunrise to one-half (1/2) hour after sunset.

(c) A permit may be issued under this section for the following:

(1) A single trip.

(2) A definite time not exceeding thirty (30) days.

(3) A ninety (90) day period.

(4) A one (1) year period.

(d) This subsection applies to the transportation of ocean going containers that:

(1) have been sealed at the place of origin and have not been opened except by an agent of the federal government that may inspect the contents; **and**

~~(2) originated outside the United States; and~~

~~(3)~~ **(2)** are being transported to or from a distribution facility.

The total gross weight, with load of a vehicle or combination of vehicles transporting an ocean going container may not exceed ~~ninety~~ **ninety-five** thousand ~~(90,000)~~ **(95,000)** pounds. A permit issued under this section must be issued on an annual basis. A permit issued under this subsection may not impose a limit on the number of movements generated by the applicant or operator of a vehicle granted a permit under this subsection.".

Page 156, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 87. IC 20-23-6-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 18. (a) This section applies to a school corporation with an ADM on June 30, 2009, of less than one hundred (100) students.**

(b) Before July 1, 2010, a school corporation to which this section applies shall reorganize by consolidating with an adjacent school corporation under this chapter.

(c) If the governing body of a school corporation to which this section applies does not comply with this section before July 1, 2010, the state board shall after June 30, 2010, develop a reorganization plan for the school corporation and require the governing body to implement the plan.".

Page 161, between lines 47 and 48, begin a new paragraph and insert:

"**(d) This subsection applies to a virtual charter school. A virtual charter school's basic tuition support for a year is the amount determined under IC 20-24-7-13.**".

Page 177, between lines 42 and 43, begin a new paragraph and insert:

"SECTION 130. IC 36-4-8-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15.5. The city of Lawrenceburg may do any of the following:**

(1) Enter into one (1) or more agreements or leases with the Lawrenceburg community school corporation or another public or private entity to provide for the construction or renovation of a school building that will be used by the Lawrenceburg community school corporation. The agreements and leases may provide for the financing of the construction or renovation of the school building.

(2) A school building constructed or renovated as provided in subdivision (1) may be donated, sold, or leased to the Lawrenceburg community school corporation under the conditions determined by the Lawrenceburg community school corporation and the city of Lawrenceburg.

(3) The city of Lawrenceburg may use any revenues (including any gaming revenues) to pay for the construction or renovation of the school building or to finance the construction or renovation of the school building.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1001 as printed April 10, 2009.)

KENLEY

SENATE MOTION

Madam President: I move that Engrossed House Bill 1001 be amended to read as follows:

Page 153, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 76. IC 12-7-2-189.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 189.6. "Tamper resistant**

prescription drug form", for purposes of IC 12-8-1-14.5, has the meaning set forth in IC 12-8-1-14.5(a).

SECTION 77. IC 12-8-1-14.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 14.5. (a) As used in this section, "tamper resistant prescription drug form" means a prescription drug form that meets the following conditions:**

(1) Prevents the erasure or modification of written instructions.

(2) Prevents counterfeit forms.

(3) Supports the capability of automated validation through a pharmacy claims processing system.

(b) The office of the secretary may implement and require the use of tamper resistant prescription drug forms in any health care program administered by the office of the secretary.

(c) The office of the secretary may adopt rules under IC 4-22-2 necessary to implement this section.".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1001 as printed April 10, 2009.)

DILLON

SENATE MOTION

Madam President: I move that Engrossed House Bill 1001 be amended to read as follows:

Page 129, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 57. IC 4-13-1-4, AS AMENDED BY P.L.1-2006, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The department shall, subject to this chapter, do the following:

(1) Execute and administer all appropriations as provided by law, and execute and administer all provisions of law that impose duties and functions upon the executive department of government, including executive investigation of state agencies supported by appropriations and the assembly of all required data and information for the use of the executive department and the legislative department.

(2) Supervise and regulate the making of contracts by state agencies.

(3) Perform the property management functions required by IC 4-20.5-6.

(4) Assign office space and storage space for state agencies in the manner provided by IC 4-20.5-5.

(5) Maintain and operate the following for state agencies:

(A) Central duplicating.

(B) Printing.

(C) Machine tabulating.

(D) Mailing services.

(E) Centrally available supplemental personnel and other essential supporting services.

The department may require state agencies to use these general services in the interests of economy and efficiency. The general services rotary fund is established through which these services may be rendered to state agencies. The budget agency shall determine the amount for the general services rotary fund.

(6) Control and supervise the acquisition, operation, maintenance, and replacement of state owned vehicles by all state agencies. The department may establish and operate, in the interest of economy and efficiency, a motor vehicle pool, and may finance the pool by a rotary fund. The budget agency shall determine the amount to be deposited in the rotary fund.

(7) Promulgate and enforce rules relative to the travel of officers and employees of all state agencies when engaged in the performance of state business. These rules may allow reimbursement for travel expenses by any of the following methods:

(A) Per diem.

(B) For expenses necessarily and actually incurred.

(C) Any combination of the methods in clauses (A) and (B).

The rules must require the approval of the travel by the commissioner and the head of the officer's or employee's department prior to payment.

(8) Administer IC 4-13.6.

(9) Prescribe the amount and form of certified checks, deposits, or bonds to be submitted in connection with bids and contracts when not otherwise provided for by law.

(10) Rent out, with the approval of the governor, any state property, real or personal:

(A) not needed for public use; or

(B) for the purpose of providing services to the state or employees of the state;

the rental of which is not otherwise provided for or prohibited by law. Property may not be rented out under this subdivision for a term exceeding ten (10) years at a time. However, if property is rented out for a term of more than four (4) years, the commissioner must make a written determination stating the reasons that it is in the best interests of the state to rent property for the longer term. This subdivision does not include the power to grant or issue permits or leases to explore for or take coal, sand, gravel, stone, gas, oil, or other minerals or substances from or under the bed of any of the navigable waters of the state or other lands owned by the state.

(11) Have charge of all central storerooms, supply rooms, and warehouses established and operated by the state and serving more than one (1) agency.

(12) Enter into contracts and issue orders for printing as provided by IC 4-13-4.1.

(13) Sell or dispose of surplus property under IC 5-22-22, or if advantageous, to exchange or trade in the surplus property toward the purchase of other supplies, materials, or equipment, and to make proper adjustments in the accounts and inventory pertaining to the state agencies concerned.

(14) With respect to power, heating, and lighting plants owned, operated, or maintained by any state agency:

(A) inspect;

(B) regulate their operation; and

(C) recommend improvements to those plants to promote economical and efficient operation.

(15) Administer, determine salaries, and determine other personnel matters of the department of correction ombudsman bureau established by IC 4-13-1.2-3.

(16) Adopt rules to establish and implement a "Code Adam" safety protocol as described in IC 4-20.5-6-9.2.

(17) Adopt policies and standards for making state owned property reasonably available to be used free of charge as locations for making motion pictures.

(18) Administer, determine salaries for, and determine other personnel matters of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 58. IC 4-13-19 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 19. Department of Child Services Ombudsman

Sec. 1. As used in this chapter, "child" means a person who:

(1) is less than eighteen (18) years of age;

(2) is at least eighteen (18) years of age at the time the complaint is made but was less than eighteen (18) years of age at the time of the alleged act or omission that is the subject of the complaint; or

(3) is at least eighteen (18) years of age but has been under the continuing jurisdiction of a juvenile court based upon an informal adjustment, child in need of services action under IC 31-34, or termination of parental rights action under IC 31-35 since becoming eighteen (18) years of age.

Sec. 2. As used in this chapter, "ombudsman" means:

(1) the person appointed by the governor to serve as ombudsman; or

(2) an employee or other individual approved by the office of the department of child services ombudsman to act in the capacity of ombudsman;

to investigate and resolve complaints that allege the department of child services failed to protect the health and safety of any child or failed to follow specific laws, rules, or written policies.

Sec. 3. The office of the department of child services ombudsman is established as a separate bureau within the department. The ombudsman appointed by the governor shall report directly to the commissioner. The ombudsman appointed by the governor must be an attorney licensed to practice law in Indiana or a social worker with at least a master's degree. The ombudsman appointed by the governor must have significant experience or education in child development and child advocacy, including at least two (2) years experience working with child abuse and neglect.

Sec. 4. (a) The governor shall appoint the ombudsman. The ombudsman serves at the pleasure of the governor. An individual may not be appointed as ombudsman if the individual has been employed by the department of child services at any time during the preceding twelve (12) months. The governor shall appoint a successor ombudsman not later than thirty (30) days after a vacancy occurs in the position of the ombudsman.

(b) The office of the department of child services ombudsman may employ technical experts and other employees to carry out the purposes of this chapter. However, the office of the department of child services ombudsman may not hire an individual to serve as an ombudsman if the individual has been employed by the department of child services during the preceding twelve (12) months.

(c) The ombudsman and any other person employed or authorized by the ombudsman:

(1) are subject to the same criminal history and background checks, to be performed by the department of child services, that are required for department of child services family case managers; and

(2) are subject to the same disqualification for employment criteria as department of child services family case managers.

Sec. 5. (a) The office of the department of child services ombudsman may receive, investigate, and attempt to resolve a complaint alleging that the department of child services, by an action or omission occurring on or after January 11, 2005, failed to follow a specific law, rule, or department written policy and thereby failed to protect the health or safety of any child.

(b) The office of the department of child services ombudsman may also do the following:

(1) Take action, including the establishing of a program of public education, to secure and ensure the legal rights of children.

(2) Periodically review relevant policies and procedures with a view toward the safety and welfare of children.

(3) When appropriate, refer a person making a report of child abuse or neglect to the department of child services and, if appropriate, to an appropriate law enforcement agency.

(4) Recommend changes in procedures for investigating reports of abuse and neglect and overseeing the welfare of children who are under the jurisdiction of a juvenile court.

(5) Make the public aware of the services of the ombudsman, the purpose of the office, and information concerning contacting the office.

(6) Examine policies and procedures and evaluate the effectiveness of the child protection system, specifically the respective roles of the department of child services, the court, the medical community, service providers, guardians ad litem, court appointed special advocates, and law enforcement agencies.

(7) Review and make recommendations concerning investigative procedures and emergency responses contained in the report prepared under section 10 of this chapter.

(c) Upon request of the office of the department of child services ombudsman, the local child protection team shall assist the office of the department of child services ombudsman by:

(1) investigating and making recommendations on a matter; or

(2) redacting or revising any report to be prepared for the complainant so that confidentiality laws are maintained.

If a local child protection team was involved in an initial investigation, a different local child protection team may assist in the investigation under this subsection.

(d) At the end of an investigation of a complaint, the office of the department of child services ombudsman shall provide an appropriate report as follows:

(1) If the complainant is a parent, guardian, custodian, court appointed special advocate, guardian ad litem, or court, the ombudsman may provide the same report to the complainant and the department of child services.

(2) If the complainant is not a person described in subdivision (1), the ombudsman shall provide a redacted version of its findings to the complainant stating in general terms that the actions of the department of child services were or were not appropriate.

(e) The department of child services ombudsman shall provide a copy of the report and recommendations to the department of child services. The office of the department of child services ombudsman may not disclose to:

(1) a complainant;

(2) another person who is not a parent, guardian, or custodian of the child who was the subject of the department of child services' action or omission; or

(3) the court, court appointed special advocate, or guardian ad litem of the child in a case that was filed as a child in need of services or termination of parental rights action;

any information that the department of child services could not, by law, reveal to the complainant, parent, guardian, custodian, person, court, court appointed special advocate, or guardian ad litem.

(f) If, after reviewing a complaint or conducting an investigation and considering the response of an agency, facility, or program and any other pertinent material, the office of the department of child services ombudsman determines that the complaint has merit or the investigation reveals a problem, the ombudsman may recommend that the agency, facility, or program:

(1) consider the matter further;

(2) modify or cancel its actions;

(3) alter a rule, order, or internal policy; or

(4) explain more fully the action in question.

(g) At the office of the department of child services ombudsman's request, the agency, facility, or program shall, within a reasonable time, inform the office of the department of child services ombudsman about the action taken on the recommendation or the reasons for not complying with it.

(h) The office of the department of child services ombudsman may not investigate the following:

(1) A complaint from an employee of the department of child services that relates to the employee's employment relationship with the department of child services.

(2) A complaint concerning a matter that is currently the subject of a pending administrative review procedure before the exhaustion of administrative remedies provided by law, rule, or written policy. Investigation of any such complaint received shall be stayed until the administrative remedy has been exhausted. However, if the administrative process is not completed within six (6) months after initiation of the administrative process, the office of child services ombudsman may proceed with its investigation.

(i) If the office of the department of child services ombudsman does not investigate a complaint, the office of the department of child services ombudsman shall notify the complainant of the decision not to investigate and the reasons for the decision.

Sec. 6. (a) The office of the department of child services ombudsman shall be given appropriate access to department of child services records of a child who is the subject of a complaint that is filed under this chapter.

(b) A state or local government agency or entity that has records that are relevant to a complaint or an investigation conducted by an ombudsman shall provide the ombudsman with access to the records.

(c) A person is immune from:

(1) civil or criminal liability; and

(2) actions taken under:

(A) a professional disciplinary procedure; or

(B) procedures related to the termination or imposition of penalties under a contract dealing with an employee or contractor of the department of child services;

for the release or disclosure of records to the ombudsman under this chapter, unless the release or disclosure constitutes gross negligence or willful or wanton misconduct.

(d) Information or records of a state or local government agency provided to the office of the department of child services ombudsman may not be disclosed to the complainant or others if confidential under laws, rules, or regulations governing the state or local government agency that provided the information or records.

Sec. 7. (a) The office of the department of child services ombudsman shall do the following:

(1) Establish procedures to receive and investigate complaints.

(2) Establish physical, technological, and administrative access controls for all information maintained by the office of the department of child services ombudsman.

(3) Except as necessary to investigate and resolve a complaint, ensure that the identity of a complainant will not be disclosed without:

(A) the complainant's written consent; or

(B) a court order.

(b) Records created and received by the office of the department of child services ombudsman concerning a specific child's case are confidential, and a communication by the ombudsman concerning a specific child's case is a privileged communication.

Sec. 8. The office of the department of child services ombudsman may adopt rules under IC 4-22-2 necessary to carry out this chapter.

Sec. 9. An ombudsman is not personally liable for the good faith performance of the ombudsman's official duties.

Sec. 10. (a) The office of the department of child services ombudsman shall prepare a report each year on the operations of the office.

(b) The office of the department of child services ombudsman shall include the following information in the annual report required under subsection (a):

(1) The office of the department of child services ombudsman's activities.

(2) The general status of children in Indiana, including:

(A) the health and education of children; and

(B) the administration or implementation of programs for children; and

(3) Any other issues, concerns, or information concerning children.

(c) A copy of the report shall be provided to the following:

(1) The governor.

(2) The legislative council.

(3) The Indiana department of administration.

(4) The department of child services.

A report provided under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

(d) A copy of the report shall be posted on the department of child services' Internet web site and on any Internet web site maintained by the office of the department of child services ombudsman.

Sec. 11. (a) A person who:

(1) except as provided in subsection (b), intentionally interferes with or prevents the completion of the work of an ombudsman;

(2) knowingly offers compensation to an ombudsman in an effort to affect the outcome of an investigation or a potential investigation;

(3) knowingly or intentionally retaliates against another person who provides information to an ombudsman; or

(4) knowingly or intentionally threatens an ombudsman, a person who has filed a complaint, or a person who provides information to an ombudsman, because of an investigation or potential investigation;

commits interference with the office of the department of child services ombudsman, a Class A misdemeanor.

(b) Expungement of records held by the department of child services that occurs by statutory mandate, judicial order or decree, administrative review or process, automatic operation of the Indiana Child Welfare Information System (ICWIS) computer system, or in the normal course of business shall not be considered intentional interference or prevention for the purposes of subsection (a).

(c) A complainant who knowingly or intentionally discloses to the public information about a case before the conclusion of an investigation and the release of the finding to the department of child services commits unlawful disclosure of information concerning a department of child services investigation, a Class A misdemeanor.

Sec. 12. The Indiana department of administration shall provide and maintain office space for the office of the department of child services ombudsman.".

Page 170, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 116. IC 31-19-19-2, AS AMENDED BY P.L.145-2006, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) All files and records pertaining to the adoption proceedings in:

~~(1) the county office of family and children;~~

~~(2)~~ **(1)** the department; or

~~(3)~~ **(2)** any of the licensed child placing agencies;

are confidential and open to inspection only as provided in IC 31-19-13-2(2), IC 31-19-17, or IC 31-19-25.

(b) The files and records described in subsection (a), including investigation records under IC 31-19-8-5 (or IC 31-3-1-4 before its repeal):

(1) are open to the inspection of the court hearing the petition for adoption; and

(2) on order of the court, may be:

(A) introduced into evidence; and

(B) made a part of the record;

in the adoption proceeding.

SECTION 117. IC 31-25-5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 5. Cooperation With Department of Child Services Ombudsman

Sec. 1. As used in this chapter, "ombudsman" refers to the office of the department of child services ombudsman established within the Indiana department of administration by IC 4-13-19-3. The term includes an employee of the office of the department of child services ombudsman or an individual approved by the office of the department of child services ombudsman to investigate and resolve complaints regarding the health and safety of a child.

Sec. 2. The department and the juvenile court with jurisdiction over a child shall provide the ombudsman with:

(1) appropriate access to all records of the department concerning the child, excluding adoption records, but including all records of the department related to vendors and contractors; and

(2) immediate access, without prior notice, to any facility in which the child is placed or is receiving services funded by the department.

SECTION 118. IC 31-27-3-18, AS AMENDED BY P.L.138-2007, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) A licensee shall keep records regarding each child in the control and care of the licensee as the department requires and shall report to the department upon request the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:

(1) A state agency involved in the licensing of the child caring institution.

(2) A legally mandated child protection agency.

(3) A law enforcement agency.

(4) An agency having the legal responsibility to care for a child placed at the child caring institution.

(5) The parent, guardian, or custodian of the child at the child caring institution.

(6) A citizen review panel established under IC 31-25-2-20.4.

(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 119. IC 31-27-4-21, AS AMENDED BY P.L.138-2007, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) A licensee shall keep records required by the department regarding each child in the control and care of the licensee and shall report to the department upon request the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:

(1) A state agency involved in the licensing of the foster family home.

(2) A legally mandated child protection agency.

(3) A law enforcement agency.

(4) An agency having the legal responsibility to care for a child placed at the foster family home.

(5) The parent, guardian, or custodian of the child at the foster family home.

(6) A citizen review panel established under IC 31-25-2-20.4.

(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 120. IC 31-27-5-18, AS AMENDED BY P.L.138-2007, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) A licensee shall keep records required by the department regarding each child in the control and care of the licensee and shall report to the department, upon request, the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:

(1) A state agency involved in the licensing of the group home.

(2) A legally mandated child protection agency.

(3) A law enforcement agency.

(4) An agency having the legal responsibility to care for a child placed at the group home.

(5) The parent, guardian, or custodian of the child at the group home.

(6) A citizen review panel established under IC 31-25-2-20.4.

(7) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 121. IC 31-27-6-15, AS AMENDED BY P.L.138-2007, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. (a) A licensee shall keep records required by the department regarding each child in the control and care of the licensee and shall report to the department upon request the facts the department requires with reference to children.

(b) The department shall keep records regarding children and facts learned about children and the children's parents or relatives confidential.

(c) The following have access to records regarding children and facts learned about children:

(1) A state agency involved in the licensing of the child placing agency.

(2) A legally mandated child protection agency.

(3) A law enforcement agency.

(4) A citizen review panel established under IC 31-25-2-20.4.

(5) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 122. IC 31-33-18-1, AS AMENDED BY P.L.145-2006, SECTION 283, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Except as provided in section 1.5 of this chapter, the following are confidential:

(1) Reports made under this article (or IC 31-6-11 before its repeal).

(2) Any other information obtained, reports written, or photographs taken concerning the reports in the possession of:

(A) the division of family resources;

(B) the county office; ~~or~~

(C) the department; **or**

(D) the office of the department of child services ombudsman established by IC 4-13-19-3.

(b) Except as provided in section 1.5 of this chapter, all records held by:

(1) the division of family resources;

(2) a county office;

(3) the department;

(4) a local child fatality review team established under IC 31-33-24; ~~or~~

(5) the statewide child fatality review committee established under IC 31-33-25; **or**

(6) the office of the department of child services ombudsman established by IC 4-13-19-3;

regarding the death of a child determined to be a result of abuse, abandonment, or neglect are confidential and may not be disclosed.

SECTION 123. IC 31-33-18-1.5, AS AMENDED BY P.L.145-2006, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.5. (a) This section applies to records held by:

(1) the division of family resources;

(2) a county office;

(3) the department;

(4) a local child fatality review team established under IC 31-33-24; ~~or~~

(5) the statewide child fatality review committee established under IC 31-33-25; **or**

(6) the office of the department of child services ombudsman established by IC 4-13-19-3;

regarding a child whose death or near fatality may have been the result of abuse, abandonment, or neglect.

(b) For purposes of subsection (a), a child's death or near fatality may have been the result of abuse, abandonment, or neglect if:

(1) an entity described in subsection (a) determines that the child's death or near fatality is the result of abuse, abandonment, or neglect; or

(2) a prosecuting attorney files:

(A) an indictment or information; or

(B) a complaint alleging the commission of a delinquent act;

that, if proven, would cause a reasonable person to believe that the child's death or near fatality may have been the result of abuse, abandonment, or neglect.

Upon the request of any person, or upon its own motion, the court exercising juvenile jurisdiction in the county in which the child's death or near fatality occurred shall determine whether the allegations contained in the indictment, information, or complaint described in subdivision (2), if proven, would cause a reasonable person to believe that the child's death or near fatality may have been the result of abuse, abandonment, or neglect.

(c) As used in this section:

(1) "identifying information" means information that identifies an individual, including an individual's:

(A) name, address, date of birth, occupation, place of employment, and telephone number;

(B) employer identification number, mother's maiden name, Social Security number, or any identification number issued by a governmental entity;

(C) unique biometric data, including the individual's fingerprint, voice print, or retina or iris image;

(D) unique electronic identification number, address, or routing code;

(E) telecommunication identifying information; or

(F) telecommunication access device, including a card, a plate, a code, an account number, a personal identification number, an electronic serial number, a mobile identification number, or another telecommunications service or device or means of account access; and

(2) "near fatality" has the meaning set forth in 42 U.S.C. 5106a.

(d) Unless information in a record is otherwise confidential under state or federal law, a record described in subsection (a) that has been

redacted in accordance with this section is not confidential and may be disclosed to any person who requests the record. The person requesting the record may be required to pay the reasonable expenses of copying the record.

(e) When a person requests a record described in subsection (a), the entity having control of the record shall immediately transmit a copy of the record to the court exercising juvenile jurisdiction in the county in which the death or near fatality of the child occurred. However, if the court requests that the entity having control of a record transmit the original record, the entity shall transmit the original record.

(f) Upon receipt of the record described in subsection (a), the court shall, within thirty (30) days, redact the record to exclude:

(1) identifying information described in subsection (c)(1)(B) through (c)(1)(F) of a person; and

(2) all identifying information of a child less than eighteen (18) years of age.

(g) The court shall disclose the record redacted in accordance with subsection (f) to any person who requests the record, if the person has paid:

(1) to the entity having control of the record, the reasonable expenses of copying under IC 5-14-3-8; and

(2) to the court, the reasonable expenses of copying the record.

(h) The court's determination under subsection (f) that certain identifying information or other information is not relevant to establishing the facts and circumstances leading to the death or near fatality of a child is not admissible in a criminal proceeding or civil action.

SECTION 124. IC 31-33-18-2, AS AMENDED BY P.L.138-2007, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The reports and other material described in section 1(a) of this chapter and the unredacted reports and other material described in section 1(b) of this chapter shall be made available only to the following:

(1) Persons authorized by this article.

(2) A legally mandated public or private child protective agency investigating a report of child abuse or neglect or treating a child or family that is the subject of a report or record.

(3) A police or other law enforcement agency, prosecuting attorney, or coroner in the case of the death of a child who is investigating a report of a child who may be a victim of child abuse or neglect.

(4) A physician who has before the physician a child whom the physician reasonably suspects may be a victim of child abuse or neglect.

(5) An individual legally authorized to place a child in protective custody if:

(A) the individual has before the individual a child whom the individual reasonably suspects may be a victim of abuse or neglect; and

(B) the individual requires the information in the report or record to determine whether to place the child in protective custody.

(6) An agency having the legal responsibility or authorization to care for, treat, or supervise a child who is the subject of a report or record or a parent, guardian, custodian, or other person who is responsible for the child's welfare.

(7) An individual named in the report or record who is alleged to be abused or neglected or, if the individual named in the report is a child or is otherwise incompetent, the individual's guardian ad litem or the individual's court appointed special advocate, or both.

(8) Each parent, guardian, custodian, or other person responsible for the welfare of a child named in a report or record and an attorney of the person described under this subdivision, with protection for the identity of reporters and other appropriate individuals.

(9) A court, for redaction of the record in accordance with section 1.5 of this chapter, or upon the court's finding that access to the records may be necessary for determination of an issue before the court. However, except for disclosure of a redacted record in accordance with section 1.5 of this chapter, access is limited to in camera inspection unless the court determines that public disclosure of the information contained in the records is necessary for the resolution of an issue then pending before the court.

(10) A grand jury upon the grand jury's determination that access to the records is necessary in the conduct of the grand jury's official business.

(11) An appropriate state or local official responsible for child protection services or legislation carrying out the official's official functions.

(12) A foster care review board established by a juvenile court under IC 31-34-21-9 (or IC 31-6-4-19 before its repeal) upon the court's determination that access to the records is necessary to enable the foster care review board to carry out the board's purpose under IC 31-34-21.

(13) The community child protection team appointed under IC 31-33-3 (or IC 31-6-11-14 before its repeal), upon request, to enable the team to carry out the team's purpose under IC 31-33-3.

(14) A person about whom a report has been made, with protection for the identity of:

(A) any person reporting known or suspected child abuse or neglect; and

(B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.

(15) An employee of the department, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 31-26-5, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:

(A) child at imminent risk of placement;
(B) child in need of services; or
(C) delinquent child.

The results of a criminal history check conducted under this subdivision must be disclosed to a court determining the placement of a child described in clauses (A) through (C).

(16) A local child fatality review team established under IC 31-33-24-6.

(17) The statewide child fatality review committee established by IC 31-33-25-6.

(18) The department.

(19) The division of family resources, if the investigation report:
(A) is classified as substantiated; and
(B) concerns:
(i) an applicant for a license to operate;
(ii) a person licensed to operate;
(iii) an employee of; or
(iv) a volunteer providing services at;

a child care center licensed under IC 12-17.2-4 or a child care home licensed under IC 12-17.2-5.

(20) A citizen review panel established under IC 31-25-2-20.4.

(21) The office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 125. IC 31-33-25-6, AS ADDED BY P.L.145-2006, SECTION 288, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The statewide child fatality review committee is established to review a child's death that is:
(1) sudden;
(2) unexpected; or
(3) unexplained;

if the county where the child died does not have a local child fatality review team or if the local child fatality review team requests a review of the child's death by the statewide committee.

(b) The statewide child fatality review committee may also review the death of a child upon request by an individual **or the office of the department of child services ombudsman established by IC 4-13-19-3.**

(c) A request submitted under subsection (b) must set forth:
(1) the name of the child;
(2) the age of the child;
(3) the county where the child died;
(4) whether a local child fatality review team reviewed the death; and
(5) the cause of death of the deceased child.

SECTION 126. IC 31-33-25-8, AS AMENDED BY P.L.225-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. The statewide child fatality review committee consists of the following members appointed by the governor:
(1) a coroner or deputy coroner;

(2) a representative from:

(A) the state department of health established by IC 16-19-1-1;

(B) a local health department established under IC 16-20-2; or

(C) a multiple county health department established under IC 16-20-3;

(3) a pediatrician;

(4) a representative of law enforcement;

(5) a representative from an emergency medical services provider;

(6) the director or a representative of the department;

(7) a representative of a prosecuting attorney;

(8) a pathologist who is:

(A) certified by the American Board of Pathology in forensic pathology; and

(B) licensed to practice medicine in Indiana;

(9) a mental health provider;

(10) a representative of a child abuse prevention program; ~~and~~

(11) a representative of the department of education; **and**

(12) at the discretion of the office of the department of child services ombudsman, a representative of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 127. IC 31-33-26-5, AS ADDED BY P.L.138-2007, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Subject to the accessibility to files provided in subsection (b), at least ten (10) levels of security for confidentiality in the index must be maintained.

(b) The index must have a comprehensive system of limited access to information as follows:

(1) The index must be accessed only by the entry of an operator identification number and a password.

(2) A child welfare caseworker must be allowed to access only:

(A) cases that are assigned to the caseworker; and

(B) other cases or investigations that involve:

(i) a family member of a child; or

(ii) a child;

who is the subject of a case described in clause (A).

(3) A child welfare supervisor may access only the following:

(A) Cases assigned to the supervisor.

(B) Cases assigned to a caseworker who reports to the supervisor.

(C) Other cases or investigations that involve:

(i) a family member of a child; or

(ii) a child;

who is the subject of a case described in clause (A) or (B).

(D) Cases that are unassigned.

(4) To preserve confidentiality in the workplace, child welfare managers, as designated by the department, may access any case, except restricted cases involving:

(A) a state employee; or

(B) the immediate family member of a state employee;

who has access to the index. Access to restricted information under this subdivision may be obtained only if an additional level of security is implemented.

(5) Access to records of authorized users, including passwords, is restricted to:

(A) users designated by the department as administrators; and

(B) the administrator's level of access as determined by the department.

(6) Ancillary programs that may be designed for the index may not be executed in a manner that would circumvent the index's log-on security measures.

(7) Certain index functions must be accessible only to index operators with specified levels of authorization as determined by the department.

(8) Files containing passwords must be encrypted.

(9) There must be two (2) additional levels of security for confidentiality as determined by the department.

(10) The office of the department of child services ombudsman established by IC 4-13-19-3 shall have read-only access to the index concerning:

(A) children who are the subject of complaints filed with; or

(B) cases being investigated by;

the office of the department of child services ombudsman. The office of the department of child services ombudsman shall not have access to any information related to cases or information that involves the ombudsman or any member of the ombudsman's immediate family.

SECTION 128. IC 31-39-2-6, AS AMENDED BY P.L.145-2006, SECTION 359, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The records of the juvenile court are available without a court order to:

(1) the attorney for the department of child services; or

(2) any authorized staff member of:

(A) the county office;

(B) the department of child services; ~~or~~

(C) the department of correction; **or**

(D) the office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 129. IC 31-39-4-7, AS AMENDED BY P.L.145-2006, SECTION 361, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. The records of a law enforcement agency are available, without specific permission from the head of the agency, to: ~~the:~~

(1) the attorney for the department of child services or any authorized staff member; **or**

(2) any authorized staff member of the office of the department of child services ombudsman established by IC 4-13-19-3.

SECTION 130. IC 31-39-9-1, AS ADDED BY P.L.67-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The following entities and agencies may exchange records of a child who is a child in need of services or has been determined to be a delinquent child under IC 31-37-1-2, if the information or records are not confidential under state or federal law:

(1) A court.

(2) A law enforcement agency.

(3) The department of correction.

(4) The department of child services.

(5) The office of the secretary of family and social services.

(6) A primary or secondary school, including a public or nonpublic school.

(7) The office of the department of child services ombudsman established by IC 4-13-19-3.".

Page 177, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 143. IC 34-30-2-39.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 39.6. IC 4-13-19-6 (Concerning a person who releases information to the office of the department of child services ombudsman).**

SECTION 144. IC 34-30-2-39.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 39.7. IC 4-13-19-9 (Concerning the office of the department of child services ombudsman for the good faith performance of official duties).**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1001 as printed April 10, 2009.)

WALTZ