Adopted	Rejected

COMMITTEE REPORT

YES:	9
NO:	3

MR. SPEAKER:

Your Committee on **Education**, to which was referred Senate Bill 309, 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 amendment AM030907 as adopted by the House Education Committee on February 17, 2010.

Delete amendment AM030914 as further amended and adopted by the House Education Committee on February 17, 2010.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-17-5, AS AMENDED BY P.L.182-2009(ss), SECTION 116, 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, ~~2011,~~ **2012,** November 1 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 November 1.

(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, ~~2011.~~ **2012.**

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 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.

(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 2. IC 6-1.1-17-5.6, AS AMENDED BY P.L.182-2009(ss), SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.6. (a) For budget years beginning before July 1, ~~2011,~~ **2012,** 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, ~~2011,~~ **2012,** this section applies to all school corporations. Beginning in ~~2011,~~ **2012,** 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 ~~2011~~ **2012** 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 ~~2011.~~ **2012.**

(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 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 under IC 6-1.1-29-4.

(d) This subsection does not apply to budget years after June 30, ~~2011.~~ **2012.** 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 ~~2011,~~ **2012,** 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 3. IC 20-40-8-11, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. Money in the fund may be used to pay for the purchase, lease, repair, or maintenance of

equipment to be used by the school corporation. However, money in the fund may not be used to pay for the purchase, lease, repair, or maintenance of the following:

(1) **Except for maintenance vehicles,** vehicles. ~~to be used for any purpose.~~

(2) Except as provided in section 12 of this chapter, equipment to be used primarily for interscholastic or extracurricular activities.

SECTION 4. IC 20-40-8-16, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) For purposes of this section, maintenance does not include janitorial or comparable routine services normally provided in the daily operation of the facilities or equipment.

(b) Subject to this section, money in the fund may be used to pay for services of school corporation employees who are:

(1) bricklayers;
(2) stone masons;
(3) cement masons;
(4) tile setters;
(5) glaziers;
(6) insulation workers;
(7) asbestos removers;
(8) painters;
(9) paperhangers;
(10) drywall applicators and tapers;
(11) plasterers;
(12) pipe fitters;
(13) roofers;
(14) structural and steel workers;
(15) metal building assemblers;
(16) heating and air conditioning installers;
(17) welders;
(18) carpenters;
(19) electricians; or
(20) plumbers;

as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991.

(c) Payment may be made under this section for employee services described in subsection (b) only if:

(1) the employees perform:

(A) construction of;

(B) renovation of;

(C) remodeling of;

(D) repair of; or

(E) maintenance on;

the facilities and equipment specified in sections 10 and 11 of this chapter;

~~(2) the total of all annual salaries and benefits paid by the school corporation to employees described in this section is at least six hundred thousand dollars ($600,000);~~ and

~~(3)~~ **(2)** the payment of the employees described in this section is included as part of the school corporation's proposed plan.

~~(d) The number of employees covered by this section is limited to the number of employee positions described in this section that existed in the school corporation on January 1, 1993.~~

Page 1, line 3, delete "JULY 1, 2010]:" and insert "UPON PASSAGE]:".

Page 1, delete line 8.

Page 1, line 9, delete "(3)" and insert "**(2)**".

Page 1, line 10, delete "(4)" and insert "**(3)**".

Page 1, line 11, delete "(5)" and insert "**(4)**".

Page 1, line 12, delete "(6)" and insert "**(5)**".

Page 1, line 13, delete "(7)" and insert "**(6)**".

Page 1, line 14, delete "(8)" and insert "**(7)**".

Page 1, line 15, delete "(9)" and insert "**(8)**".

Page 2, line 2, delete "all of the employees will not" and insert "**no school employees are terminated for a reason other than:**

(1) immorality;

(2) insubordination, which means, for purposes of this chapter, a willful refusal to obey the state school laws or reasonable rules prescribed for the government of the school corporation;

(3) neglect of duty;

(4) incompetence;

(5) justifiable decrease in the number of school employee

positions, which means, for purposes of this chapter, that:

(A) the classes taught by a teacher do not have any students;

(B) there is a decline in the number of students in the school or school corporation in which the teacher teaches and the school corporation will not increase the ratio of students to teachers in the classes taught by that teacher after the teacher is terminated; or

(C) after evaluating all funds available under this chapter, the school corporation determines that there are not sufficient funds available to both:

(i) avoid termination of the school employee; and

(ii) protect instructional programs;

(6) a conviction for an offense listed in IC 20-28-5-8(c); or

(7) other good and just cause;".

Page 2, line 3, delete "receive a general compensation increase".

Page 2, line 3, beginning with "for the" begin a new line blocked left.

Page 2, line 6, delete "A general compensation increase:".

Page 2, delete lines 7 through 13.

Page 2, line 22, delete " will not provide" and insert "**will:**

(1) use the money from the funds transferred under this chapter solely to avoid school employee layoffs and to protect instructional programs; and

(2) not terminate any school employees for any reasons other than the reasons described in section 2(1) through 2(7) of this chapter".

Page 2, line 23, delete "any general compensation increases to any employees".

Page 2, line 24, delete "year and will permanently eliminate" and insert "**year.**".

Page 2, delete lines 25 through 26.

Page 2, line 31, delete "may be transferred" and insert "**a qualified school corporation may transfer**".

Page 2, line 32, after "amount the" insert "**qualified**".

Page 2, line 35, after "the" insert "**qualified**".

Page 3, between lines 3 and 4, begin a new paragraph and insert:

"**Sec. 5. (a) This section applies to a school corporation that held**

a hearing on a new facility under IC 20-26-7-37 and approved the new facility in a school board resolution adopted before July 1, 2009.

(b) Before August 1, 2010, a school corporation may file a written appeal to the department of local government finance for approval to transfer money to the school general fund for the new facility.

(c) The maximum amount that may be approved for a transfer to the general fund by the department of local government finance under this section is the amount that was approved for the new facility at the hearing held under IC 20-26-7-37.

(d) An approved transfer may be made to the school general fund from one (1) or more of the following funds:

(1) The school transportation fund (IC 20-40-6).

(2) The school bus replacement fund (IC 20-40-7).

(3) The school capital projects fund (IC 20-40-8).

(4) The school debt service fund (IC 20-40-9).

Sec. 6. This chapter is an alternative method of transferring money between funds that does not restrict or apply to the powers to transfer and use money that are granted to a school corporation by other laws.".

Page 3, line 4, delete "5." and insert "**7.**".

Page 3, after line 4, begin a new paragraph and insert:

"SECTION 5. IC 20-46-5-6.1, AS ADDED BY P.L.182-2009(ss), SECTION 349, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.1. (a) This section does not apply to a school corporation located in South Bend, unless a resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of the school corporation is in effect.

(b) Before a governing body may collect property taxes for the fund in a particular calendar year, the governing body must, after January 1 and not later than September 20 of the immediately preceding year:

(1) conduct a public hearing on; and

(2) pass a resolution to adopt;

a plan.

(c) This section expires January 1, ~~2011.~~ **2012.**

SECTION 6. IC 20-46-5-7, AS AMENDED BY P.L.182-2009(ss), SECTION 350, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Except as provided in subsection (b), this section applies only to a school corporation located in South Bend.

(b) After December 31, ~~2010,~~ **2011,** this section applies to all school corporations.

(c) This subsection expires January 1, ~~2011.~~ **2012.** This section does not apply to the school corporation if a resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of the school corporation is in effect.

(d) Before the governing body of the school corporation may collect property taxes for the fund in a particular calendar year, the governing body must, after January 1 and on or before February 1 of the immediately preceding year:

(1) conduct a public hearing on; and

(2) pass a resolution to adopt;

a plan.

SECTION 7. IC 20-46-6-8.1, AS ADDED BY P.L.182-2009(ss), SECTION 353, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) This section does not apply to a school corporation that is located in South Bend, unless a resolution adopted under IC 6-1.1-17-5.6(d) by the governing body of the school corporation is in effect.

(b) Before a governing body may collect property taxes for a capital projects fund in a particular year, the governing body must:

(1) after January 1; and

(2) not later than September 20;

of the immediately preceding year, hold a public hearing on a proposed or amended plan and pass a resolution to adopt the proposed or amended plan.

(c) This section expires January 1, ~~2011.~~ **2012.**

1 SECTION 8. **An emergency is declared for this act.**".

2 Renumber all SECTIONS consecutively.

(Reference is to SB 309 as printed January 26, 2010, as amended by amendment AM030907 as adopted by the House Education Committee on February 17, 2010, and as amended by amendment AM030914 as further amended and adopted by the House Education Committee on February 17, 2010.)

and when so amended that said bill do pass.

_____

Representative Porter