

First Regular Session of the 121st General Assembly (2019)

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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE ENROLLED ACT No. 1021

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 4-11-2-3, AS ADDED BY P.L.2-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 3. If:

- (1) a person has purchased and been granted a deed of conveyance to any lands sold for delinquent taxes by the county treasurer of any county;
- (2) at the time when the lands were sold, there was an unpaid school ~~fund~~ loan, secured by mortgage, on the lands, and the mortgage was foreclosed by the county after the sale; and
- (3) through the foreclosure proceedings, the county acquired title to the lands;

the board of commissioners of the county in which the lands are situated may pay to the person who holds the tax deed to the lands any sum that may be agreed upon, not exceeding the amount that the purchaser paid for the lands at the tax sale, together with an amount equal to any taxes that the purchaser of the lands paid, not including any interest, on the condition that the holder of the tax deed to the lands execute to the board of commissioners of the county a quitclaim deed to the lands. All expenditures authorized under this section shall be paid out of the county general fund without any appropriation being made for the expenditure.

SECTION 2. IC 4-33-13-5, AS AMENDED BY P.L.212-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JANUARY 1, 2019 (RETROACTIVE)]; Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less ~~than~~ **than** the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or



(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2015. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first



regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development corporation established by IC 5-28-3-1 for transfer as follows:

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.



(ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

To the extent possible, the Indiana economic development corporation shall provide for the transfer under item (i) to be made in four (4) equal installments. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making distributions to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships. The amount paid to the Orange County development commission shall proportionally reduce the amount payable to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city's or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.



(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.

(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Except as provided in subsections (l) and (m), before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.



(g) Before July 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-9), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

- (1) the entity's base year revenue (as determined under IC 4-33-12-9); minus
- (2) the sum of:
 - (A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus
 - (B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

- (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

- (1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).
- (2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars (\$48,000,000).
- (3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this



article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

- (A) forty-eight million dollars (\$48,000,000); multiplied by
- (B) the result of:
 - (i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by
 - (ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020.

If the total amount determined under subsection (g) exceeds the maximum amount determined under this subsection, the amount distributed to an entity under subsection (g) must be reduced according to the ratio that the amount distributed to the entity under IC 4-33-12-6 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

(j) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (g) and (i). Beginning in July 2016, the treasurer of state shall, after making any deductions from the supplemental distribution required by IC 6-3.1-20-7, deduct from the remainder of the supplemental distribution otherwise payable to the unit under this section the lesser of:

- (1) the remaining amount of the supplemental distribution; or
- (2) the difference, if any, between:
 - (A) three million five hundred thousand dollars (\$3,500,000); minus
 - (B) the amount of admissions taxes constructively received by the unit in the previous state fiscal year.

The treasurer of state shall distribute the amounts deducted under this subsection to the northwest Indiana redevelopment authority established under IC 36-7.5-2-1 for deposit in the development authority revenue fund established under IC 36-7.5-4-1.

(k) Money distributed to a political subdivision under subsection (b):

- (1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund **(in the case of a school corporation, the school corporation**



may deposit the money into either the education fund (IC 20-40-2) or the operations fund (IC 20-40-18)) or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection (b)(2)(B), may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;

(3) except as provided in subsection (b)(2)(B), may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

Money distributed under subsection (b)(2)(B) must be used for the purposes specified in subsection (b)(2)(B).

(l) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be deposited as being received from all riverboats whose supplemental wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and five-tenths percent (3.5%). The amount deposited under this subsection, in each riverboat's account, is proportionate to the supplemental wagering tax received from that riverboat under IC 4-33-12-1.5 in the month of July. The amount deposited under this subsection must be distributed in the same manner as the supplemental wagering tax collected under IC 4-33-12-1.5. This subsection expires June 30, 2021.

(m) After June 30, 2021, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be withheld and deposited in the state general fund.

SECTION 3. IC 4-35-8.3-5, AS AMENDED BY P.L.149-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 5. (a) Money distributed to a political subdivision under section 4 of this chapter:

(1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund **(in the case of a school corporation, the school corporation may deposit the money into either the education fund (IC 20-40-2) or the operations fund (IC 20-40-18))** or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate



of a school corporation, but, except as provided in section 4(2) of this chapter, may be used at the discretion of the political subdivision to reduce the property tax levy of the county, city, or town for a particular year;

(3) except as provided in section 4(2) of this chapter, may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(b) Money distributed under section 4(2) of this chapter must be used for the purposes specified in section 4(2) of this chapter.

SECTION 4. IC 5-3-1-3, AS AMENDED BY P.L.244-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 3. (a) Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town during the preceding calendar year.

(b) Not earlier than August 1 or later than August 15 of each year, the secretary of each school corporation in Indiana shall publish an annual financial report.

(c) In the annual financial report the school corporation shall include the following:

(1) Actual receipts and expenditures by major accounts as compared to the budget advertised under IC 6-1.1-17-3 for the prior calendar year.

(2) The salary schedule for all certificated employees (as defined in IC 20-29-2-4) as of June 30, with the number of employees at each salary increment. However, the listing of salaries of individual teachers is not required.

(3) The extracurricular salary schedule as of June 30.

(4) The range of rates of pay for all noncertificated employees by specific classification.

(5) The number of employees who are full-time certificated, part-time certificated, full-time noncertificated, and part-time noncertificated.

(6) The lowest, highest, and average salary for the administrative staff and the number of administrators without a listing of the names of particular administrators.

(7) The number of students enrolled at each grade level and the total enrollment.

(8) The assessed valuation of the school corporation for the prior



and current calendar year.

(9) The tax rate for each fund for the prior and current calendar year.

(10) In the ~~general fund, capital projects fund, and transportation fund~~; **education fund and operations fund**, a report of the total payment made to each vendor ~~for the specific~~ **from each** fund in excess of two thousand five hundred dollars (\$2,500) during the prior calendar year. However, a school corporation is not required to include more than two hundred (200) vendors whose total payment to each vendor was in excess of two thousand five hundred dollars (\$2,500). A school corporation shall list the vendors in descending order from the vendor with the highest total payment to the vendor with the lowest total payment above the minimum listed in this subdivision.

(11) A statement providing that the contracts, vouchers, and bills for all payments made by the school corporation are in its possession and open to public inspection.

(12) The total indebtedness as of the end of the prior calendar year showing the total amount of notes, bonds, certificates, claims due, total amount due from such corporation for public improvement assessments or intersections of streets, and any and all other evidences of indebtedness outstanding and unpaid at the close of the prior calendar year.

(d) The school corporation may provide an interpretation or explanation of the information included in the financial report.

(e) The department of education shall do the following:

(1) Develop guidelines for the preparation and form of the financial report.

(2) Provide information to assist school corporations in the preparation of the financial report.

(f) The annual reports required by this section and IC 36-2-2-19 and the abstract required by IC 36-6-4-13 shall each be published one (1) time only, in accordance with this chapter.

(g) Each school corporation shall submit to the department of education a copy of the financial report required under this section. The department of education shall make the financial reports available for public inspection.

(h) As used in this subsection, "bonds" means any bonds, notes, or other evidences of indebtedness, whether payable from property taxes, other taxes, revenues, fees, or any other source. However, the term does not include notes, warrants, or other evidences of indebtedness that have a maturity of not more than five (5) years and that are made in



anticipation of and to be paid from revenues of the school corporation. Notwithstanding any other law, a school corporation may not issue any bonds unless the school corporation has filed the annual financial report required under subsection (b) with the department of education. The requirements under this subsection for the issuance of bonds by a school corporation are in addition to any other requirements imposed under any other law. This subsection applies to the issuance of bonds authorized under any statute, regardless of whether that statute specifically references this subsection or the requirements under this subsection.

SECTION 5. IC 5-4-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 2. The cost of any such bond or other like obligation so procured, if furnished by a state officer or employee, shall be paid out of the general fund of the state treasury; if furnished by an officer or employee of any state institution, such cost shall be paid out of the maintenance fund of such institution; if furnished by a county, city, town, or township officer or employee, such cost shall be paid out of the general fund of the county, city, town, or township in and for which such officer or employee shall have been or shall be elected or appointed, as the case may be; if furnished by any officer or employee of any school corporation, such cost shall be paid out of the ~~special school~~ fund of the school corporation in **accordance with the categories of expenditures established under IC 20-42.5-3** and for which such officer or employee shall have been or shall be elected or appointed; and if furnished by any officer or employee of any municipal corporation or political subdivision of the state, other than those designated in this section, such cost shall be paid out of the operating or maintenance fund of such corporation or political subdivision in or for which such officer or employee is acting.

SECTION 6. IC 5-10.3-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 6. ~~Appropriations and Payments by School Corporations~~. A school corporation shall make the appropriations and payments required of participating political subdivisions from its **general education fund or operations fund in accordance with the categories of expenditures established under IC 20-42.5-3**.

SECTION 7. IC 5-10.4-9-5, AS ADDED BY P.L.217-2017, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 5. A school corporation shall make the appropriations and payments required under this article and IC 5-10.2 from its **general education fund or operations fund in**



accordance with the categories of expenditures established under IC 20-42.5-3.

SECTION 8. IC 6-1.1-18.5-2, AS AMENDED BY P.L.184-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) **Except as provided in subsection (c)**, for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

- (A) The STEP THREE quotient.
- (B) One and six-hundredths (1.06).

(c) **A school corporation shall use for its operations fund maximum levy calculation under IC 20-46-8-1 the assessed value growth quotient determined in the last STEP of the following STEPS:**

STEP ONE: Determine for each school corporation, the average annual growth in net assessed value using the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year.

STEP TWO: Determine the greater of:

- (A) zero (0); or
- (B) the STEP ONE amount minus the sum of:
 - (i) the assessed value growth quotient determined under subsection (b) minus one (1); plus



(ii) two-hundredths (0.02).

STEP THREE: Determine the lesser of:

(A) the STEP TWO amount; or

(B) four-hundredths (0.04).

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the assessed value growth quotient determined under subsection (b).

STEP FIVE: Determine the greater of:

(A) the STEP FOUR amount; or

(B) the assessed value growth quotient determined under subsection (b).

(e) (d) The budget agency shall provide the assessed value growth quotient for the ensuing year to civil taxing units, school corporations, and the department of local government finance before July 1 of each year.

SECTION 9. IC 6-1.1-20.6-9.9, AS AMENDED BY P.L.244-2017, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 9.9. (a) If:

(1) a school corporation ~~in 2017, 2018, or 2019~~ **after July 1, 2016**, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than:

(A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or

(B) indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and

(2) the school corporation's:

(A) total debt service levy ~~in 2018 or 2019~~ is greater than the school corporation's total debt service levy in 2016; and

(B) total debt service tax rate ~~in 2018 or 2019~~ is greater than the school corporation's total debt service tax rate in 2016;

the school corporation is not eligible to allocate credits proportionately under this section.

(b) Subject to subsection (a), a school corporation is eligible to allocate credits proportionately under this section for ~~2016, 2017, 2018, or 2019,~~ **2020, 2021, 2022, or 2023** if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its ~~transportation fund levy for that year (for 2017 and 2018) or operations fund levy after 2018,~~ as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as ~~follows:~~ **determined under the following**



formula:

(1) ~~Compute STEP ONE: Determine~~ the amount of credits granted under this chapter against the school corporation's levy for the school corporation's ~~transportation fund (for 2017 and 2018) or~~ operations fund. ~~after 2018.~~

STEP TWO: Determine the amount of the school corporation's levy that is attributable to new debt incurred after June 30, 2019, but is not attributable to the debt service levy described in subsection (a)(1)(B).

STEP THREE: Determine the result of the school corporation's total levy minus any referendum levy.

STEP FOUR: Subtract the STEP TWO amount from the STEP THREE amount.

STEP FIVE: Divide the STEP FOUR amount by the STEP THREE amount expressed as a percentage.

STEP SIX: Multiply the STEP ONE amount by the STEP FIVE percentage.

STEP SEVEN: Determine the school corporation's levy for the school corporation's operations fund.

STEP EIGHT: Divide the STEP SIX amount by the STEP SEVEN amount expressed as a percentage.

(2) ~~Compute the school corporation's levy for the school corporation's transportation fund (for 2017 and 2018) or operations fund levy. after 2018.~~

(3) ~~Divide the amount computed under subdivision (1) by the amount computed under subdivision (2) and express it as a percentage.~~

The computation must be made by taking into account the requirements of section 9.8 of this chapter regarding protected taxes and the impact of credits granted under this chapter on the revenue to be distributed to the school corporation's ~~transportation fund (for 2017 and 2018) or~~ operations fund ~~after 2018~~ for the particular year.

(c) A school corporation that desires to be an eligible school corporation under this section must, before May 1 of the year for which it wants a determination, submit a written request for a certification by the department of local government finance that the computation of the school corporation's percentage under subsection (b) is correct. The department of local government finance shall, not later than June 1 of that year, determine whether the percentage computed by the school corporation **under subsection (b)** is accurate and certify whether the school corporation is eligible under this section.

(d) For a school corporation that is certified as eligible under this



section, the school corporation may allocate the effect of the credits granted under this chapter proportionately among all the school corporation's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes **as determined under the following formula:**

STEP ONE: Determine the product of:

(A) the percentage determined under **STEP EIGHT** of subsection (b); multiplied by

(B) five (5).

STEP TWO: Determine the lesser of the STEP ONE percentage or one hundred percent (100%).

STEP THREE: Determine the product of:

(A) the amount determined under **STEP SIX** of subsection (b); multiplied by

(B) the **STEP TWO** percentage.

The school corporation may allocate the amount of credits determined under STEP THREE proportionately under this section. The department of local government finance shall include in its certification of an eligible school corporation under subsection (c) the amount of credits that the school corporation may allocate proportionately as determined under this subsection.

(e) This section expires January 1, 2024.

SECTION 10. IC 20-37-2-2, AS AMENDED BY P.L.69-2015, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 2. (a) A governing body may:

(1) establish career and technical education centers, schools, or departments in the manner approved by the state board; and

(2) maintain these schools or departments from the ~~general~~ **education fund and operations** fund in accordance with the **categories of expenditures established under IC 20-42.5-3.**

(b) The governing body may include in the high school curriculum without additional state board approval any secondary level career and technical education course that is approved under section 11 of this chapter, if applicable.

(c) The governing body shall notify the department and the department of workforce development whenever the governing body:

(1) includes an approved course for; or

(2) removes an approved course from;

the high school curriculum.



SECTION 11. IC 20-40-10-3, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 3. The chief fiscal officer of a school corporation may invest money in the school corporation's fund in the same manner in which money in the school corporation's ~~general~~ **education fund or operations** fund may be invested. However, any income derived from investment of the money shall be deposited in and becomes a part of the fund.

SECTION 12. IC 20-40-12-6, AS AMENDED BY P.L.146-2008, SECTION 479, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 6. Subject to the approval of the commissioner of insurance, the governing body of the school corporation may:

- (1) transfer to the fund an amount of money in the ~~general~~ **education fund or operations** fund budget **in accordance with the categories of expenditures established under IC 20-42.5-3;**
- (2) transfer money from the ~~general~~ **education fund or operations** fund **in accordance with the categories of expenditures established under IC 20-42.5-3** to the fund;
- (3) appropriate money from the ~~general~~ **education fund or operations** fund **in accordance with the categories of expenditures established under IC 20-42.5-3** for the fund; or
- (4) transfer money from the ~~capital projects~~ **operations** fund to the fund, to the extent that money in the ~~capital projects~~ **operations** fund may be used for property or casualty insurance.

SECTION 13. IC 20-40-14-1, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 1. (a) Except as provided in this section, money received by a school corporation for a specific purpose or purposes, by gift, endowment, or under a federal statute, may be accounted for by establishing separate funds apart from ~~the general~~ **any other school corporation** fund.

(b) Subsection (a) does not apply if local tax funds are involved.

(c) Money described in subsection (a) may not be accepted unless the:

- (1) terms of the gift, endowment, or payment; and
- (2) acceptance of the gift, endowment, or payment;

provide that the officers of the school corporation are not divested of any right or authority that the officers are granted by law.

SECTION 14. IC 20-40-18-6, AS AMENDED BY P.L.140-2018, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 6. (a) A school corporation's capital projects



expenditure plan or amended plan must limit proposed expenditures to those described in section 7 of this chapter. The plan must include all proposed expenditures that exceed ten thousand dollars (\$10,000) and are for:

- (1) capital assets; or
- (2) projects that are considered capital in nature under section 7 of this chapter, including technology related projects.

The department of local government finance shall prescribe the information that is required in a plan.

(b) The department of local government finance shall prescribe the format of the plan. A plan must:

- (1) apply to at least the three (3) years immediately following the year the plan is adopted; **and**
- (2) estimate for each year to which the plan applies the nature and amount of proposed capital expenditures from the fund. ~~and~~
- ~~(3) estimate:~~

~~(A) the source of all revenue to be dedicated to the proposed capital expenditures in the upcoming calendar year; and~~

~~(B) the amount of property taxes to be collected in the upcoming calendar year and retained in the fund for capital expenditures proposed for a later year.~~

(c) If a school corporation wants to use money in the operations fund during the year to pay for any items listed in section 7 of this chapter that are considered capital in nature, the governing body must adopt a resolution approving the plan or amended plan. The school corporation shall post the proposed plan or proposed amended plan on the school corporation's Internet web site before the hearing. The governing body must hold a hearing on the adoption of the resolution as follows:

- (1) For a school corporation that has not elected to adopt a budget under IC 6-1.1-17-5.6 or for which a resolution adopted under IC 6-1.1-17-5.6(d) is in effect, the school corporation must hold the hearing and adopt the resolution after January 1 and not later than November 1 of the immediately preceding year.
- (2) For a school corporation that elects to adopt a budget under IC 6-1.1-17-5.6, the school corporation must hold the hearing and adopt the resolution after January 1 and not later than April 1 of the immediately preceding school fiscal year.

~~The governing body shall publish a notice of the hearing in accordance with IC 5-3-1-2(b). The notice must include the address of the school corporation's Internet web site. The governing body may hold the hearing and include the notice as part of a regular governing body~~



meeting or part of the same hearing and notice for a school bus replacement plan. **The governing body shall submit the proposed capital projects expenditure plan or amended plan to the department of local government finance's computer gateway at least ten (10) days before the hearing on the adoption of the resolution. The department of local government finance shall make the proposed plan available to taxpayers, at least ten (10) days before the hearing, through the department's computer gateway. The department of local government finance's computer gateway must allow a taxpayer to search for the proposed plan under this section by the taxpayer's address.** If an amendment to a capital projects expenditure plan is being proposed, the governing body must declare the nature of and the need for the amendment in the resolution to adopt the amendment to the plan. The plan, as proposed to be amended, must comply with the requirements for a plan under this section.

(d) If a governing body adopts the resolution specified in subsection (c), the school corporation must then submit the resolution to the department of local government finance in the manner prescribed by the department. **In addition, the governing body shall submit the plan or amended plan that is approved in the resolution to the department of local government finance's computer gateway not later than thirty (30) days after adoption of the resolution. The department of local government finance shall immediately make the adopted plan available to taxpayers through the department's computer gateway.**

(e) This subsection applies to an amendment to a plan that is required because of an emergency that results in costs that exceed the amount accumulated in the fund for repair, replacement, or site acquisition that is necessitated by an emergency. The governing body is not required to comply with subsection (c) or (d). If the governing body determines that an emergency exists, the governing body may adopt a resolution to amend the plan. An amendment to the plan is not subject to the deadline and the procedures for adoption described in this section.

SECTION 15. IC 20-40-18-9, AS AMENDED BY P.L.140-2018, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 9. (a) Before a school corporation may use money in the operations fund for replacing school buses, a resolution approving the school bus replacement plan or amended plan must be submitted to the department of local government finance.

(b) The department of local government finance shall prescribe the



format of the plan. A plan must apply to at least the five (5) budget years immediately following the year the plan is adopted and include at least the following:

- (1) An estimate for each year to which it applies of the nature and amount of proposed expenditures from the fund.
- (2) If the school corporation is seeking to:
 - (A) acquire; or
 - (B) contract for transportation services that will provide; additional school buses or school buses with a larger seating capacity as compared with the number and type of school buses from the prior school year, evidence of a demand for increased transportation services within the school corporation. Clause (B) does not apply if contracted transportation services are not paid from the fund.
- (3) If the school corporation is seeking to require a contractor to replace a school bus, evidence that the need exists for the replacement of the school bus. This subdivision does not apply if contracted transportation services are not paid from the operations fund.
- (4) Evidence that the school corporation that seeks to acquire additional school buses under this section is acquiring or contracting for the school buses only for the purposes specified in subdivision (2) or for replacement purposes.

(c) If a school corporation wants to use money in the operations fund during the year to pay for school bus replacement, the governing body must adopt a resolution approving the bus replacement plan or amended plan. The school corporation shall post the proposed plan or proposed amended plan on the school corporation's Internet web site before the hearing. The governing body must hold a hearing on the adoption of the resolution as follows:

- (1) For a school corporation that has not elected to adopt a budget under IC 6-1.1-17-5.6 or for which a resolution adopted under IC 6-1.1-17-5.6(d) is in effect, the school corporation must hold the hearing and adopt the resolution after January 1 and not later than November 1 of the immediately preceding year.
- (2) For a school corporation that elects to adopt a budget under IC 6-1.1-17-5.6, the school corporation must hold the hearing and adopt the resolution after January 1 and not later than April 1 of the immediately preceding school fiscal year.

The governing body shall publish a notice of the hearing in accordance with IC 5-3-1-2(b). The notice must include the address of the school corporation's Internet web site. The governing body may hold the



hearing and include the notice as part of a regular governing body meeting or part of the same hearing and notice for a capital projects expenditure plan. **The governing body shall submit the proposed school bus replacement plan or amended plan to the department of local government finance's computer gateway at least ten (10) days before the hearing on the adoption of the resolution. The department of local government finance shall make the proposed plan available to taxpayers, at least ten (10) days before the hearing, through the department's computer gateway. The department of local government finance's computer gateway must allow a taxpayer to search for the proposed plan under this section by the taxpayer's address.** If an amendment to a bus replacement plan is being proposed, the governing body must declare the nature of and the need for the amendment in the resolution to adopt the amendment to the plan. The plan, as proposed to be amended, must comply with the requirements for a plan under this section.

(d) If a governing body adopts the resolution specified in subsection (c), the school corporation must then submit the resolution to the department of local government finance in the manner prescribed by the department. **In addition, the governing body shall submit the school bus replacement plan or amended plan that is approved in the resolution to the department of local government finance's computer gateway not later than thirty (30) days after adoption of the resolution. The department of local government finance shall immediately make the adopted plan available to taxpayers through the department's computer gateway.**

(e) The operations fund must be used to pay for the replacement of school buses, either through a purchase agreement or under a lease agreement.

(f) Before the last Thursday in August in the year preceding the first school year in which a proposed contract commences, the governing body of a school corporation may elect to designate a part of a:

- (1) transportation contract (as defined in IC 20-27-2-12);
- (2) fleet contract (as defined in IC 20-27-2-5); or
- (3) common carrier contract (as defined in IC 20-27-2-3);

as an expenditure payable from the fund. An election under this subsection must be included in the resolution approving the school bus replacement plan or amended plan. The election applies throughout the term of the contract.

(g) The amount that may be paid from the fund under this section in a school year is equal to the fair market lease value in the school year of each school bus, school bus chassis, or school bus body used under



the contract, as substantiated by invoices, depreciation schedules, and other documented information available to the school corporation.

(h) The allocation of costs under this section to the fund must comply with the accounting standards prescribed by the state board of accounts.

SECTION 16. IC 20-41-1-2, AS AMENDED BY P.L.286-2013, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 2. Any self-supporting programs maintained by a school corporation, including:

- (1) school lunch; and
- (2) rental or sale of curricular materials;

may be established as separate funds, separate and apart from ~~the general~~ **any other school corporation** fund, if no local tax rate is established for the programs.

SECTION 17. IC 20-41-1-4, AS ADDED BY P.L.2-2006, SECTION 164, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 4. (a) All forms and records for keeping the accounts of the extracurricular activities in school corporations shall be prescribed or approved by the state board of accounts. The records and affairs of the extracurricular activities may be examined by the state board of accounts when the state examiner determines an examination is necessary. The forms prescribed or approved for keeping these accounts must achieve a simplified system of bookkeeping and shall be paid for, along with the bond required in this chapter, from the ~~general~~ **education fund or operations fund in accordance with the categories of expenditures established under IC 20-42.5-3.**

(b) The funds of all accounts of any organization, class, or activity shall be accounted separately from all others. Funds may not be transferred from the accounts of any organization, class, or activity except by a majority vote of its members, if any, and by the approval of the principal, sponsor, and treasurer of the organization, class, or activity. However, in the case of athletic funds:

- (1) approval of the transfer must be made by the athletic director, who is regarded as the sponsor; and
- (2) participating students are not considered members.

All expenditures of the funds are subject to review by the governing body of the school corporation.

SECTION 18. IC 20-46-1-7, AS AMENDED BY P.L.41-2010, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 7. (a) This section



applies to a school corporation that added an amount to the school corporation's base tax levy before 2002 as the result of the approval of an excessive tax levy by the majority of individuals voting in a referendum held in the area served by the school corporation under IC 6-1.1-19-4.5 (before its repeal).

(b) A school corporation may adopt a resolution before September 21, 2005, to transfer the power of the school corporation to levy the amount described in subsection (a) from the school corporation's general fund (**before the elimination of the general fund**) to the school corporation's fund. A school corporation that adopts a resolution under this section shall, as soon as practicable after adopting the resolution, send a certified copy of the resolution to the department of local government finance and the county auditor. A school corporation that adopts a resolution under this section may, for property taxes first due and payable after 2005, levy an additional amount for the fund that does not exceed the amount of the excessive tax levy added to the school corporation's base tax levy before 2002.

(c) The power of the school corporation to impose the levy transferred to the fund under this section expires December 31, 2012, unless:

- (1) the school corporation adopts a resolution to reimpose or extend the levy; and
- (2) the levy is approved, before January 1, 2013, by a majority of the individuals who vote in a referendum that is conducted in accordance with the requirements in this chapter.

As soon as practicable after adopting the resolution under subdivision (1), the school corporation shall send a certified copy of the resolution to the department of local government finance and the county auditor. However, if requested by the school corporation in the resolution adopted under subdivision (1), the question of reimposing or extending a levy transferred to the fund under this section may be combined with a question presented to the voters to reimpose or extend a levy initially imposed after 2001. A levy reimposed or extended under this subsection shall be treated for all purposes as a levy reimposed or extended under this chapter.

(d) The school corporation's levy under this section may not be considered in the determination of the school corporation's state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

SECTION 19. IC 20-46-7-6, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 6. An



amount equal to deductions made or to be made in the current year for the payment of principal and interest on an advancement from any state fund (including the common school fund and the veterans memorial school construction fund) may be included in a levy and appropriated and paid to the ~~general~~ **operations** fund.

SECTION 20. IC 20-46-8-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 10. (a) This section applies to a school corporation in a county having a population of more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000).**

(b) For property taxes first due and payable in 2020, the maximum permissible operations fund property tax levy of a school corporation subject to this section is equal to the amount determined in the following STEPS, instead of the amount determined under section 1 of this chapter:

STEP ONE: Determine the result under section 1(c) of this chapter, without regard to this section.

STEP TWO: Determine the result of:

- (A) the amount of the school corporation's 2018 historical society fund levy under IC 36-10-13-5 (as it existed on December 31, 2018); multiplied by**
- (B) the 2019 assessed value growth quotient determined under IC 6-1.1-18.5-2.**

STEP THREE: Determine the result of:

- (A) the STEP TWO amount; multiplied by**
- (B) the 2020 assessed value growth quotient determined under IC 6-1.1-18.5-2.**

STEP FOUR: Determine the sum of:

- (A) the STEP ONE amount;**
- (B) the STEP TWO amount; and**
- (C) the STEP THREE amount.**

(c) For purposes of determining the 2021 maximum permissible property tax levy for the school corporation's operations fund, the amount to be used for purposes of STEP ONE (A) of section 1(c) of this chapter is equal to the remainder of:

- (1) the amount determined under STEP FOUR of subsection (b); minus**
- (2) the amount determined under STEP TWO of subsection (b).**

(d) This section expires January 1, 2022.

SECTION 21. IC 24-1-2-5 IS AMENDED TO READ AS



FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]:

Sec. 5. It shall be the duty of the attorney general and of the prosecuting attorney of each judicial circuit to institute appropriate proceedings to prevent and restrain violations of the provisions of this chapter or any other statute or the common law relating to the subject matter of this chapter and to prosecute any person or persons guilty of having violated any of the penal provisions thereof. In all criminal proceedings the prosecution may be by way of affidavit or indictment the same as in other criminal matters, and the attorney general shall have concurrent jurisdiction with the prosecuting attorneys in instituting and prosecuting any such actions. All civil proceedings to prevent and restrain violations shall be in the name of the state of Indiana upon relation of the proper party. The attorney general may file such proceedings upon ~~his~~ **the attorney general's** own relation or that of any private person in any circuit or superior court of the state, without applying to such court for leave, when ~~he~~ **the attorney general** shall deem it ~~his~~ **the attorney general's** duty so to do. Such proceedings shall be by information filed by any prosecuting attorney in a circuit or superior court of the proper county upon ~~his~~ **the prosecuting attorney's** own relation whenever ~~he~~ **the prosecuting attorney** shall deem it ~~his~~ **the prosecuting attorney's** duty so to do, or shall be directed by the court or governor or attorney general, and an information may be filed by any taxpayer on ~~his~~ **the taxpayer's** own relation. If judgment or decree be rendered against any domestic corporation or against any person claiming to be a corporation, the court may cause the costs to be collected by execution against the person claiming to be a corporation or by attachment against any or all of the directors or officers of the corporation, and may restrain the corporation or any director, agent, employee, or stockholder and appoint a receiver for its property and effects, and take an accounting and make distribution of its assets among its creditors, and exercise any other power or authority necessary and proper for carrying out the provisions of this chapter. If judgment or decree be rendered against any corporation incorporated under the laws of the United States, or of any district or territory thereof, or of any state other than this state, or of any foreign country, the court may cause the costs to be collected as in this section provided and may render judgment and decree of ouster perpetually excluding such corporation from the privilege of transacting business in the state of Indiana and forfeiting to the school **corporation's education fund or operations** fund any or all property of such corporation within the state, and shall exercise such power and authority with regard to the property of such corporation as may be



exercised with regard to that of domestic corporations.

SECTION 22. IC 36-1.5-3-5, AS AMENDED BY P.L.217-2017, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 5. (a) This subsection applies to the plan of reorganization of a political subdivision other than a school corporation. The plan of reorganization must specify the amount (if any) of the decrease that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political subdivision to:

- (1) eliminate double taxation for services or goods provided by the reorganized political subdivision; or
- (2) eliminate any excess by which the amount of property taxes imposed by the reorganized political subdivision exceeds the amount necessary to pay for services or goods provided under this article.

(b) This subsection applies to a plan of reorganization for a school corporation. The plan of reorganization must specify the adjustments that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized school corporation. The following apply to a school corporation reorganized under this article:

- (1) The new maximum permissible tax levy under ~~IC 20-46-4 (transportation fund) and IC 20-46-5 (school bus replacement)~~ **IC 20-46-8 (operations fund property tax levy)** for the first calendar year in which the reorganization is effective equals the following:

STEP ONE: Determine for each school corporation that is part of the reorganization the sum of the maximum levies under ~~IC 20-46-4 and IC 20-46-5~~ **IC 20-46-8 (operations fund property tax levy)** for the ensuing calendar year, including the assessed value growth quotient (IC 6-1.1-18.5-2) adjustment for the ensuing calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Multiply the STEP TWO amount by one hundred three percent (103%).

- (2) ~~The new maximum capital projects fund rate under IC 20-46-6 for the first calendar year in which the reorganization is effective equals the following:~~

~~STEP ONE: Determine for each school corporation that is part~~



of the reorganization the maximum amount that could have been levied using the school corporation's maximum capital projects fund tax rate for the calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Determine the sum of the certified net assessed values for all the school corporations that are part of the reorganization.

STEP FOUR: Divide the STEP TWO amount by the STEP THREE amount.

STEP FIVE: Determine the product (rounded to the nearest ten-thousandth (0.0001)) of:

- (i) the STEP FOUR amount; multiplied by
- (ii) one hundred (100).

(3) (2) The new debt service levy under IC 20-46-7 for the first calendar year in which the reorganization is effective equals the sum of the debt service fund levies for each school corporation that is part of the reorganization that would have been permitted under IC 20-46-7 in the calendar year.

(c) The fiscal body of the reorganized political subdivision shall determine and certify to the department of local government finance the amount of the adjustment (if any) under subsection (a).

(d) The amount of the adjustment (if any) under subsection (a) or (b) must comply with the reorganization agreement under which the political subdivision or school corporation is reorganized under this article.

SECTION 23. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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