

HOUSE BILL No. 1053

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-43.

Synopsis: School grants. Establishes the low assessed value grants and student density transportation grants for school corporations. Provides a formula for determining grant amounts.

Effective: July 1, 2021.

Thompson

January 4, 2021, read first time and referred to Committee on Ways and Means.



First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1053

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

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

1 SECTION 1. IC 20-43-1-7, AS AMENDED BY P.L.108-2019,
2 SECTION 216, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2021]: Sec. 7. **(a) Except as provided in**
4 **subsection (b), "ADM of the previous year" means:**

5 (1) for previous state fiscal years ending before July 1, 2019, the
6 fall count of ADM; **and**
7 (2) for previous state fiscal years ending after June 30, 2019, the
8 average of the previous year's fall and spring adjusted ADM
9 counts.

10 **(b) For purposes of IC 20-43-16 and IC 20-43-17, "ADM of the**
11 **previous year" means the average of the previous year's fall and**
12 **spring adjusted ADM counts including only students who resided**
13 **within the boundaries of the school corporation.**

14 SECTION 2. IC 20-43-16 IS ADDED TO THE INDIANA CODE
15 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2021]:

17 **Chapter 16. Low Assessed Value Grants**



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Sec. 1. This chapter does not apply to a charter school or a virtual charter school.

Sec. 2. Beginning after June 30, 2021, and in addition to a basic tuition support distribution, a school corporation is eligible for grants under this chapter.

Sec. 3. (a) The department, in coordination with the department of local government finance, shall determine and award the grant amount for each school corporation under subsection (b).

(b) For each school corporation, the amount of the low assessed value grant is equal to the amount determined in STEP FOURTEEN of the following formula:

STEP ONE: Determine for each school corporation the net assessed value for property taxes assessed in the previous calendar year of each of the following:

(A) Homestead property, as determined by the department of local government finance, that is located within unincorporated areas.

(B) Homestead property, as determined by the department of local government finance, that is located within incorporated areas.

(C) Residential property, long term care property, and agricultural land, as determined by the department of local government finance, that is located within unincorporated areas.

(D) Residential property, long term care property, and agricultural land, as determined by the department of local government finance, that is located within incorporated areas.

(E) Nonresidential real property and personal property, as determined by the department of local government finance, that is located within unincorporated areas.

(F) Nonresidential real property and personal property, as determined by the department of local government finance, that is located within incorporated areas.

STEP TWO: Determine the adjusted net assessed value of property described in STEP ONE (A) according to the following:

(A) Determine the school corporation's gross assessed value for homestead property, as determined by the department of local government finance, that is located within unincorporated areas for property taxes assessed in the previous calendar year.



- 1 **(B) Subtract the net assessed value determined under**
 2 **STEP ONE (A) from the result of clause (A).**
 3 **(C) Divide the result of clause (B) by the result of clause**
 4 **(A).**
 5 **(D) Multiply the result of clause (C) by the school**
 6 **corporation's net assessed value determined under STEP**
 7 **ONE (A).**
 8 **STEP THREE: Determine the adjusted net assessed value of**
 9 **property described in STEP ONE (B) according to the**
 10 **following:**
 11 **(A) Determine the school corporation's gross assessed**
 12 **value for homestead property, as determined by the**
 13 **department of local government finance, that is located**
 14 **within incorporated areas for property taxes assessed in**
 15 **the previous calendar year.**
 16 **(B) Subtract the net assessed value determined under**
 17 **STEP ONE (B) from the result of clause (A).**
 18 **(C) Divide the result of clause (B) by the result of clause**
 19 **(A).**
 20 **(D) Multiply the result of clause (C) by the school**
 21 **corporation's net assessed value determined under STEP**
 22 **ONE (B).**
 23 **STEP FOUR: Determine the weighted total for property**
 24 **described in STEP ONE (A) as follows:**
 25 **(A) Divide the result of STEP TWO (D) by the school**
 26 **corporation's ADM of the previous year (as defined in**
 27 **IC 20-43-1-7(b)).**
 28 **(B) Multiply the result of clause (A) by one (1).**
 29 **STEP FIVE: Determine the weighted total for property**
 30 **described in STEP ONE (B) as follows:**
 31 **(A) Divide the result of STEP THREE (D) by the school**
 32 **corporation's ADM of the previous year (as defined in**
 33 **IC 20-43-1-7(b)).**
 34 **(B) Multiply the result of clause (A) by seventy-five**
 35 **hundredths (0.75).**
 36 **STEP SIX: Determine the weighted total for property**
 37 **described in STEP ONE (C) as follows:**
 38 **(A) Divide the result of STEP ONE (C) by the school**
 39 **corporation's ADM of the previous year (as defined in**
 40 **IC 20-43-1-7(b)).**
 41 **(B) Multiply the result of clause (A) by one (1).**
 42 **STEP SEVEN: Determine the weighted total for property**



- 1 described in STEP ONE (D) as follows:
 2 (A) Divide the result of STEP ONE (D) by the school
 3 corporation's ADM of the previous year (as defined in
 4 IC 20-43-1-7(b)).
 5 (B) Multiply the result of clause (A) by seventy-five
 6 hundredths (0.75).
 7 **STEP EIGHT: Determine the weighted total for property**
 8 **described in STEP ONE (E) as follows:**
 9 (A) Divide the result of STEP ONE (E) by the school
 10 corporation's ADM of the previous year (as defined in
 11 IC 20-43-1-7(b)).
 12 (B) Multiply the result of clause (A) by one (1).
 13 **STEP NINE: Determine the weighted total for property**
 14 **described in STEP ONE (F) as follows:**
 15 (A) Divide the result of STEP ONE (F) by the school
 16 corporation's ADM of the previous year (as defined in
 17 IC 20-43-1-7(b)).
 18 (B) Multiply the result of clause (A) by one (1).
 19 **STEP TEN: Determine the total sum of the weighted totals**
 20 **determined in STEPS FOUR through NINE.**
 21 **STEP ELEVEN: Subtract the result of STEP TEN from one**
 22 **hundred eighty-seven thousand five hundred (187,500).**
 23 **STEP TWELVE: Determine the greater of:**
 24 (A) the result of STEP ELEVEN; or
 25 (B) zero (0).
 26 **STEP THIRTEEN: Multiply the result of STEP TWELVE by**
 27 **four thousandths (.004).**
 28 **STEP FOURTEEN: Multiply the result of STEP THIRTEEN**
 29 **by the school corporation's ADM of the previous year (as**
 30 **defined in IC 20-43-1-7(b)).**
 31 SECTION 3. IC 20-43-17 IS ADDED TO THE INDIANA CODE
 32 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2021]:
 34 **Chapter 17. Student Density Transportation Grants**
 35 **Sec. 1. This chapter does not apply to a charter school or a**
 36 **virtual charter school.**
 37 **Sec. 2. Beginning after June 30, 2021, and in addition to a basic**
 38 **tuition support distribution, a school corporation is eligible for**
 39 **grants under this chapter.**
 40 **Sec. 3. (a) The department, in coordination with the department**
 41 **of local government finance, shall determine and award the grant**
 42 **amount for each school corporation under subsection (b).**



1 **(b) For each school corporation, the amount of the student**
 2 **density transportation grant is equal to the amount determined in**
 3 **STEP TWENTY of the following formula:**

4 **STEP ONE: Determine for each school corporation the net**
 5 **assessed value for property taxes assessed in the previous**
 6 **calendar year of each of the following:**

7 **(A) Homestead property, as determined by the department**
 8 **of local government finance, that is located within**
 9 **unincorporated areas.**

10 **(B) Homestead property, as determined by the department**
 11 **of local government finance, that is located within**
 12 **incorporated areas.**

13 **(C) Residential property, long term care property, and**
 14 **agricultural land, as determined by the department of local**
 15 **government finance, that is located within unincorporated**
 16 **areas.**

17 **(D) Residential property, long term care property, and**
 18 **agricultural land, as determined by the department of local**
 19 **government finance, that is located within incorporated**
 20 **areas.**

21 **(E) Nonresidential real property and personal property, as**
 22 **determined by the department of local government**
 23 **finance, that is located within unincorporated areas.**

24 **(F) Nonresidential real property and personal property, as**
 25 **determined by the department of local government**
 26 **finance, that is located within incorporated areas.**

27 **STEP TWO: Determine the adjusted net assessed value of**
 28 **property described in STEP ONE (A) according to the**
 29 **following:**

30 **(A) Determine the school corporation's gross assessed**
 31 **value for homestead property, as determined by the**
 32 **department of local government finance, that is located**
 33 **within unincorporated areas for property taxes assessed in**
 34 **the previous calendar year.**

35 **(B) Subtract the net assessed value determined under**
 36 **STEP ONE (A) from the result of clause (A).**

37 **(C) Divide the result of clause (B) by the result of clause**
 38 **(A).**

39 **(D) Multiply the result of clause (C) by the school**
 40 **corporation's net assessed value determined under STEP**
 41 **ONE (A).**

42 **STEP THREE: Determine the adjusted net assessed value of**



1 property described in STEP ONE (B) according to the
2 following:

3 (A) Determine the school corporation's gross assessed
4 value for homestead property, as determined by the
5 department of local government finance, that is located
6 within incorporated areas for property taxes assessed in
7 the previous calendar year.

8 (B) Subtract the net assessed value determined under
9 STEP ONE (B) from the result of clause (A).

10 (C) Divide the result of clause (B) by the result of clause
11 (A).

12 (D) Multiply the result of clause (C) by the school
13 corporation's net assessed value determined under STEP
14 ONE (B).

15 **STEP FOUR: Determine the weighted total for property**
16 **described in STEP ONE (A) as follows:**

17 (A) Divide the result of STEP TWO (D) by the school
18 corporation's ADM of the previous year (as defined in
19 IC 20-43-1-7(b)).

20 (B) Multiply the result of clause (A) by one (1).

21 **STEP FIVE: Determine the weighted total for property**
22 **described in STEP ONE (B) as follows:**

23 (A) Divide the result of STEP THREE (D) by the school
24 corporation's ADM of the previous year (as defined in
25 IC 20-43-1-7(b)).

26 (B) Multiply the result of clause (A) by seventy-five
27 hundredths (0.75).

28 **STEP SIX: Determine the weighted total for property**
29 **described in STEP ONE (C) as follows:**

30 (A) Divide the result of STEP ONE (C) by the school
31 corporation's ADM of the previous year (as defined in
32 IC 20-43-1-7(b)).

33 (B) Multiply the result of clause (A) by one (1).

34 **STEP SEVEN: Determine the weighted total for property**
35 **described in STEP ONE (D) as follows:**

36 (A) Divide the result of STEP ONE (D) by the school
37 corporation's ADM of the previous year (as defined in
38 IC 20-43-1-7(b)).

39 (B) Multiply the result of clause (A) by seventy-five
40 hundredths (0.75).

41 **STEP EIGHT: Determine the weighted total for property**
42 **described in STEP ONE (E) as follows:**



- 1 **(A) Divide the result of STEP ONE (E) by the school**
 2 **corporation's ADM of the previous year (as defined in**
 3 **IC 20-43-1-7(b)).**
 4 **(B) Multiply the result of clause (A) by one (1).**
 5 **STEP NINE: Determine the weighted total for property**
 6 **described in STEP ONE (F) as follows:**
 7 **(A) Divide the result of STEP ONE (F) by the school**
 8 **corporation's ADM of the previous year (as defined in**
 9 **IC 20-43-1-7(b)).**
 10 **(B) Multiply the result of clause (A) by one (1).**
 11 **STEP TEN: Determine the total sum of the weighted totals**
 12 **determined in STEPS FOUR through NINE.**
 13 **STEP ELEVEN: Subtract the result of STEP TEN from three**
 14 **hundred thousand (300,000).**
 15 **STEP TWELVE: Determine the greater of:**
 16 **(A) the result of STEP ELEVEN; or**
 17 **(B) zero (0).**
 18 **STEP THIRTEEN: Divide the result of STEP TWELVE by**
 19 **one hundred thousand (100,000).**
 20 **STEP FOURTEEN: Determine the lesser of:**
 21 **(A) the result of STEP THIRTEEN; or**
 22 **(B) one (1).**
 23 **STEP FIFTEEN: Determine the student density of each school**
 24 **corporation by dividing the school corporation's ADM of the**
 25 **previous year (as defined in IC 20-43-1-7(b)) by the area, in**
 26 **square miles, of the school corporation.**
 27 **STEP SIXTEEN: Subtract the result of STEP FIFTEEN from**
 28 **fifteen (15).**
 29 **STEP SEVENTEEN: Determine the greater of:**
 30 **(A) the result of STEP SIXTEEN; or**
 31 **(B) zero (0).**
 32 **STEP EIGHTEEN: Multiply the result of STEP FOURTEEN**
 33 **by the result of STEP SEVENTEEN.**
 34 **STEP NINETEEN: Multiply the result of STEP EIGHTEEN**
 35 **by thirty-six (36).**
 36 **STEP TWENTY: Multiply the result of STEP NINETEEN by**
 37 **the school corporation's ADM of the previous year (as defined**
 38 **in IC 20-43-1-7(b)).**

