

# SENATE BILL No. 203

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-30-16-3; IC 12-17.2-7.2.

**Synopsis:** Prekindergarten pilot program. Expands the prekindergarten pilot program to include 13 counties that were selected as finalist counties by the office of the secretary of family and social services but were not selected as one of the five initial pilot counties. Provides that the pilot program in the finalist counties must be funded from the state lottery administrative trust fund. Makes an appropriation.

**Effective:** Upon passage; July 1, 2016.

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January 6, 2016, read first time and referred to Committee on Education & Career Development.

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Second Regular Session 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

# SENATE BILL No. 203

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

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

1 SECTION 1. IC 4-30-16-3, AS AMENDED BY P.L.146-2008,  
2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2016]: Sec. 3. (a) The commission shall transfer the surplus  
4 revenue in the administrative trust fund as follows:  
5 (1) Before the last business day of January, April, July, and  
6 October, the commission shall transfer to the treasurer of state, for  
7 deposit in the Indiana state teachers' retirement fund  
8 (IC 5-10.4-2), seven million five hundred thousand dollars  
9 (\$7,500,000). Notwithstanding any other law, including any  
10 appropriations law resulting from a budget bill (as defined in  
11 IC 4-12-1-2), the money transferred under this subdivision shall  
12 be set aside in the pension stabilization fund (IC 5-10.4-2-5) to be  
13 used as a credit against the unfunded accrued liability of the  
14 pre-1996 account (as defined in IC 5-10.4-1-12) of the Indiana  
15 state teachers' retirement fund. The money transferred is in  
16 addition to the appropriation needed to pay benefits for the state  
17 fiscal year.



1 (2) Before the last business day of January, April, July, and  
 2 October, the commission shall transfer seven million five hundred  
 3 thousand dollars (\$7,500,000) of the surplus revenue to the  
 4 treasurer of state for deposit in the pension relief fund  
 5 (IC 5-10.3-11).

6 **(3) Before the last business day of January, April, July, and**  
 7 **October, the commission shall transfer two million five**  
 8 **hundred thousand dollars (\$2,500,000) of the surplus revenue**  
 9 **to the treasurer of state for deposit in the prekindergarten**  
 10 **pilot program fund (IC 12-17.2-7.2-13.5). This subdivision**  
 11 **expires July 1, 2026.**

12 ~~(3)~~ **(4)** The surplus revenue remaining in the fund on the last day  
 13 of January, April, July, and October after the transfers under  
 14 subdivisions (1) ~~and (2)~~ **through (3)** shall be transferred by the  
 15 commission to the treasurer of state for deposit on that day in the  
 16 build Indiana fund.

17 (b) The commission may make transfers to the treasurer of state  
 18 more frequently than required by subsection (a). However, the number  
 19 of transfers does not affect the amount that is required to be transferred  
 20 for the purposes listed in subsection (a)(1), ~~and (a)(2), and (a)(3)~~. Any  
 21 amount transferred during the month in excess of the amount required  
 22 to be transferred for the purposes listed in subsection (a)(1), ~~and (a)(2),~~  
 23 **and (a)(3)** shall be transferred to the build Indiana fund.

24 SECTION 2. IC 12-17.2-7.2-4.7 IS ADDED TO THE INDIANA  
 25 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2016]: **Sec. 4.7. As used in this chapter, "pilot**  
 27 **fund" refers to the prekindergarten pilot program fund established**  
 28 **by section 13.5 of this chapter.**

29 SECTION 3. IC 12-17.2-7.2-7, AS ADDED BY P.L.202-2014,  
 30 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 UPON PASSAGE]: Sec. 7. (a) The office may establish a pilot program  
 32 to provide grants for qualified early education services in a manner  
 33 consistent with how funds are distributed under the Child Care and  
 34 Development Fund (CCDF) grant program.

35 (b) The office shall administer the pilot program. ~~The program may~~  
 36 ~~include eligible providers in not more than five (5) counties. In~~  
 37 ~~determining which counties are designated as pilot counties, the office~~  
 38 ~~shall attempt to achieve diversity among the designated counties based~~  
 39 ~~on the geographical location of the counties, the population of the~~  
 40 ~~counties, and whether the counties are primarily rural or urban. The~~  
 41 ~~office shall ensure that the counties selected include a population of~~  
 42 ~~eligible children sufficient to conduct the longitudinal study under~~



- 1 section 12 of this chapter.  
 2 (c) Before July 1, 2016, the program includes eligible providers  
 3 only in the following pilot counties:  
 4 (1) Allen.  
 5 (2) Jackson.  
 6 (3) Lake.  
 7 (4) Marion.  
 8 (5) Vanderburgh.  
 9 (d) After June 30, 2016, in addition to eligible providers located  
 10 in the pilot counties described in subsection (c) and except as  
 11 otherwise provided in subsection (e), the program includes eligible  
 12 providers located in the pilot counties described in subsection (e).  
 13 (e) After June 30, 2016, the program includes eligible providers  
 14 located in the following pilot counties:  
 15 (1) Bartholomew.  
 16 (2) Delaware.  
 17 (3) Elkhart.  
 18 (4) Grant.  
 19 (5) Howard.  
 20 (6) Kosciusko.  
 21 (7) Lawrence.  
 22 (8) Madison.  
 23 (9) Noble.  
 24 (10) St. Joseph.  
 25 (11) Tippecanoe.  
 26 (12) Vigo.  
 27 (13) Wayne.  
 28 However, to be considered a pilot county under this subsection, the  
 29 pilot county must be able to implement the pilot program not later  
 30 than January 1, 2017.  
 31 (f) Subject to the requirements of this chapter, the office shall  
 32 determine:  
 33 (1) the eligibility requirements, application process, and selection  
 34 process for awarding grants under the pilot program;  
 35 (2) the administration and reporting requirements for eligible  
 36 providers participating in the pilot program; and  
 37 (3) with the assistance of the early learning advisory committee,  
 38 an appropriate outcomes based accountability system for eligible  
 39 providers.  
 40 (g) Before implementing the pilot program, the office shall  
 41 submit the provisions of the pilot program to the state board of  
 42 education for the state board of education's review and comment.



1           (e) (h) The office shall, subject to the availability of funding,  
2 determine the number of eligible children who will participate in the  
3 pilot program.

4           SECTION 4. IC 12-17.2-7.2-9.2 IS ADDED TO THE INDIANA  
5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
6 [EFFECTIVE UPON PASSAGE]: **Sec. 9.2. This subsection does not**  
7 **apply to the pilot program in counties described in section 7(c) of**  
8 **this chapter. The pilot program in counties described in section**  
9 **7(e) of this chapter must be funded from money deposited in the**  
10 **prekindergarten pilot program fund established by section 13.5 of**  
11 **this chapter. However, if the amount in the prekindergarten pilot**  
12 **program fund is insufficient to fund the pilot program in the**  
13 **counties described in section 7(e) of this chapter, the balance may**  
14 **be funded, as approved by the governor, from amounts reverted to**  
15 **the state general fund in a state fiscal year from funds**  
16 **appropriated. If the prekindergarten pilot program fund and any**  
17 **amounts reverted are insufficient or not approved by the governor**  
18 **to fund the pilot program in the counties described in section 7(e)**  
19 **of this chapter, the remaining balance necessary to fund the pilot**  
20 **program in the pilot counties described in section 7(e) of this**  
21 **chapter is appropriated from the state general fund.**

22           SECTION 5. IC 12-17.2-7.2-13.5 IS ADDED TO THE INDIANA  
23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2016]: **Sec. 13.5. (a) The prekindergarten**  
25 **pilot program fund is established to provide grants to eligible**  
26 **providers located in counties described in section 7(e) of this**  
27 **chapter.**

28           (b) The fund consists of:

29           (1) money transferred under IC 4-30-16-3(a)(3);

30           (2) money appropriated to the fund by the general assembly;  
31           and

32           (3) grants or gifts to the fund.

33           (c) The fund shall be administered by the office.

34           (d) The expenses of administering the fund shall be paid from  
35 money in the fund.

36           (e) Money in the fund at the end of a state fiscal year does not  
37 revert to the state general fund.

38           (f) The treasurer of state shall invest the money in the fund not  
39 currently needed to meet the obligations of the fund in the same  
40 manner as other public funds may be invested.

41           SECTION 6. An emergency is declared for this act.

