

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6040
BILL NUMBER: SB 110

DATE PREPARED: Oct 15, 1999
BILL AMENDED:

SUBJECT: Public school endowment corporations.

FISCAL ANALYST: David Hoppmann
PHONE NUMBER: 232-9559

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill would allow a political subdivision to donate proceeds from riverboat gaming to public school endowment corporations that meet certain conditions.

Effective Date: July 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current law, in order to receive donations from a political subdivision, foundations must be a charitable nonprofit community foundation, and must agree to do the following: 1) hold donations as permanent endowments; and 2) distribute income from donations only to the political subdivision as directed by resolution of the political subdivision's fiscal body. This bill would exempt public school endowment corporations from these provisions (when receiving donations of proceeds from riverboat gaming), and would allow both principal and income from donations to be distributed by a public school endowment corporation. This bill would not affect other types of foundations.

This bill would allow certain school corporations that are served by a public school endowment corporation (holding a fiscal agreement with a county that benefits from riverboat admission and wagering taxes) to receive additional financial gain from these entities than is permissible under current state law. The total number of public school endowment corporations in the State of Indiana holding such fiscal agreements is currently indeterminable. However, it is estimated that 36 school corporations contained within the following counties could benefit from riverboat admission and wagering taxes in accordance with this bill: 1) Dearborn; 2) Lake; 3) LaPorte; 4) Ohio; 5) Ripley; 6) Switzerland; and 7) Vanderburgh.

The following is a breakdown of the those school corporations and schools by county:

County	Number of School Corporations	Number of Schools
Dearborn	3	16
Lake	17	174
LaPorte	8	52
Ohio	1	2
Ripley	5	17
Switzerland	1	4
Vanderburgh	1	45
TOTAL	36	310

A complete listing of the above school corporations and schools is available at Legislative Services Agency, Office of Fiscal and Management Analysis. The effects of this bill would vary from school corporation to school corporation, and would depend upon local action.

State Agencies Affected:

Local Agencies Affected: School Corporations.

Information Sources: Stan Mettler, State Board of Accounts, (317) 232-2520; DOE SAS Data Sets.