
HOUSE BILL No. 1048

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6; IC 12; IC 16-33; IC 16-35; IC 20; IC 31.

Synopsis: Transfer of county welfare costs to the state. Eliminates the remaining property tax levies for public welfare (the family and children's fund levy, the county medical assistance to wards levy, the county hospital care for the indigent levy, and the children with special health care needs levy), except for property tax levies needed to repay loans and bonds issued before January 1, 2001. Transfers responsibility for funding these services to the state. Establishes the human services committee to prepare any legislation needed to implement the transfer of responsibilities from the counties to the state.

Effective: July 1, 1999 (retroactive); July 1, 2000; January 1, 2001; March 1, 2001.

Dobis, Kuzman, Lawson L

January 10, 2000, read first time and referred to Committee on Ways and Means.

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Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

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HOUSE BILL No. 1048



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

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

1 SECTION 1. IC 6-1.1-18-3, AS AMENDED BY P.L.273-1999,
2 SECTION 53 (CURRENT VERSION), IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3. (a) Except as
4 provided in subsection (b), the sum of all tax rates for all political
5 subdivisions imposed on tangible property within a political
6 subdivision may not exceed:

- 7 (1) one dollar and twenty-five cents (\$1.25) on each one hundred
- 8 dollars (\$100) of assessed valuation in territory outside the
- 9 corporate limits of a city or town; or
- 10 (2) two dollars (\$2) on each one hundred dollars (\$100) of
- 11 assessed valuation in territory inside the corporate limits of a city
- 12 or town.

13 (b) The proper officers of a political subdivision shall fix tax rates
14 which are sufficient to provide funds for the purposes itemized in this
15 subsection. The portion of a tax rate fixed by a political subdivision
16 shall not be considered in computing the tax rate limits prescribed in
17 subsection (a) if that portion is to be used for one (1) of the following



1 purposes:

- 2 (1) To pay the principal or interest on a funding, refunding, or
 3 judgment funding obligation of the political subdivision.
 4 (2) To pay the principal or interest on an outstanding obligation
 5 issued by the political subdivision if notice of the sale of the
 6 obligation was published before March 9, 1937.
 7 (3) To pay the principal or interest upon:
 8 (A) an obligation issued by the political subdivision to meet an
 9 emergency which results from a flood, fire, pestilence, war, or
 10 any other major disaster; or
 11 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 12 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
 13 to acquire necessary equipment or facilities for municipal or
 14 county government.
 15 (4) To pay the principal or interest upon an obligation issued in
 16 the manner provided in IC 6-1.1-20-3 (before its repeal) or
 17 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.
 18 (5) To pay a judgment rendered against the political subdivision.
 19 ~~(6) To meet the requirements of the family and children's fund for~~
 20 ~~child services (as defined in IC 12-19-7-1).~~
 21 ~~(7) To meet the requirements of the county hospital care for the~~
 22 ~~indigent fund.~~
 23 (c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a
 24 county board of tax adjustment, a county auditor, or the state board of
 25 tax commissioners may review the portion of a tax rate described in
 26 subsection (b) only to determine if it exceeds the portion actually
 27 needed to provide for one (1) of the purposes itemized in that
 28 subsection.
 29 SECTION 2. IC 6-1.1-18-3, AS AMENDED BY P.L.273-1999,
 30 SECTION 54 (DELAYED VERSION), IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as
 32 provided in subsection (b), the sum of all tax rates for all political
 33 subdivisions imposed on tangible property within a political
 34 subdivision may not exceed:
 35 (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each
 36 one hundred dollars (\$100) of assessed valuation in territory
 37 outside the corporate limits of a city or town; or
 38 (2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each
 39 one hundred dollars (\$100) of assessed valuation in territory
 40 inside the corporate limits of a city or town.
 41 (b) The proper officers of a political subdivision shall fix tax rates
 42 which are sufficient to provide funds for the purposes itemized in this



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1 subsection. The portion of a tax rate fixed by a political subdivision
 2 shall not be considered in computing the tax rate limits prescribed in
 3 subsection (a) if that portion is to be used for one (1) of the following
 4 purposes:

5 (1) To pay the principal or interest on a funding, refunding, or
 6 judgment funding obligation of the political subdivision.

7 (2) To pay the principal or interest on an outstanding obligation
 8 issued by the political subdivision if notice of the sale of the
 9 obligation was published before March 9, 1937.

10 (3) To pay the principal or interest upon:

11 (A) an obligation issued by the political subdivision to meet an
 12 emergency which results from a flood, fire, pestilence, war, or
 13 any other major disaster; or

14 (B) a note issued under IC 36-2-6-18, IC 36-3-4-22,
 15 IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county
 16 to acquire necessary equipment or facilities for municipal or
 17 county government.

18 (4) To pay the principal or interest upon an obligation issued in
 19 the manner provided in IC 6-1.1-20-3 (before its repeal) or
 20 IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.

21 (5) To pay a judgment rendered against the political subdivision.

22 ~~(6) To meet the requirements of the family and children's fund for~~
 23 ~~child services (as defined in IC 12-19-7-1):~~

24 ~~(7) To meet the requirements of the county hospital care for the~~
 25 ~~indigent fund:~~

26 (c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a
 27 county board of tax adjustment, a county auditor, or the state board of
 28 tax commissioners may review the portion of a tax rate described in
 29 subsection (b) only to determine if it exceeds the portion actually
 30 needed to provide for one (1) of the purposes itemized in that
 31 subsection.

32 SECTION 3. IC 6-1.1-18.5-9.7, AS AMENDED BY P.L.273-1999,
 33 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JANUARY 1, 2001]: Sec. 9.7. (a) The ad valorem property tax levy
 35 limits imposed by section 3 of this chapter do not apply to ad valorem
 36 property taxes imposed under ~~any of the following:~~

37 ~~(1) IC 12-16, except IC 12-16-1:~~

38 ~~(2) IC 12-19-5:~~

39 ~~(3) IC 12-19-7:~~

40 ~~(4) IC 12-20-24 or to ad valorem property taxes imposed to~~
 41 ~~repay bonded indebtedness issued under IC 12-19 before~~
 42 ~~January 1, 2001.~~



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1 (b) For purposes of computing the ad valorem property tax levy
 2 limits imposed under section 3 of this chapter, a county's or township's
 3 ad valorem property tax levy for a particular calendar year does not
 4 include that part of the levy imposed under ~~the citations listed in~~
 5 ~~subsection (a)~~. **IC 12-20-24 or that part of the levy imposed to repay**
 6 **bonded indebtedness issued under IC 12-19 before January 1,**
 7 **2001.**

8 (c) ~~Section 8(b) of this chapter does not apply to bonded~~
 9 ~~indebtedness that will be repaid through property taxes imposed under~~
 10 ~~IC 12-19.~~

11 SECTION 4. IC 6-1.1-21-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. As used in this
 13 chapter:

14 (a) "Taxpayer" means a person who is liable for taxes on property
 15 assessed under this article.

16 (b) "Taxes" means taxes payable in respect to property assessed
 17 under this article. The term does not include special assessments,
 18 penalties, or interest, but does include any special charges which a
 19 county treasurer combines with all other taxes in the preparation and
 20 delivery of the tax statements required under IC 6-1.1-22-8(a).

21 (c) "Department" means the department of state revenue.

22 (d) "Auditor's abstract" means the annual report prepared by each
 23 county auditor which under IC 6-1.1-22-5, is to be filed on or before
 24 March 1 of each year with the auditor of state.

25 (e) "Mobile home assessments" means the assessments of mobile
 26 homes made under IC 6-1.1-7.

27 (f) "Postabstract adjustments" means adjustments in taxes made
 28 subsequent to the filing of an auditor's abstract which change
 29 assessments therein or add assessments of omitted property affecting
 30 taxes for such assessment year.

31 (g) "Total county tax levy" means the sum of:

32 (1) the remainder of:

33 (A) the aggregate levy of all taxes for all taxing units in a
 34 county which are to be paid in the county for a stated
 35 assessment year as reflected by the auditor's abstract for the
 36 assessment year, adjusted, however, for any postabstract
 37 adjustments which change the amount of the aggregate levy;
 38 minus

39 (B) the sum of any increases in property tax levies of taxing
 40 units of the county that result from appeals described in:

41 (i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) filed after
 42 December 31, 1982; plus

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- 1 (ii) the sum of any increases in property tax levies of taxing
 2 units of the county that result from any other appeals
 3 described in IC 6-1.1-18.5-13 filed after December 31,
 4 1983; plus
 5 (iii) ~~IC 6-1.1-18.6-3 (children in need of services and~~
 6 ~~delinquent children who are wards of the county)~~; minus
 7 (C) the total amount of property taxes imposed for the stated
 8 assessment year by the taxing units of the county under the
 9 authority of ~~IC 12-1-11.5 (repealed)~~; IC 12-2-4.5 (repealed)
 10 ~~IC 12-19-5~~ or IC 12-20-24; minus
 11 (D) the total amount of property taxes to be paid during the
 12 stated assessment year that will be used to pay for interest or
 13 principal due on debt that:
 14 (i) is entered into after December 31, 1983;
 15 (ii) is not debt that is issued under IC 5-1-5 to refund debt
 16 incurred before January 1, 1984; and
 17 (iii) does not constitute debt entered into for the purpose of
 18 building, repairing, or altering school buildings for which
 19 the requirements of IC 20-5-52 were satisfied prior to
 20 January 1, 1984; minus
 21 (E) the amount of property taxes imposed in the county for the
 22 stated assessment year under the authority of IC 21-2-6 or any
 23 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building
 24 fund whose property tax rate was initially established or
 25 reestablished for a stated assessment year that succeeds the
 26 1983 stated assessment year; minus
 27 (F) the remainder of:
 28 (i) the total property taxes imposed in the county for the
 29 stated assessment year under authority of IC 21-2-6 or any
 30 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building
 31 fund whose property tax rate was not initially established or
 32 reestablished for a stated assessment year that succeeds the
 33 1983 stated assessment year; minus
 34 (ii) the total property taxes imposed in the county for the
 35 1984 stated assessment year under the authority of IC 21-2-6
 36 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative
 37 building fund whose property tax rate was not initially
 38 established or reestablished for a stated assessment year that
 39 succeeds the 1983 stated assessment year; minus
 40 (G) the amount of property taxes imposed in the county for the
 41 stated assessment year under:
 42 (i) IC 21-2-15 for a capital projects fund; plus

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- 1 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 2 (iii) IC 20-14-13 for a library capital projects fund; plus
 3 (iv) IC 20-5-17.5-3 for an art association fund; plus
 4 (v) IC 21-2-17 for a special education preschool fund; plus
 5 (vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in
 6 a school corporation's maximum permissible general fund
 7 levy for certain transfer tuition costs; plus
 8 (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in
 9 a school corporation's maximum permissible general fund
 10 levy for transportation operating costs; minus
 11 (H) the amount of property taxes imposed by a school
 12 corporation that is attributable to the passage, after 1983, of a
 13 referendum for an excessive tax levy under IC 6-1.1-19,
 14 including any increases in these property taxes that are
 15 attributable to the adjustment set forth in ~~IC 6-1.1-19-1.5(a)~~
 16 **IC 6-1.1-19-1.5(b)** STEP ONE or any other law; minus
 17 (I) for each township in the county, the lesser of:
 18 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
 19 STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE,
 20 whichever is applicable, plus the part, if any, of the
 21 township's ad valorem property tax levy for calendar year
 22 1989 that represents increases in that levy that resulted from
 23 an appeal described in IC 6-1.1-18.5-13(5) filed after
 24 December 31, 1982; or
 25 (ii) the amount of property taxes imposed in the township for
 26 the stated assessment year under the authority of
 27 IC 36-8-13-4; minus
 28 (J) for each participating unit in a fire protection territory
 29 established under IC 36-8-19-1, the amount of property taxes
 30 levied by each participating unit under IC 36-8-19-8 and
 31 IC 36-8-19-8.5 less the maximum levy limit for each of the
 32 participating units that would have otherwise been available
 33 for fire protection services under IC 6-1.1-18.5-3 and
 34 IC 6-1.1-18.5-19 for that same year; minus
 35 ~~(K) for each county, the sum of:~~
 36 (i) the amount of property taxes imposed in the county for
 37 the repayment of loans under ~~IC 12-19-5-6~~ that is included
 38 in the amount determined under ~~IC 12-19-7-4(a)~~ STEP
 39 SEVEN for property taxes payable in 1995; or for property
 40 taxes payable in each year after 1995, the amount
 41 determined under ~~IC 12-19-7-4(b)~~; and
 42 (ii) the amount of property taxes imposed in the county

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1 attributable to appeals granted under IC 6-1.1-18.6-3 that is
 2 included in the amount determined under IC ~~12-19-7-4(a)~~
 3 STEP SEVEN for property taxes payable in 1995; or the
 4 amount determined under IC ~~12-19-7-4(b)~~ for property taxes
 5 payable in each year after 1995; plus

6 (2) all taxes to be paid in the county in respect to mobile home
 7 assessments currently assessed for the year in which the taxes
 8 stated in the abstract are to be paid; plus

9 (3) the amounts, if any, of county adjusted gross income taxes that
 10 were applied by the taxing units in the county as property tax
 11 replacement credits to reduce the individual levies of the taxing
 12 units for the assessment year, as provided in IC 6-3.5-1.1; plus

13 (4) the amounts, if any, by which the maximum permissible ad
 14 valorem property tax levies of the taxing units of the county were
 15 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
 16 assessment year; plus

17 (5) the difference between:

18 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
 19 minus

20 (B) the amount the civil taxing units' levies were increased
 21 because of the reduction in the civil taxing units' base year
 22 certified shares under IC 6-1.1-18.5-3(e).

23 (h) "December settlement sheet" means the certificate of settlement
 24 filed by the county auditor with the auditor of state, as required under
 25 IC 6-1.1-27-3.

26 (i) "Tax duplicate" means the roll of property taxes which each
 27 county auditor is required to prepare on or before March 1 of each year
 28 under IC 6-1.1-22-3.

29 SECTION 5. IC 6-1.1-29-9, AS AMENDED BY P.L.273-1999,
 30 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2001]: Sec. 9. (a) A county council may adopt an
 32 ordinance to abolish the county board of tax adjustment. This ordinance
 33 must be adopted by July 1 and may not be rescinded in the year it is
 34 adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-19,
 35 ~~IC 12-19-7~~, IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11,
 36 IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted,
 37 this section governs the treatment of tax rates, tax levies, and budgets
 38 that would otherwise be reviewed by a county board of tax adjustment
 39 under IC 6-1.1-17.

40 (b) The time requirements set forth in IC 6-1.1-17 govern all filings
 41 and notices.

42 (c) A tax rate, tax levy, or budget that otherwise would be reviewed

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1 by the county board of tax adjustment is considered and must be treated
 2 for all purposes as if the county board of tax adjustment approved the
 3 tax rate, tax levy, or budget. This includes the notice of tax rates that is
 4 required under IC 6-1.1-17-12.

5 SECTION 6. IC 6-3.5-6-18.5, AS AMENDED BY P.L.273-1999,
 6 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JANUARY 1, 2001]: Sec. 18.5. (a) This section applies to a county
 8 containing a consolidated city.

9 (b) Notwithstanding section 18(e) of this chapter, the distributive
 10 shares that each civil taxing unit in a county containing a consolidated
 11 city is entitled to receive during a month equals the following:

12 (1) For the calendar year beginning January 1, 1995, calculate the
 13 total amount of revenues that are to be distributed as distributive
 14 shares during that month multiplied by the following factor:

15	Center Township	.0251
16	Decatur Township	.00217
17	Franklin Township	.0023
18	Lawrence Township	.01177
19	Perry Township	.01130
20	Pike Township	.01865
21	Warren Township	.01359
22	Washington Township	.01346
23	Wayne Township	.01307
24	Lawrence-City	.00858
25	Beech Grove	.00845
26	Southport	.00025
27	Speedway	.00722
28	Indianapolis/Marion County	.86409

29 (2) Notwithstanding subdivision (1), for the calendar year
 30 beginning January 1, 1995, the distributive shares for each civil
 31 taxing unit in a county containing a consolidated city shall be not
 32 less than the following:

33	Center Township	\$1,898,145
34	Decatur Township	\$164,103
35	Franklin Township	\$173,934
36	Lawrence Township	\$890,086
37	Perry Township	\$854,544
38	Pike Township	\$1,410,375
39	Warren Township	\$1,027,721
40	Washington Township	\$1,017,890
41	Wayne Township	\$988,397
42	Lawrence-City	\$648,848



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| 1 | Beech Grove | \$639,017 |
| 2 | Southport | \$18,906 |
| 3 | Speedway | \$546,000 |
- (3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:
- STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.
- STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.
- STEP THREE: Subtract the STEP ONE result from the STEP TWO result.
- STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).
- STEP FIVE: Determine the ratio of:
- (A) the maximum permissible property tax levy under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund **plus the property taxes imposed by the county in 2000 for a county family and children's fund**; divided by
- (B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund **plus the property taxes imposed by the county in 2000 for a county family and children's fund**.
- STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).
- STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.
- STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the

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1 product of the STEP ONE amount multiplied by the ratio
 2 established under subdivision (1). The STEP THREE excess
 3 shall be distributed as provided in STEP NINE only to the civil
 4 taxing units that have a STEP EIGHT difference greater than
 5 or equal to zero (0).

6 STEP NINE: For the civil taxing units qualifying for a
 7 distribution under STEP EIGHT, each civil taxing unit's share
 8 equals the STEP THREE excess multiplied by the ratio of:

9 (A) the maximum permissible property tax levy under
 10 IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for the qualifying civil
 11 taxing unit during the calendar year in which the month
 12 falls, plus, for a county, an amount equal to the property
 13 taxes imposed by the county in 1999 for the county's welfare
 14 fund and welfare administration fund **plus the property**
 15 **taxes imposed by the county in 2000 for a county family**
 16 **and children's fund;** divided by

17 (B) the sum of the maximum permissible property tax levies
 18 under IC 6-1.1-18.5 ~~and IC 6-1.1-18.6~~ for all qualifying civil
 19 taxing units of the county during the calendar year in which
 20 the month falls, and an amount equal to the property taxes
 21 imposed by the county in 1999 for the county's welfare fund
 22 and welfare administration fund **plus the property taxes**
 23 **imposed by the county in 2000 for a county family and**
 24 **children's fund.**

25 SECTION 7. IC 12-7-2-45 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 45. "County
 27 office" refers to a county office of family and children **within the**
 28 **division of family and children.**

29 SECTION 8. IC 12-7-2-91, AS AMENDED BY P.L.273-1999,
 30 SECTION 60, AND AS AMENDED BY P.L.273-1999, SECTION
 31 164, IS AMENDED AND CORRECTED TO READ AS FOLLOWS
 32 [EFFECTIVE JANUARY 1, 2001]: Sec. 91. "Fund" means the
 33 following:

34 (1) For purposes of IC 12-12-1-9, the fund described in
 35 IC 12-12-1-9.

36 ~~(2) For purposes of IC 12-13-8, the meaning set forth in~~
 37 ~~IC 12-13-8-1.~~

38 ~~(3) (2)~~ For purposes of IC 12-15-20, the meaning set forth in
 39 IC 12-15-20-1.

40 ~~(4) (3)~~ For purposes of IC 12-17-12, the meaning set forth in
 41 IC 12-17-12-4.

42 ~~(5) (4)~~ For purposes of IC 12-17.6, the meaning set forth in



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- 1 *IC 12-17.6-1-3.*
- 2 ~~(5) (6)~~ **(5)** For purposes of IC 12-18-4, the meaning set forth in
- 3 IC 12-18-4-1.
- 4 ~~(6) (7)~~ **(6)** For purposes of IC 12-18-5, the meaning set forth in
- 5 IC 12-18-5-1.
- 6 ~~(7) (8)~~ *For purposes of IC 12-19-3, the meaning set forth in*
- 7 ~~IC 12-19-3-1.~~
- 8 ~~(8) (9)~~ *For purposes of IC 12-19-4, the meaning set forth in*
- 9 ~~IC 12-19-4-1.~~
- 10 ~~(9) (10)~~ ~~(7)~~ For purposes of IC 12-19-7, the meaning set forth in
- 11 IC 12-19-7-2.
- 12 ~~(10) (11)~~ ~~(8)~~ **(7)** For purposes of IC 12-23-2, the meaning set forth
- 13 in IC 12-23-2-1.
- 14 ~~(11) (12)~~ ~~(9)~~ **(8)** For purposes of IC 12-24-6, the meaning set forth
- 15 in IC 12-24-6-1.
- 16 ~~(12) (13)~~ ~~(10)~~ **(9)** For purposes of IC 12-24-14, the meaning set
- 17 forth in IC 12-24-14-1.
- 18 ~~(13) (14)~~ ~~(11)~~ **(10)** For purposes of IC 12-30-7, the meaning set
- 19 forth in IC 12-30-7-3.
- 20 SECTION 9. IC 12-13-5-1, AS AMENDED BY P.L.273-1999,
- 21 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 22 JANUARY 1, 2001] Sec. 1. The division shall administer or supervise
- 23 the public welfare activities of the state. The division has the following
- 24 powers and duties:
- 25 (1) The administration of old age assistance, aid to dependent
- 26 children, and assistance to the needy blind and persons with
- 27 disabilities, excluding assistance to children with special health
- 28 care needs.
- 29 (2) The administration of the following:
- 30 (A) Any public child welfare service.
- 31 (B) The licensing and inspection under IC 12-17.2 and
- 32 IC 12-17.4.
- 33 (C) The care of dependent and neglected children in foster
- 34 family homes or institutions, especially children placed for
- 35 adoption or those born out of wedlock.
- 36 (D) The interstate placement of children.
- 37 (3) The provision of services to county governments, including
- 38 the following:
- 39 (A) Organizing and supervising county offices for the effective
- 40 administration of public welfare functions.
- 41 (B) Compiling statistics and necessary information concerning
- 42 public welfare problems throughout Indiana.

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- (C) Researching and encouraging research into crime, delinquency, physical and mental disability, and the cause of dependency.
- (4) Prescribing the form of, printing, and supplying to the county departments blanks for applications, reports, affidavits, and other forms the division considers necessary and advisable.
- (5) Cooperating with the federal Social Security Administration and with any other agency of the federal government in any reasonable manner necessary and in conformity with IC 12-13 through IC 12-19 to qualify for federal aid for assistance to persons who are entitled to assistance under the federal Social Security Act. The responsibilities include the following:
 - (A) Making reports in the form and containing the information that the federal Social Security Administration Board or any other agency of the federal government requires.
 - (B) Complying with the requirements that a board or agency finds necessary to assure the correctness and verification of reports.
- (6) Appointing from eligible lists established by the state personnel board employees of the division necessary to effectively carry out IC 12-13 through IC 12-19. The division may not appoint a person who is not a citizen of the United States and who has not been a resident of Indiana for at least one (1) year immediately preceding the person's appointment unless a qualified person cannot be found in Indiana for a position as a result of holding an open competitive examination.
- (7) Assisting the office of Medicaid policy and planning in fixing fees to be paid to ophthalmologists and optometrists for the examination of applicants for and recipients of assistance as needy blind persons.
- (8) When requested, assisting other departments, agencies, divisions, and institutions of the state and federal government in performing services consistent with this article.
- (9) Acting as the agent of the federal government for the following:
 - (A) In welfare matters of mutual concern under IC 12-13 through IC 12-19.
 - (B) In the administration of federal money granted to Indiana in aiding welfare functions of the state government.
- (10) Administering additional public welfare functions vested in the division by law and providing for the progressive codification of the laws the division is required to administer.

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- 1 (11) Supervising day care centers and child placing agencies.
- 2 (12) Supervising the licensing and inspection of all public child
- 3 caring agencies.
- 4 (13) Supervising the care of delinquent children and children in
- 5 need of services.
- 6 (14) Assisting juvenile courts as required by IC 31-30 through
- 7 IC 31-40.
- 8 (15) Supervising the care of dependent children and children
- 9 placed for adoption.
- 10 (16) Compiling information and statistics concerning the ethnicity
- 11 and gender of a program or service recipient.
- 12 (17) Providing permanency planning services for children in need
- 13 of services, including:
- 14 (A) making children legally available for adoption; and
- 15 (B) placing children in adoptive homes;
- 16 in a timely manner.
- 17 **(18) Operating each county office as an administrative unit**
- 18 **within the division.**

19 SECTION 10. IC 12-13-5-3 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3. The division
 21 may ~~do the following:~~

22 (1) adopt rules under IC 4-22-2 and take action that is necessary
 23 or desirable to carry out IC 12-13 through IC 12-19 and that is not
 24 inconsistent with IC 12-13 through IC 12-19. Each county
 25 director shall keep copies of the rules on file available for
 26 inspection by any person interested.

27 ~~(2) Under a division rule, designate county offices to serve as~~
 28 ~~agents of the division in the performance of all public welfare~~
 29 ~~activities in the county.~~

30 SECTION 11. IC 12-13-5-5, AS AMENDED BY P.L.273-1999,
 31 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JANUARY 1, 2001]: Sec. 5. (a) Each county auditor shall keep records
 33 and make reports relating to the county welfare fund (before July 1,
 34 2001), the family and children's fund (**before July 1, 2002**), and other
 35 financial transactions as required under IC 12-13 through IC 12-19 and
 36 as required by the division.

37 (b) All records provided for in IC 12-13 through IC 12-19 shall be
 38 kept, prepared, and submitted in the form required by the division and
 39 the state board of accounts.

40 SECTION 12. IC 12-13-9-2 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. The division
 42 shall ~~administer the state medical assistance to wards fund and shall~~

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1 ~~use money in the fund to~~ defray the expenses and obligations incurred
 2 by the division for medical assistance to wards and associated
 3 administrative costs.

4 SECTION 13. IC 12-14-2-5.4 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 5.4. (a) Subject
 6 to IC 12-8-1-12 and except as provided in subsection (d), the AFDC
 7 grant for a person who:

8 (1) is eligible to receive assistance under section 5 of this chapter;
 9 and

10 (2) becomes employed (including a person who is in a program
 11 established under IC 12-8-11);
 12 as calculated under subsection (b), must be diverted to subsidize child
 13 care costs.

14 (b) At:

15 (1) the time of entry into employment; and

16 (2) every subsequent change of status that affects the person's
 17 AFDC eligibility and assistance levels;

18 the person's AFDC grant minus earnings and other countable income
 19 must be calculated to determine the amount of the grant to be diverted
 20 to subsidize child care costs.

21 (c) A person's AFDC grant must be diverted as described in
 22 subsection (a) until:

23 (1) the person is no longer eligible for AFDC under section 5.1 of
 24 this chapter; or

25 (2) the person's monthly family income is equal to or exceeds one
 26 hundred percent (100%) of the monthly federal income poverty
 27 level;

28 whichever occurs first.

29 (d) A person:

30 (1) who becomes employed (including a person who is in a
 31 program established under IC 12-8-11); and

32 (2) whose net income is equal to or more than the amount of need
 33 recognized under section 5 of this chapter;

34 has the option to receive either guaranteed child care or a cash payment
 35 equal to the amount of the AFDC grant for which the person qualifies
 36 immediately before the person becomes employed.

37 (e) The option under subsection (d) is available until:

38 (1) the person is no longer eligible for AFDC under section 5.1 of
 39 this chapter; or

40 (2) the person's monthly family income is equal to or exceeds one
 41 hundred percent (100%) of the monthly federal income poverty
 42 level;

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1 whichever occurs first.

2 (f) ~~An AFDC grant diverted under this section must be from the~~
3 ~~same sources and in the same proportion as provided in IC 12-19-6.~~

4 ~~(g)~~ (f) The division may adopt rules under IC 4-22-2 to implement
5 this section.

6 SECTION 14. IC 12-14-2-12 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 12. The county
8 office shall notify the applicant ~~and the division~~ of the county office's
9 decision concerning assistance in writing.

10 SECTION 15. IC 12-14-3-2 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. The county
12 office shall prepare ~~four~~ (4) **three (3)** copies of the certificate.

13 SECTION 16. IC 12-14-3-4 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 4. The copies of
15 the certificate shall be distributed as follows:

16 (1) One (1) copy retained by and filed in the office of the county
17 office.

18 (2) One (1) copy filed with the **central office of the** division.

19 ~~(3) One (1) copy filed in the office of the county auditor.~~

20 ~~(4)~~ (3) One (1) copy given to the recipient.

21 SECTION 17. IC 12-14-13-5 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 5. The copies of
23 the certificate shall be distributed as follows:

24 (1) One (1) copy retained by and filed in the **central office of the**
25 division.

26 (2) One (1) copy filed with the ~~state~~ auditor **of state**.

27 (3) One (1) copy filed in the office of the county recorder.

28 (4) One (1) copy given to the recipient.

29 SECTION 18. IC 12-14-20-1 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 1. (a) The
31 division may accept voluntary contributions from a person desiring to
32 contribute to the support of a parent or other person who receives
33 public assistance.

34 (b) The division shall deposit contributions made under this section
35 in the state ~~welfare~~ **general fund or a trust fund, as appropriate**.

36 SECTION 19. IC 12-14-22-7 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 7. (a) A schedule
38 of payments made to or for the benefit of each recipient under this
39 article shall be filed by the ~~county office~~ **division** each month with the
40 ~~county auditor and the~~ prosecuting attorney.

41 (b) The schedule shall be kept open to the public at all times for
42 inspection, study, and securing data. The schedule must contain the



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1 names and addresses, in alphabetical order, of all recipients of benefits.

2 SECTION 20. IC 12-15-15-9 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 9. (a) For each
4 state fiscal year beginning on or after July 1, 1997, a hospital is entitled
5 to a payment under this section.

6 (b) Total payments to hospitals under this section for a state fiscal
7 year shall be equal to all amounts transferred from the hospital care for
8 the indigent fund for Medicaid current obligations during the state
9 fiscal year, including amounts of the fund appropriated for Medicaid
10 current obligations.

11 (c) The payment due to a hospital under this section must be based
12 on a policy developed by the office. The policy:

13 (1) is not required to provide for equal payments to all hospitals;
14 ~~(2) must attempt, to the extent practicable as determined by the~~
15 ~~office, to establish a payment rate that minimizes the difference~~
16 ~~between the aggregate amount paid under this section to all~~
17 ~~hospitals in a county for a state fiscal year and the amount of the~~
18 ~~county's hospital care for the indigent property tax levy for that~~
19 ~~state fiscal year; and~~

20 ~~(3) (2) must provide that no hospital will receive a payment under~~
21 ~~this section less than the amount the hospital received under~~
22 ~~IC 12-15-15-8 section 8 of this chapter for the state fiscal year~~
23 ~~ending June 30, 1997.~~

24 (d) Following the transfer of funds under subsection (b), an amount
25 equal to the amount determined in the following STEPS shall be
26 deposited in the Medicaid indigent care trust fund under
27 IC 12-15-20-2(1) and used to pay the state's share of the enhanced
28 disproportionate share payments to providers for the state fiscal year:

29 STEP ONE: Determine the difference between:

30 (A) the amount transferred from the state hospital care for the
31 indigent fund under subsection (b); and

32 (B) thirty-five million dollars (\$35,000,000).

33 STEP TWO: Multiply the amount determined under STEP ONE
34 by the federal medical assistance percentage for the state fiscal
35 year.

36 SECTION 21. IC 12-16-7-2 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. ~~(a)~~ Except as
38 provided in section 5 of this chapter, claims for payment shall be
39 segregated by year using the patient's admission date.

40 ~~(b) Each year the division shall pay claims as provided in section 4~~
41 ~~of this chapter, without regard to the county of admission or that~~
42 ~~county's transfer to the state fund.~~



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1 SECTION 22. IC 12-16-7-3 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 3. A payment
 3 made to a hospital under the hospital care for the indigent program
 4 must be on a warrant drawn on the state ~~hospital care for the indigent~~
 5 ~~fund established by IC 12-16-14.~~ **general fund.**

6 SECTION 23. IC 12-16-7-4 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 4. (a) Each year
 8 the division shall pay two-thirds (2/3) of each claim upon submission
 9 and approval of the claim.

10 (b) If the amount of money in the state hospital care for the indigent
 11 fund in a year is insufficient to pay two-thirds (2/3) of each approved
 12 claim for patients admitted in that year, the state's ~~and a county's~~
 13 liability to providers under the hospital care for the indigent program
 14 for claims approved for patients admitted in that year is limited to the
 15 sum of the following:

16 (1) ~~The amount transferred to the state hospital care for the~~
 17 ~~indigent fund from county hospital care for the indigent funds in~~
 18 ~~that year under IC 12-16-14.~~

19 (2) (1) Any contribution to the fund in that year.

20 (3) (2) Any amount that was appropriated to the state hospital
 21 care for the indigent ~~fund~~ **program** for that year by the general
 22 assembly.

23 (4) ~~Any amount that was carried over to the state hospital care for~~
 24 ~~the indigent fund from a preceding year.~~

25 (c) ~~This section does not obligate the general assembly to~~
 26 ~~appropriate money to the state hospital care for the indigent fund.~~

27 SECTION 24. IC 12-16-7-5 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 5. Before the end
 29 of each state fiscal year, the division shall, to the extent there is money
 30 ~~in appropriated to the state hospital care for the indigent fund;~~
 31 **program**, pay each provider under the hospital care for the indigent
 32 program a pro rata part of the one-third (1/3) balance on each approved
 33 claim for patients admitted during the preceding year.

34 SECTION 25. IC 12-17-1-10, AS AMENDED BY P.L.273-1999,
 35 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JANUARY 1, 2001]: Sec. 10. (a) Upon the completion of an
 37 investigation under section 9 of this chapter, the county office shall do
 38 the following:

39 (1) Determine whether the child is eligible for assistance under
 40 this chapter and the division's rules.

41 (2) Determine the amount of the assistance and the date on which
 42 the assistance is to begin.



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1 (3) Make an award, including any subsequent modification of the
2 award, with which the county office shall comply until the award
3 or modified award is vacated.

4 (4) Notify the applicant and the division of the county office's
5 decision in writing.

6 (b) The county office shall provide assistance to the recipient at
7 least monthly upon warrant of the county auditor. The assistance must
8 be

9 ~~(1) made from the county family and children's fund; and~~
10 ~~(2) based upon a verified schedule of the recipients.~~

11 (c) The director of the county office shall prepare and verify the
12 amount payable to the recipient, in relation to the awards made by the
13 county office. The division shall prescribe the form upon which the
14 schedule under subsection ~~(b)(2)~~ **(b)** must be filed.

15 SECTION 26. IC 12-17-1-12 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 12. (a) If
17 assistance is granted to a destitute child under this chapter, facts
18 supporting the award of assistance, as prescribed by the division, must
19 be entered on a certificate.

20 (b) The division shall prescribe the form for the certificate under
21 subsection (a). The certificate must bear the impress of the division's
22 seal.

23 (c) The county office shall prepare ~~four (4)~~ **three (3)** copies of the
24 certificate under subsection (a). The county office shall distribute
25 copies of the certificate as follows:

26 (1) One (1) copy must be retained by the office of the county
27 office.

28 (2) One (1) copy must be filed with and retained by the **central**
29 **office of the division.**

30 ~~(3) One (1) copy must be filed with and retained by the office of~~
31 ~~the county auditor.~~

32 ~~(4)~~ **(3)** One (1) copy must be given to the recipient.

33 SECTION 27. IC 12-17-3-2 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 2. ~~(a) This section~~
35 ~~does not apply to a county department's:~~

36 ~~(1) administrative expenses; or~~

37 ~~(2) expenses regarding facilities, supplies, and equipment.~~

38 ~~(b)~~ Necessary expenses incurred in the administration of the child
39 welfare services under section 1 of this chapter shall be paid out of the
40 county welfare fund or the county family and children's **state general**
41 fund. ~~(whichever is appropriate).~~

42 SECTION 28. IC 12-19-1-1 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 1. A county office
2 of family and children is established in each county **as an office within**
3 **the division of family and children.**

4 SECTION 29. IC 12-19-1-9, AS AMENDED BY P.L.273-1999,
5 SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JANUARY 1, 2001]: Sec. 9. (a) The division shall provide the
7 necessary facilities to house the county office.

8 (b) The division shall pay for the costs of the facilities, supplies, and
9 equipment needed by each county office. ~~including the transfer to the~~
10 ~~county that is required by IC 12-13-5.~~

11 SECTION 30. IC 12-19-1-10 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 10. (a) ~~Subject to~~
13 ~~the rules adopted by the director of~~ The division a county office shall
14 administer the following **through a county office:**

- 15 (1) Assistance to dependent children in the homes of the
- 16 dependent children.
- 17 (2) Assistance and services to elderly persons.
- 18 (3) Assistance to persons with disabilities.
- 19 (4) Care and treatment of the following persons:
 - 20 (A) Children in need of services.
 - 21 (B) Dependent children.
 - 22 (C) Children with disabilities.
- 23 (5) Licensing of foster family homes for the placement of children
- 24 in need of services.
- 25 (6) Supervision of the care and treatment of children in need of
- 26 services in foster family homes.
- 27 (7) Licensing of foster family homes for the placement of
- 28 delinquent children.
- 29 (8) Supervision of the care and treatment of delinquent children
- 30 in foster family homes.
- 31 (9) Provision of family preservation services.
- 32 (10) Any other welfare activities that are delegated to the county
- 33 office by the division under this chapter, including services
- 34 concerning assistance to the blind.

35 **(b) The division shall pay the expenses and obligations incurred**
36 **after December 31, 2000, to carry out responsibilities of the county**
37 **office.**

38 SECTION 31. IC 12-19-1-13 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 13. (a) A county
40 office **or the division** may sue and be sued under the name of "The
41 County Office of Family and Children of _____ County".

42 (b) The county office has all other rights and powers and shall

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1 perform all other duties necessary to administer this chapter.

2 (c) A suit brought against **the division that involves** a county office
3 may be filed in the following:

4 (1) The circuit court with jurisdiction in the county.

5 (2) A superior court or any other court of the county.

6 (d) A notice or summons in a suit brought against **the division that**
7 **involves a county office** must be served on the county director **or the**
8 **director of the division of family and children.** It is not required to
9 name the individual employees of the county office as either plaintiff
10 or defendant.

11 SECTION 32. IC 12-19-1-14, AS AMENDED BY P.L.273-1999,
12 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JANUARY 1, 2001]: Sec. 14. (a) A county office may charge the
14 following adoption fees:

15 (1) An adoption placement fee that may not exceed the actual
16 costs incurred by the county office for medical expenses of
17 children and mothers.

18 (2) A fee that does not exceed the time and travel costs incurred
19 by the county office for home study and investigation concerning
20 a contemplated adoption.

21 (b) Fees charged under this section shall be deposited in a separate
22 account in the ~~county family and children state welfare~~ trust clearance
23 fund established under section 16 of this chapter. Money deposited
24 under this subsection ~~shall be expended~~ **is annually appropriated for**
25 **use** by the county office for the following purposes: ~~without further~~
26 ~~appropriation:~~

27 (1) The care of children whose adoption is contemplated.

28 (2) The improvement of adoption services provided by the county
29 departments.

30 (c) The director of the division may adopt rules governing the
31 expenditure of money under this section.

32 (d) The division may provide written authorization allowing a
33 county office to reduce or waive charges authorized under this section
34 in hardship cases or for other good cause after investigation. The
35 division may adopt forms on which the written authorization is
36 provided.

37 SECTION 33. IC 12-19-1-16, AS AMENDED BY P.L.273-1999,
38 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JANUARY 1, 2001]: Sec. 16. (a) ~~This section does not apply to money~~
40 ~~received to reimburse the county family and children's fund for~~
41 ~~expenditures made from the appropriations of the county office.~~ **The**
42 **state welfare trust clearance fund is established. The fund shall be**



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1 **administered by the division. Money in the fund at the end of a**
 2 **state fiscal year does not revert to the state general fund.**

3 (b) A county office may receive and administer money available to
 4 or for the benefit of a person receiving payments or services from the
 5 county office. The following ~~applies apply~~ to all money received under
 6 this section:

7 (1) The money shall be kept in a special fund known as the ~~county~~
 8 ~~family and children state welfare~~ trust clearance fund and may
 9 not be commingled with any other fund or with money received
 10 from taxation.

11 (2) The money may be expended by the county office in any
 12 manner consistent with the following:

13 (A) The purpose of the ~~county family and children state~~
 14 ~~welfare~~ trust clearance fund or with the intention of the donor
 15 of the money.

16 (B) Indiana law.

17 (C) **The policies of the division.**

18 SECTION 34. IC 12-19-1-18 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 18. (a) After
 20 petition to and with the approval of the judge of the circuit court, a
 21 ~~county office~~ **the division** may take the actions described in subsection
 22 (b) if:

23 (1) an applicant for public assistance is physically or mentally
 24 incapable of completing an application for assistance; or

25 (2) a recipient of public assistance:

26 (A) is incapable of managing the recipient's affairs; or

27 (B) refuses to:

28 (i) take care of the recipient's money properly; or

29 (ii) comply with the director of the division's rules and
 30 policies.

31 (b) If the conditions of subsection (a) are satisfied, the ~~county office~~
 32 **division** may designate a responsible person to do the following:

33 (1) Act for the applicant or recipient.

34 (2) Receive on behalf of the recipient the assistance the recipient
 35 is eligible to receive under any of the following:

36 (A) This chapter.

37 (B) IC 12-10-6.

38 (C) IC 12-14-1 through IC 12-14-9.

39 (D) IC 12-14-13 through IC 12-14-19.

40 (E) IC 12-15.

41 (F) IC 12-17-1 through IC 12-17-3.

42 (G) IC 16-35-2.

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1 (c) A fee for services provided under this section may be paid to the
2 responsible person in an amount not to exceed ten dollars (\$10) each
3 month. The fee may be allowed:

- 4 (1) in the monthly assistance award; or
5 (2) by vendor payment if the fee would cause the amount of
6 assistance to be increased beyond the maximum amount permitted
7 by statute.

8 SECTION 35. IC 12-19-1-23 IS ADDED TO THE INDIANA
9 CODE AS A NEW SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JANUARY 1, 2001]: **Sec. 23. (a) As used in this**
11 **chapter, "child services" means child welfare services specifically**
12 **provided for children who:**

- 13 (1) **are adjudicated to be:**
14 (A) **children in need of services; or**
15 (B) **delinquent children; or**
16 (2) **are recipients of or are eligible for:**
17 (A) **informal adjustments;**
18 (B) **service referral agreements; and**
19 (C) **adoption assistance;**

20 **including the costs of using an institution or facility for providing**
21 **educational services as described in either IC 20-8.1-3-36 (if**
22 **applicable) or IC 20-8.1-6.1-8 (if applicable), all services required**
23 **to be paid by the division under IC 31-40-1, and all costs required**
24 **to be paid by the division under IC 20-8.1-6.1-7.**

25 (b) **The division shall pay the expenses and obligations incurred**
26 **after December 31, 2000, to deliver child services.**

27 SECTION 36. IC 12-19-1-24 IS ADDED TO THE INDIANA
28 CODE AS A NEW SECTION TO READ AS FOLLOWS
29 [EFFECTIVE JULY 1, 1999 (RETROACTIVE)]: **Sec. 24. (a) This**
30 **section applies notwithstanding the repeal of IC 12-19-5 through**
31 **IC 12-19-7 (effective January 1, 2001).**

32 (b) **All bonds issued under IC 12-1-11 (before its repeal) or this**
33 **article before January 1, 2001:**

- 34 (1) **are direct general obligations of the county issuing the**
35 **bonds; and**
36 (2) **are payable out of unlimited ad valorem taxes that shall be**
37 **levied and collected on all the taxable property within the**
38 **county.**

39 (c) **Each official and body responsible for the levying of taxes for**
40 **the county must ensure that sufficient levies are made to meet the**
41 **principal and interest on the bonds at the time fixed for the**
42 **payment of the principal and interest, without regard to any other**

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1 **statute. If an official or a body fails or refuses to make or allow a**
 2 **sufficient levy required by this section, the bonds and the interest**
 3 **on the bonds shall be payable out of the general fund of the county**
 4 **without appropriation.**

5 SECTION 37. IC 16-33-3-10 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 10. Whenever the
 7 circuit court having jurisdiction finds, upon application by the county
 8 office of family and children, that the parent or guardian of a client
 9 placed in the center is unable to meet the costs that the parent or
 10 guardian is required to pay for the services of the center, the court shall
 11 order payment of the costs ~~from the county general fund:~~ **by the**
 12 **division of family and children.**

13 SECTION 38. IC 16-33-4-17 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 17. (a) Each child,
 15 the estate of the child, the parent or parents of the child, or the guardian
 16 of the child, individually or collectively, are liable for the payment of
 17 the costs of maintenance of the child of up to one hundred percent
 18 (100%) of the per capita cost, except as otherwise provided. The cost
 19 shall be computed annually by dividing the total annual cost of
 20 operation for the fiscal year, exclusive of the cost of education
 21 programs, construction, and equipment, by the total child days each
 22 year. The maintenance cost shall be referred to as maintenance charges.

23 The charge may not be levied against any of the following:

24 (1) The division of family and children or ~~the county office of~~
 25 ~~family and children to be derived from~~ county tax sources.

26 (2) A child orphaned by reason of the death of the natural parents.

27 (b) The billing and collection of the maintenance charges as
 28 provided for in subsection (a) shall be made by the superintendent of
 29 the home based on the per capita cost for the preceding fiscal year. All
 30 money collected shall be deposited in a fund to be known as the
 31 Indiana soldiers' and sailors' children's home maintenance fund. The
 32 fund shall be used by the state health commissioner for the:

33 (1) preventative maintenance; and

34 (2) repair and rehabilitation;

35 of buildings of the home that are used for housing, food service, or
 36 education of the children of the home.

37 (c) The superintendent of the home may, with the approval of the
 38 state health commissioner, agree to accept payment at a lesser rate than
 39 that prescribed in subsection (a). The superintendent of the home shall,
 40 in determining whether or not to accept the lesser amount, take into
 41 consideration the amount of money that is necessary to maintain or
 42 support any member of the family of the child. All agreements to



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1 accept a lesser amount are subject to cancellation or modification at
 2 any time by the superintendent of the home with the approval of the
 3 state health commissioner.

4 (d) A person who has been issued a statement of amounts due as
 5 maintenance charges may petition the superintendent of the home for
 6 a release from or modification of the statement and the superintendent
 7 shall provide for hearings to be held on the petition. The superintendent
 8 of the home may, with the approval of the state health commissioner
 9 and after the hearing, cancel or modify the former statement and at any
 10 time for due cause may increase the amounts due for maintenance
 11 charges to an amount not to exceed the maximum cost as determined
 12 under subsection (a).

13 (e) The superintendent of the home may arrange for the
 14 establishment of a graduation or discharge trust account for a child by
 15 arranging to accept a lesser rate of maintenance charge. The trust fund
 16 must be of sufficient size to provide for immediate expenses upon
 17 graduation or discharge.

18 (f) The superintendent may make agreements with instrumentalities
 19 of the federal government for application of any monetary awards to be
 20 applied toward the maintenance charges in a manner that provides a
 21 sufficient amount of the periodic award to be deposited in the child's
 22 trust account to meet the immediate personal needs of the child and to
 23 provide a suitable graduation or discharge allowance. The amount
 24 applied toward the settlement of maintenance charges may not exceed
 25 the amount specified in subsection (a).

26 (g) The superintendent of the home may do the following:

27 (1) Investigate, either with the superintendent's own staff or on a
 28 contractual or other basis, the financial condition of each person
 29 liable under this chapter.

30 (2) Make determinations of the ability of:

31 (A) the estate of the child;

32 (B) the legal guardian of the child; or

33 (C) each of the responsible parents of the child;

34 to pay maintenance charges.

35 (3) Set a standard as a basis of judgment of ability to pay that
 36 shall be recomputed periodically to do the following:

37 (A) Reflect changes in the cost of living and other pertinent
 38 factors.

39 (B) Provide for unusual and exceptional circumstances in the
 40 application of the standard.

41 (4) Issue to any person liable under this chapter statements of
 42 amounts due as maintenance charges, requiring the person to pay

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1 monthly, quarterly, or otherwise as may be arranged, an amount
 2 not exceeding the maximum cost as determined under this
 3 chapter.

4 SECTION 39. IC 20-8.1-3-36 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 36. (a) It is
 6 unlawful for a person operating or responsible for an educational,
 7 correctional, charitable, or benevolent institution or training school to
 8 fail to ensure that a child under his authority attends school as required
 9 under this chapter. Each day of violation of this section constitutes a
 10 separate offense.

11 (b) If a child is placed in an institution or facility under a court
 12 order, the institution or facility shall charge the ~~county office of the~~
 13 ~~county of the student's legal settlement under IC 12-19-7~~ **division of**
 14 **family and children** for the use of the space within the institution or
 15 facility (commonly called capital costs) that is used to provide
 16 educational services to the child based upon a prorated per student cost.

17 SECTION 40. IC 20-8.1-6.1-7 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 7. (a) If a student
 19 is transferred under section 2 of this chapter from a school corporation
 20 in Indiana to a public school corporation in another state, the transferor
 21 corporation shall pay the transferee corporation the full tuition fee
 22 charged by the transferee corporation. However, the amount of the full
 23 tuition fee must not exceed the amount charged by the transferor
 24 corporation for the same class of school, or if the school has no such
 25 classification, the amount must not exceed the amount charged by the
 26 geographically nearest school corporation in Indiana which has such
 27 classification.

28 (b) If a child is:

29 (1) placed by a court order in an out-of-state institution or other
 30 facility; and

31 (2) provided all educational programs and services by a public
 32 school corporation in the state where the child is placed, whether
 33 at the facility, the public school, or another location;

34 the ~~county office~~ **division of family and children** for the ~~county placing~~
 35 ~~the child~~ shall pay from the ~~county family and children's fund~~ to the
 36 public school corporation in which the child is enrolled the amount of
 37 transfer tuition specified in subsection (c).

38 (c) The transfer tuition for which a ~~county office~~ **the division of**
 39 **family and children** is obligated under subsection (b) is equal to the
 40 following:

41 (1) The amount under a written agreement among the ~~county~~
 42 ~~office;~~ **division of family and children**, the institution or other

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1 facility, and the governing body of the public school corporation
 2 in the other state that specifies the amount and method of
 3 computing transfer tuition.

4 (2) The full tuition fee charged by the transferee corporation, if
 5 subdivision (1) does not apply. However, the amount of the full
 6 tuition fee must not exceed the amount charged by the transferor
 7 corporation for the same class of school, or if the school has no
 8 such classification, the amount must not exceed the amount
 9 charged by the geographically nearest school corporation in
 10 Indiana which has such classification.

11 (d) If a child is:

12 (1) placed by a court order in an out-of-state institution or other
 13 facility; and

14 (2) provided:

15 (A) onsite educational programs and services either through
 16 the facility's employees or by contract with another person or
 17 organization that is not a public school corporation; or

18 (B) educational programs and services by a nonpublic school;
 19 the ~~county office division~~ of family and children ~~for the county~~ placing
 20 the child shall pay from the county family and children's fund in an
 21 amount and in the manner specified in a written agreement between the
 22 ~~county office division~~ and the institution or other facility.

23 (e) ~~An agreement described in subsection (c) or (d) is subject to the~~
 24 ~~approval of the director of the division of family and children.~~
 25 However, For purposes of IC 4-13-2, ~~the an agreement described in~~
 26 ~~subsection (c) or (d)~~ shall not be treated as a contract.

27 SECTION 41. IC 20-8.1-6.1-8 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 8. (a) As used in
 29 this section, the following terms have the following meanings:

30 (1) "Class of school" refers to a classification of each school or
 31 program in the transferee corporation by the grades or special
 32 programs taught at the school. Generally, these classifications are
 33 denominated as kindergarten, elementary school, middle school
 34 or junior high school, high school, and special schools or classes,
 35 such as schools or classes for special education, vocational
 36 training, or career education.

37 (2) "ADM" means the following:

38 (A) For purposes of allocating to a transfer student state
 39 distributions under IC 21-1-30 (primetime), "ADM" as
 40 computed under IC 21-1-30-2.

41 (B) For all other purposes, "ADM" as set forth in IC
 42 21-3-1.6-1.1.



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- 1 (3) "Pupil enrollment" means the following:
 2 (A) The total number of students in kindergarten through
 3 grade 12 who are enrolled in a transferee school corporation
 4 on a date determined by the Indiana state board of education.
 5 (B) The total number of students enrolled in a class of school
 6 in a transferee school corporation on a date determined by the
 7 Indiana state board of education.
 8 However, a kindergarten student shall be counted under clauses
 9 (A) and (B) as one-half (1/2) a student.
 10 (4) "Special equipment" means equipment that during a school
 11 year:
 12 (A) is used only when a child with disabilities is attending
 13 school;
 14 (B) is not used to transport a child to or from a place where the
 15 child is attending school;
 16 (C) is necessary for the education of each child with
 17 disabilities that uses the equipment, as determined under the
 18 individualized instruction program for the child; and
 19 (D) is not used for or by any child who is not a child with
 20 disabilities.
 21 The Indiana state board of education may select a different date for
 22 counts under subdivision (3). However, the same date shall be used for
 23 all school corporations making a count for the same class of school.
 24 (b) Each transferee corporation is entitled to receive for each school
 25 year on account of each transferred student, except a student
 26 transferred under section 3 of this chapter, transfer tuition from the
 27 transferor corporation or the state as provided in this chapter. Transfer
 28 tuition equals the amount determined under STEP THREE of the
 29 following formula:
 30 STEP ONE: Allocate to each transfer student the capital
 31 expenditures for any special equipment used by the transfer
 32 student and a proportionate share of the operating costs incurred
 33 by the transferee school for the class of school where the transfer
 34 student is enrolled.
 35 STEP TWO: If the transferee school included the transfer student
 36 in the transferee school's ADM for a school year, allocate to the
 37 transfer student a proportionate share of the following general
 38 fund revenues of the transferee school for, except as provided in
 39 clause (C), the calendar year in which the school year ends:
 40 (A) The following state distributions that are computed in any
 41 part using ADM or other pupil count in which the student is
 42 included:

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- 1 (i) Primetime grant under IC 21-1-30.
 2 (ii) Tuition support for basic programs and at-risk weights
 3 under IC 21-3-1.7-8 (before January 1, 1996) and only for
 4 basic programs (after December 31, 1995).
 5 (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
 6 (iv) At-risk grant under IC 21-3-1.7-9.7.
 7 (v) Academic honors diploma award under IC 21-3-1.7-9.8.
 8 (vi) Vocational education grant under IC 21-3-1.8-3.
 9 (vii) Special education grant under ~~IC 21-3-1.8~~
 10 **IC 21-3-1.8-2** (repealed January 1, 1996) or IC 21-3-10.
 11 (viii) The portion of the ADA flat grant that is available for
 12 the payment of general operating expenses under
 13 IC 21-3-4.5-2(b)(1).
 14 (B) For school years beginning after June 30, 1997, property
 15 tax levies.
 16 (C) For school years beginning after June 30, 1997, excise tax
 17 revenue (as defined in IC 21-3-1.7-2) received for deposit in
 18 the calendar year in which the school year begins.
 19 (D) For school years beginning after June 30, 1997, allocations
 20 to the transferee school under IC 6-3.5.
 21 **STEP THREE:** Determine the greater of:
 22 (A) zero (0); or
 23 (B) the result of subtracting the STEP TWO amount from the
 24 STEP ONE amount.
 25 If a child is placed in an institution or facility in Indiana under a court
 26 order, the institution or facility shall charge the ~~county office of the~~
 27 ~~county of the student's legal settlement under IC 12-19-7~~ **division of**
 28 **family and children** for the use of the space within the institution or
 29 facility (commonly called capital costs) that is used to provide
 30 educational services to the child based upon a prorated per student cost.
 31 (c) Operating costs shall be determined for each class of school
 32 where a transfer student is enrolled. The operating cost for each class
 33 of school is based on the total expenditures of the transferee
 34 corporation for the class of school from its general fund expenditures
 35 as specified in the classified budget forms prescribed by the state board
 36 of accounts. This calculation excludes:
 37 (1) capital outlay;
 38 (2) debt service;
 39 (3) costs of transportation;
 40 (4) salaries of board members;
 41 (5) contracted service for legal expenses; and
 42 (6) any expenditure which is made out of the general fund from

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- 1 extracurricular account receipts;
 2 for the school year.
- 3 (d) The capital cost of special equipment for a school year is equal
 4 to:
- 5 (1) the cost of the special equipment; divided by
 6 (2) the product of:
- 7 (A) the useful life of the special equipment, as determined
 8 under the rules adopted by the Indiana state board of
 9 education; multiplied by
 10 (B) the number of students using the special equipment during
 11 at least part of the school year.
- 12 (e) When an item of expense or cost described in subsection (c)
 13 cannot be allocated to a class of school, it shall be prorated to all
 14 classes of schools on the basis of the pupil enrollment of each class in
 15 the transferee corporation compared to the total pupil enrollment in the
 16 school corporation.
- 17 (f) Operating costs shall be allocated to a transfer student for each
 18 school year by dividing:
- 19 (1) the transferee school corporation's operating costs for the class
 20 of school in which the transfer student is enrolled; by
 21 (2) the pupil enrollment of the class of school in which the
 22 transfer student is enrolled.
- 23 When a transferred student is enrolled in a transferee corporation for
 24 less than the full school year of pupil attendance, the transfer tuition
 25 shall be calculated by the portion of the school year for which the
 26 transferred student is enrolled. A school year of pupil attendance
 27 consists of the number of days school is in session for pupil attendance.
 28 A student, regardless of the student's attendance, is enrolled in a
 29 transferee school unless the student is no longer entitled to be
 30 transferred because of a change of residence, **because** the student has
 31 been excluded or expelled from school for the balance of the school
 32 year or for an indefinite period, or **because** the student has been
 33 confirmed to have withdrawn from school. The transferor and the
 34 transferee corporation may enter into written agreements concerning
 35 the amount of transfer tuition due in any school year. Where an
 36 agreement cannot be reached, the amount shall be determined by the
 37 Indiana state board of education and costs may be established, when in
 38 dispute, by the state board of accounts.
- 39 (g) A transferee school shall allocate revenues described in
 40 subsection (b) STEP TWO to a transfer student by dividing:
- 41 (1) the total amount of revenues received; by
 42 (2) the ADM of the transferee school for the school year that ends

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1 in the calendar year in which the revenues are received.
 2 However, for state distributions under IC 21-1-30, IC 21-3-10, or any
 3 other statute that computes the amount of a state distribution using less
 4 than the total ADM of the transferee school, the transferee school shall
 5 allocate the revenues to the transfer student by dividing the revenues
 6 that the transferee school is eligible to receive in a calendar year by the
 7 pupil count used to compute the state distribution.

8 (h) In lieu of the payments provided in subsection (b), the transferor
 9 corporation or state owing transfer tuition may enter into a long term
 10 contract with the transferee corporation governing the transfer of
 11 students. This contract is for a maximum period of five (5) years with
 12 an option to renew and may specify a maximum number of pupils to be
 13 transferred and fix a method for determining the amount of transfer
 14 tuition and the time of payment, which may be different from that
 15 provided in section 9 of this chapter.

16 (i) If the school corporation can meet the requirements of
 17 IC 21-1-30-5, it may negotiate transfer tuition agreements with a
 18 neighboring school corporation that can accommodate additional
 19 students. Agreements under this section may be for one (1) year or
 20 longer and may fix a method for determining the amount of transfer
 21 tuition or time of payment that is different from the method, amount,
 22 or time of payment that is provided in this section or section 9 of this
 23 chapter. A school corporation may not transfer a student under this
 24 section without the prior approval of the child's parent or guardian.

25 (j) If a school corporation experiences a net financial impact with
 26 regard to transfer tuition that is negative for a particular school year as
 27 described in IC 6-1.1-19-5.1, the school corporation may appeal for an
 28 excessive levy as provided under IC 6-1.1-19-5.1.

29 SECTION 42. IC 20-8.1-6.1-12 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 12. (a) Annually
 31 before the date specified in the rules adopted by the Indiana state board
 32 of education, each school corporation shall report the information
 33 specified in subsection (b) for each student:

34 (1) for whom tuition support is paid by another school
 35 corporation;
 36 (2) for whom tuition support is paid by the state; and
 37 (3) who is enrolled in the school corporation but has the
 38 equivalent of a legal settlement in another state or country;
 39 to the county office (as defined in IC 12-7-2-45) for the county in
 40 which the principal office of the school corporation is located and to
 41 the department of education.

42 (b) Each school corporation shall provide the following information



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1 for each school year beginning with the school year beginning July 1,
2 1994, for each category of student described in subsection (a):

3 (1) The amount of tuition support and other support received for
4 the students described in subsection (a).

5 (2) The operating expenses, as determined under section 8 of this
6 chapter, incurred for the students described in subsection (a).

7 (3) Special equipment expenditures that are directly related to
8 educating students described in subsection (a).

9 (4) The number of transfer students described in subsection (a).

10 (5) Any other information required under the rules adopted by the
11 Indiana state board of education after consultation with the office
12 of the secretary of family and social services.

13 (c) The information required under this section shall be reported in
14 the format and on the forms specified by the Indiana state board of
15 education.

16 (d) Not later than November 30 of each year beginning after
17 December 31, 1994, the department of education shall compile the
18 information required from school corporations under this section and
19 submit the compiled information in the form specified by the office of
20 the secretary of family and social services to the office of the secretary
21 of family and social services.

22 (e) Not later than November 30 of each year beginning after
23 December 31, 1994, each county office shall submit the following
24 information to the office of the secretary of family and social services
25 for each child who is described in ~~IC 12-19-7-1(1)~~ **IC 12-19-1-23(a)(1)**
26 and is placed in another state or is a student in a school outside the
27 school corporation where the child has legal settlement:

28 (1) The name of the child.

29 (2) The name of the school corporation where the child has legal
30 settlement.

31 (3) The last known address of the custodial parent or guardian of
32 the child.

33 (4) Any other information required by the office of the secretary
34 of family and social services.

35 (f) Not later than December 31 of each year beginning after
36 December 31, 1994, the office of the secretary of family and social
37 services shall submit a report to the members of the budget committee
38 and the executive director of the legislative services agency that
39 compiles and analyzes the information required from school
40 corporations under this section. The report shall identify the types of
41 state and local funding changes that are needed to provide adequate
42 state and local money to educate transfer students.



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1 SECTION 43. IC 31-19-26-1 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 1. (a) When a
 3 petition for adoption is filed seeking a subsidy and the payment of a
 4 subsidy is ordered by the court, the order must contain the following
 5 information:

6 (1) Whether a subsidy will be paid under section 2 or 3 of this
 7 chapter, or both.

8 (2) The amount of each subsidy to be paid.

9 (3) If a subsidy will be paid under section 3 of this chapter, the
 10 condition or cause covered by the subsidy.

11 (4) Any condition for the continued payment of a subsidy other
 12 than a requirement set forth in this chapter.

13 (b) The ~~county office division~~ of family and children ~~of the county~~
 14 ~~responsible for foster care of an adoptive child~~ may be ordered to pay
 15 either or both of the subsidies under this chapter to the adoptive parents
 16 or designated payees to the extent that money is available.

17 SECTION 44. IC 31-40-1-1 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 1. This article
 19 applies to a financial burden sustained by ~~the state and~~ a county as the
 20 result of costs paid ~~by the county~~ under section 2 of this chapter,
 21 including costs resulting from the institutional placement of a child
 22 adjudicated a delinquent child or a child in need of services.

23 SECTION 45. IC 31-40-1-2, AS AMENDED BY P.L.273-1999,
 24 SECTION 119, IS AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE JANUARY 1, 2001]: Sec. 2. (a) The ~~county state~~ shall
 26 pay ~~from the county family and children's fund~~ the cost of:

27 (1) any services ordered by the juvenile court for any child or the
 28 child's parent, guardian, or custodian, other than secure detention;
 29 and

30 (2) returning a child under IC 31-37-23;

31 **except for probation, guardian ad litem, and court appointed**
 32 **special advocate services. The county shall pay the cost of**
 33 **probation, guardian ad litem, and court appointed special advocate**
 34 **services.**

35 (b) The ~~state and the~~ county fiscal body shall provide sufficient
 36 money to meet the court's requirements.

37 SECTION 46. IC 31-40-1-4 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 4. The parent or
 39 guardian of the estate of any child returned to Indiana under the
 40 interstate compact on juveniles under IC 31-37-23 shall reimburse the
 41 **state and** county for all costs involved in returning the child that the
 42 court orders the parent or guardian to pay under section 3 of this

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1 chapter (or IC 31-6-4-18(e) before its repeal) whether or not the child
2 has been adjudicated a delinquent child or a child in need of services.

3 SECTION 47. IC 31-40-1-5, AS AMENDED BY P.L.273-1999,
4 SECTION 121, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2001]: Sec. 5. (a) This section applies
6 whenever the court orders or approves removal of a child from the
7 home of a child's parent or guardian and placement of the child in a
8 child caring institution (as defined in IC 12-7-2-29), a foster family
9 home (as defined in IC 12-7-2-90), or the home of a relative of the
10 child that is not a foster family home.

11 (b) If an existing support order is in effect, the court shall order the
12 support payments to be assigned to the ~~county office~~ **division of family**
13 **and children** for the duration of the placement out of the home of the
14 child's parent or guardian. The court shall notify the court that:

15 (1) entered the existing support order; or

16 (2) had jurisdiction, immediately before the placement, to
17 modify or enforce the existing support order;

18 of the assignment and assumption of jurisdiction by the juvenile court
19 under this section.

20 (c) If an existing support order is not in effect, the court shall do the
21 following:

22 (1) Include in the order for removal or placement of the child an
23 assignment to the ~~county office~~ **division of family and children**,
24 or confirmation of an assignment that occurs or is required under
25 applicable federal law, of any rights to support, including support
26 for the cost of any medical care payable by the state under
27 IC 12-15, from any parent or guardian who has a legal obligation
28 to support the child.

29 (2) Order support paid to the ~~county office~~ **division of family and**
30 **children** by each of the child's parents or the guardians of the
31 child's estate to be based on child support guidelines adopted by
32 the Indiana supreme court and for the duration of the placement
33 of the child out of the home of the child's parent or guardian,
34 unless:

35 (A) the court finds that entry of an order based on the child
36 support guidelines would be unjust or inappropriate
37 considering the best interests of the child and other necessary
38 obligations of the child's family; or

39 (B) the ~~county office~~ **division of family and children** does not
40 make foster care maintenance payments to the custodian of the
41 child. For purposes of this clause, "foster care maintenance
42 payments" means any payments for the cost of (in whole or in

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1 part) and the cost of providing food, clothing, shelter, daily
 2 supervision, school supplies, a child's personal incidentals,
 3 liability insurance with respect to a child, and reasonable
 4 amounts for travel to the child's home for visitation. In the case
 5 of a child caring institution, the term also includes the
 6 reasonable costs of administration and operation of the
 7 institution as are necessary to provide the items described in
 8 this clause.

9 (3) If the court:

10 (A) does not enter a support order; or

11 (B) enters an order that is not based on the child support
 12 guidelines;

13 the court shall make findings as required by 45 CFR 302.56(g).

14 (d) Payments in accordance with a support order assigned under
 15 subsection (b) or entered under subsection (c) (or IC 31-6-4-18(f)
 16 before its repeal) shall be paid through the clerk of the circuit court as
 17 trustee for remittance to the ~~county office~~: **division of family and**
 18 **children**.

19 (e) The Title IV-D agency shall establish, modify, or enforce a
 20 support order assigned or entered by a court under this section in
 21 accordance with IC 12-17-2 and 42 U.S.C. 654. The ~~county office~~
 22 **division of family and children** shall, if requested, assist the Title
 23 IV-D agency in performing its duties under this subsection.

24 (f) If the juvenile court terminates placement of a child out of the
 25 home of the child's parent or guardian, the court shall:

26 (1) notify the court that:

27 (A) entered a support order assigned to the county office under
 28 subsection (b); or

29 (B) had jurisdiction, immediately before the placement, to
 30 modify or enforce the existing support order;

31 of the termination of jurisdiction of the juvenile court with respect
 32 to the support order;

33 (2) terminate a support order entered under subsection (c) that
 34 requires payment of support by a custodial parent or guardian of
 35 the child, with respect to support obligations that accrue after
 36 termination of the placement; or

37 (3) continue in effect, subject to modification or enforcement by
 38 a court having jurisdiction over the obligor, a support order
 39 entered under subsection (c) that requires payment of support by
 40 a noncustodial parent or guardian of the estate of the child.

41 (g) The court may at or after a hearing described in section 3 of this
 42 chapter order the child's parent or the guardian of the child's estate to

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1 reimburse the ~~county office~~ **division of family and children** for all or
 2 any portion of the expenses for services provided to or for the benefit
 3 of the child that are paid ~~from the county family and children's fund by~~
 4 **the division** during the placement of the child out of the home of the
 5 parent or guardian, in addition to amounts reimbursed through
 6 payments in accordance with a support order assigned or entered as
 7 provided in this section, subject to applicable federal law.

8 SECTION 48. THE FOLLOWING ARE REPEALED [EFFECTIVE
 9 JANUARY 1, 2001]: IC 6-1.1-18.6; IC 12-7-2-117; IC 12-13-8;
 10 IC 12-13-9-1; IC 12-13-9-3; IC 12-14-2-13; IC 12-15-1-2;
 11 IC 12-15-1-3; IC 12-16-14; IC 12-16-15; IC 12-17-3-3; IC 12-19-5;
 12 IC 12-19-6; IC 12-19-7; IC 12-24-13-6; IC 16-35-3; IC 16-35-4.

13 SECTION 49. [EFFECTIVE JULY 1, 2000] (a) As used in this
 14 SECTION, "county office property tax levies" means the property
 15 tax levies under or for any of the following:

- 16 (1) IC 12-13-8 (county medical assistance to wards fund).
- 17 (2) IC 12-16-14 (county hospital care for the indigent fund).
- 18 (3) IC 12-19-7 (county family and children's fund).
- 19 (4) IC 16-35-3 (children with special health care needs county
 20 fund and tax levy).

21 (b) Notwithstanding any other law, after December 31, 2000, the
 22 state shall fund one hundred percent (100%) of the programs,
 23 services, and activities paid from county office property tax levies
 24 before January 1, 2000.

25 (c) Notwithstanding any other law, after December 31, 2000, a
 26 county may not impose a county office property tax levy. The
 27 maximum permissible levy for any fund:

- 28 (1) that is not terminated after December 31, 2000; and
- 29 (2) for which a county office property tax levy was imposed
 30 before January 1, 2001;

31 shall be reduced to eliminate the part of the maximum levy related
 32 to a county office property tax levy before January 1, 2001.

33 SECTION 50. [EFFECTIVE JULY 1, 2000] (a) As used in this
 34 SECTION, "county office property tax levies" means the property
 35 tax levies under or for any of the following:

- 36 (1) IC 12-13-8 (county medical assistance to wards fund).
- 37 (2) IC 12-16-14 (county hospital care for the indigent fund).
- 38 (3) IC 12-19-7 (county family and children's fund).
- 39 (4) IC 16-35-3 (children with special health care needs county
 40 fund and tax levy).

41 (b) As used in this SECTION, "miscellaneous revenue" means
 42 tax revenue that is distributed under:



1 (1) the bank tax (IC 6-5-10);
 2 (2) the savings and loan association tax (IC 6-5-11);
 3 (3) the production credit association tax (IC 6-5-12);
 4 (4) the financial institutions tax (IC 6-5.5); or
 5 (5) any other statute providing for a distribution of revenue;
 6 to a political subdivision based in any part on the ad valorem
 7 property tax levy imposed by the political subdivision.

8 (c) For calendar year 2001 and any other year that in any part
 9 conditions a distribution of miscellaneous revenue on the county
 10 property tax levies first due and payable in calendar year 2000 or
 11 a previous year, the distribution must be made based on the
 12 adjusted property tax levy determined under this SECTION.

13 (d) The state board of tax commissioners shall determine an
 14 adjusted property tax levy for each year on which a distribution
 15 described in subsection (c) is based. The adjusted property tax levy
 16 must exclude the county office property tax levies imposed in that
 17 year.

18 (e) Before July 15, 2000, the state board of tax commissioners
 19 shall certify the adjusted levy determined under subsection (d) to
 20 the auditor of state, each county auditor, and the department of
 21 state revenue.

22 (f) For purposes of property tax levies first due and payable
 23 after December 31, 2000, the state board of tax commissioners shall
 24 adjust property tax levies of a political subdivision to eliminate that
 25 part of a property tax levy that was imposed before January 1,
 26 2000, to make a transfer described in IC 12-15-18-5.1.

27 (g) The unallotted balance on December 31, 2000, of any county
 28 office property tax levies in a fund other than the state general
 29 fund shall, on January 1, 2001, shall be transferred to the state
 30 general fund to carry out the programs for which the money was
 31 levied. The unallotted balance on December 31, 2000, of each
 32 county welfare trust clearance fund shall be transferred on
 33 January 1, 2001, to an account in the state welfare trust clearance
 34 fund. However, by agreement between a county executive and the
 35 division of family and children, a county may retain a balance of
 36 county office property tax levies after December 31, 2000, in a fund
 37 to pay obligations incurred but not allotted for payment before
 38 January 1, 2001. The amount that shall be retained and the time
 39 that balances shall be retained shall be governed by the agreement.
 40 Money transferred to the state under this subsection shall be
 41 treated as money from state revenues.

42 (h) The state board of tax commissioners shall reduce the



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1 maximum permissible ad valorem property tax levy of a county to
 2 reflect the transfer by this act of any expenditures payable from a
 3 county general fund to the state.

4 (i) This SECTION expires December 31, 2002.

5 SECTION 51. [EFFECTIVE JULY 1, 2000] (a) After December
 6 31, 2000, a reference in a law, rule, or other document to a county
 7 office of family and children shall be treated as a reference to:

8 (1) the county office of family and children within the division
 9 of family and children; or

10 (2) the division of family and children.

11 (b) The division of family and children may adopt and operate
 12 under interim guidelines to implement this SECTION. Interim
 13 guidelines adopted under this SECTION expire on the earliest of
 14 the following:

15 (1) A replacement interim guideline is adopted under this
 16 SECTION.

17 (2) A rule is adopted under IC 4-22-2 to replace the interim
 18 guideline.

19 (3) January 1, 2002.

20 (c) To the extent that the personnel, agreements and other
 21 obligations, and records and other property of a county office are
 22 not the personnel, agreements and other obligations, and records
 23 and other property of the division, after December 31, 2000, the:

24 (1) personnel;

25 (2) agreements and other obligations; and

26 (3) records and other property;

27 of a county office of family and children on December 31, 2000,
 28 shall be treated as the personnel, agreements and other obligations,
 29 and records and other property of the division of family and
 30 children.

31 (d) After December 31, 2000, a court order issued before
 32 January 1, 2001, and requiring or authorizing a county office of
 33 family and children to take an action shall be treated as an order
 34 requiring or authorizing the division of family and children to take
 35 the action. However, this subsection does not authorize the division
 36 of family and children to impose a property tax levy.

37 (e) After December 31, 2000:

38 (1) trust funds administered by; and

39 (2) wardships and guardianships granted to;

40 a county office of family and children before January 1, 2000, shall
 41 be administered by the division of family and children.

42 (f) The following funds are abolished:

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- 1 **(1) State medical assistance to wards fund.**
 2 **(2) The state welfare fund.**
 3 **(3) Institution clothing fund established under IC 12-24-6-1**
 4 **(repealed by this act).**

5 **Unallotted money in a fund described in this subsection on**
 6 **December 31, 2000, shall on January 1, 2001, be transferred to an**
 7 **account in the state general fund.**

8 **(g) The unallotted balances on December 31, 2000, of any trust**
 9 **fund established under IC 12-19-1-15, as repealed by this act, shall**
 10 **be transferred to an appropriate trust fund under the**
 11 **administration of the division of family and children. The amount**
 12 **transferred shall be used only in a manner consistent with the**
 13 **intention of the donor of the property and for the following**
 14 **purposes:**

- 15 **(1) For the benefit of a home or an institution in which**
 16 **dependent or neglected children are cared for under the**
 17 **supervision of the county office.**
 18 **(2) For the benefit of children who are committed to the care**
 19 **or supervision of the county office.**

20 **SECTION 52. [EFFECTIVE JULY 1, 2000] (a) As used in this**
 21 **SECTION, "committee" refers to the human services committee.**

22 **(b) The human services committee is established. The committee**
 23 **consists of twenty (20) members as follows:**

- 24 **(1) Four (4) members of the senate finance committee to be**
 25 **appointed by the president pro tempore of the senate.**
 26 **(2) Four (4) members of the senate finance committee to be**
 27 **appointed by the minority leader of the senate.**
 28 **(3) Six (6) members of the house ways and means committee**
 29 **to be appointed by the speaker of the house of representatives.**
 30 **(4) Six (6) members of the house ways and means committee**
 31 **to be appointed by the minority leader of the house of**
 32 **representatives.**

33 **(c) A member appointed under this SECTION serves at the**
 34 **pleasure of the appointing authority. If a vacancy exists on the**
 35 **committee, the vacancy shall be filled by the person who made the**
 36 **original appointment.**

37 **(d) The chairman of the legislative council shall name the**
 38 **chairperson of the committee. The chairperson of the committee**
 39 **serves at the pleasure of the chairman of the legislative council.**

40 **(e) The committee shall meet at least eight (8) times each year.**
 41 **The chairperson shall call the first meeting of the committee before**
 42 **August 31, 2000.**



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- 1 **(f) The committee shall provide for the introduction of**
- 2 **legislation in the 2001 and 2002 regular sessions of the general**
- 3 **assembly to do the following:**
- 4 **(1) Make appropriate changes to references in statutes that**
- 5 **are required by this act.**
- 6 **(2) Revise and consolidate the statutes relating to the duties of**
- 7 **county offices of family and children under this act.**
- 8 **(3) Otherwise implement this act.**
- 9 **(g) The committee may study any issue related to its**
- 10 **responsibilities.**
- 11 **(h) The affirmative votes of a majority of the members**
- 12 **appointed to the committee are required for the committee to take**
- 13 **action on any measure, including final reports.**
- 14 **(i) The committee shall operate under the direction of the**
- 15 **legislative council. The legislative services agency shall staff the**
- 16 **committee. The office of the secretary of family and social services**
- 17 **shall assist the committee as directed by the chairperson of the**
- 18 **committee.**
- 19 **(j) The committee shall issue:**
- 20 **(1) an interim report before November 2, 2000, and at other**
- 21 **times as determined by the legislative council; and**
- 22 **(2) a final report before November 2, 2001.**
- 23 **Copies of each report shall be given to the governor and the**
- 24 **legislative council.**
- 25 **(k) Each member of the committee is entitled to receive the**
- 26 **same per diem, mileage, and travel allowances paid to members of**
- 27 **the general assembly serving on interim study committees**
- 28 **established by the legislative council.**
- 29 **(l) This SECTION expires December 31, 2000.**

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