

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

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6993

BILL NUMBER: HB 1221

DATE PREPARED: Feb 23, 2001

BILL AMENDED: Feb 22, 2001

SUBJECT: Supervision of Suspended or Expelled Children.

FISCAL ANALYST: Kathy Norris

PHONE NUMBER: 234-1360

FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that a student who has been suspended or expelled from school is required to remain at the student's residence during school hours. The bill specifies that the parents or guardian of a student who has violated this chapter are not eligible for the \$5,000 damages cap under IC 34-31-4-1. It establishes penalties for violating this chapter. The bill also establishes exceptions for a student who is accompanied by the student's parent, lawfully working, or responding to an emergency. The bill makes conforming amendments.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) The bill creates a new Class D infraction, suspension truancy. The bill specifies that in addition to the Class D infraction penalty, which is \$25 plus court costs, a student who has committed suspension truancy may be required to perform 10 hours of community service. If the student commits suspension truancy a second time, in addition to the penalty of \$25 plus court costs, the student may be required to perform 20 hours of community service. If a student commits suspension truancy three or more times, the court shall file a report with the local office of Family and Children to determine if the child is a Child in Need of Services (CHINS).

The bill establishes a set of circumstances for which a court may declare a child to be a child in need of services. Out-of-home placements and services to children in need of services are funded by the local county Family and Children's Fund. Certain Out-of-Home placements may be matched with Federal IV-E funds, and CHINS are eligible for Medicaid services. Child welfare caseworkers and other staff of the local Offices of Family and Children are state employees. Additions to the number of children being supervised by the county Offices of Family and Children may result in the need for additional staff.

It is not known how many of the students suspended or expelled from school might fall within the parameters of this bill. It is possible that a student that is suspended or expelled and inadequately supervised has already

encountered either the child welfare system or the juvenile justice system. It is also possible that some number of the students suspended or expelled are enrolled in an Alternative Education Program operated by the school corporation.

The following table illustrates the number of suspensions and expulsions from school years 1996 through 1999 (data for 2000 are not yet complete).

Suspensions and Expulsions for School Years 1996-1999

YEAR	SUSPENSIONS	EXPULSIONS
1999	305,767	9,263
1998	302,593	10,229
1997	306,034	9,340
1996	227,326	8,982

Explanation of State Revenues: (Revised) If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class D infraction is \$25 which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures: (Revised) Out-of-home placements and services to children in need of services are primarily funded by the local county Family and Children’s Fund. Certain out-of-home placements may be matched with Federal IV-E funds, and CHINS are eligible for Medicaid services.

Explanation of Local Revenues: (Revised) If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Family and Social Services Administration, Division of Family and Children.

Local Agencies Affected: Local Courts; Trial courts, local law enforcement agencies.

Information Sources: DOE ORACLE Data Tables and SAS Data Sets.