

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1234 be amended to read as follows:

- 1 Page 4, line 19, reset in roman "their school building construction".
- 2 Page 4, line 20, after "technology" insert "**programs (as defined in**
- 3 **IC 21-1-5-3) under IC 21-1-5 and**".
- 4 Page 4, line 28, delete "IC 21-1-5;" and insert "IC 21-1-5 **and**".
- 5 Page 4, between lines 39 and 40, begin a new paragraph and insert:
- 6 "SECTION 4. IC 21-1-5-1 IS AMENDED TO READ AS FOLLOWS
- 7 [EFFECTIVE JULY 1, 2004]: Sec. 1. This chapter applies to school
- 8 corporations ~~organized and formed through reorganization under~~
- 9 ~~IC 20-4-1, IC 20-4-5, or IC 20-4-8~~ **(as defined in IC 20-5-1-3)** and
- 10 school townships under IC 20-2-8. However, if a school corporation
- 11 or school township sustains loss by fire, wind, cyclone, or other
- 12 disaster, of all or a major portion of its school building or school
- 13 buildings, ~~sections 4 and section 9~~ **of this chapter do does not apply.**"
- 14 Page 5, line 3, after "chapter." insert "**The maximum aggregate**
- 15 **amount of advances that:**
- 16 **(1) are made under this chapter after June 30, 2004, for**
- 17 **school building construction programs; and**
- 18 **(2) are outstanding at any time;**
- 19 **may not exceed thirty million dollars (\$30,000,000)."**
- 20 Page 5, line 3, beginning with "The Indiana" begin a new paragraph
- 21 and insert:

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"(b)".

Page 5, line 5, delete "section" and insert "**chapter for educational technology programs**".

Page 5, line 6, strike "(b)" and insert "(c)".

Page 5, line 22, after "activities." insert "**After June 30, 2004, the term does not include a school corporation or school township that is described in subdivision (2) or (3).**".

Page 5, line 23, strike "(c)" and insert "(d)".

Page 5, between lines 27 and 28, begin a new paragraph and insert:
"SECTION 6. IC 21-1-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 4. (a) To qualify for an advance under this chapter, the school corporation or school township is required to establish a capital projects fund under IC 21-2-15. However, the Indiana state board of education, after consulting with the department of education and the budget agency, may waive or modify this requirement upon a showing of good cause by the school corporation or school township.

(b) No advance to a school corporation or a school township for any school building construction program may exceed the greater of:

- (1) fifteen million dollars (\$15,000,000); or
- (2) the product of fifteen thousand dollars (\$15,000) multiplied by the number of pupils accommodated as a result of the school construction building program. However, if a school corporation or school township has sustained loss by fire, wind, cyclone, or other disaster, this limitation may be waived by the Indiana state board of education after consulting with the department of education and the budget agency.

(c) Advances **made before July 1, 2004**, for educational technology programs are without limitation in amount other than the availability of funds in the common school fund for this purpose and the ability of the school corporation or school township desiring an advance to pay the advance in accordance with the terms of the advance. **This subsection expires July 1, 2004.**

SECTION 7. IC 21-1-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 5. (a) Money advanced to school corporations or school townships for school building construction programs may be advanced for periods not exceeding twenty-five (25) years, and the school corporations or school townships to which money is advanced shall be required to pay interest on the advance. For advances made before July 1, 1993, the Indiana state board of education may provide, either before an advance is made or before an advance is fully paid, that no payment of the advance may be prepaid by more than six (6) months. For advances made beginning July 1, 1993, for school building construction programs, the Indiana state board of education may provide that the advances are prepayable at any

1 time. The state board of finance created by IC 4-9.1-1 shall periodically
 2 establish the rate or rates of interest payable on advances for school
 3 building construction programs as long as:

4 (1) the established interest rate or rates do not exceed seven and
 5 one-half percent (7.5%); and

6 (2) the interest rate or rates on advances made to school
 7 corporations or school townships with advances outstanding on
 8 July 1, 1993, bearing interest at seven and one-half percent (7.5%)
 9 or more shall not exceed four percent (4%).

10 (b) Money advanced **made before July 1, 2004**, to school
 11 corporations or school townships for educational technology programs
 12 may be for periods not exceeding five (5) years and the school
 13 corporations or school townships to which advances are made shall be
 14 required to pay interest on the advances. Advances **made before July**
 15 **1, 2004**, for educational technology programs may be prepaid at any
 16 time. The state board of finance shall establish periodically the rate or
 17 rates of interest payable on advances for educational technology
 18 programs as long as the established interest rate or rates:

19 (1) are not less than one percent (1%); and

20 (2) do not exceed four percent (4%).

21 **This subsection expires July 1, 2009.**

22 (c) To assure timely payment of advances in accordance with their
 23 terms, the state is authorized in its sole discretion to withhold from
 24 funds due to school corporations and school townships to which
 25 advances are made amounts necessary to pay the advances and the
 26 interest on the advances in accordance with their respective terms. The
 27 terms of the advances shall be established by the Indiana state board of
 28 education after consulting with the department of education and upon
 29 the approval of the budget agency in advance of the time the respective
 30 advances are made. However, in the case of school corporations or
 31 school townships with advances outstanding on July 1, 1993, the
 32 withholding may be adjusted to conform with this chapter. To the
 33 extent available, funds shall first be withheld from the distribution of
 34 state school tuition support. However, if this distribution is not available
 35 or is inadequate, funds may be withheld from the distribution of other
 36 state funds to the school corporation or school township to which the
 37 advance is made.

38 SECTION 8. IC 21-1-5-9 IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2004]: Sec. 9. (a) Priority of advances for
 40 school building construction programs shall be made to school
 41 corporations and school townships which have the least amount of
 42 adjusted assessed valuation per pupil in average daily attendance.

43 (b) Priority of advances **made before July 1, 2004**, for educational
 44 technology programs shall be on whatever basis the Indiana state board
 45 of education, after consulting with the department of education and the

1 budget agency, periodically determines. **This subsection expires July**
2 **1, 2004.**

3 SECTION 9. IC 21-1-5-10 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 10. A school
5 corporation or school township to which an advance is made for an
6 educational technology program **before July 1, 2004**, may annually
7 levy a tax in the capital projects fund or the debt service fund to
8 produce an amount equal to the amount deducted in the current year
9 from the distribution of state school tuition support to pay the advance,
10 together with the interest on the advance. The amount received from
11 the tax shall be transferred from the capital projects fund or the debt
12 service fund, as applicable, to the general fund."

13 Renumber all SECTIONS consecutively.

(Reference is to HB 1234 as printed January 23, 2004.)

Representative Crawford