

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 1365 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 finance and to make an appropriation.
- 4 Page 1, delete lines 1 through 17.
- 5 Delete pages 2 through 9.
- 6 Page 10, delete lines 1 through 2.
- 7 Page 10, line 5, delete "UPON PASSAGE]" and insert "JULY 1,
- 8 2004]".
- 9 Page 10, line 28, after "(3)" insert "**After making the**
- 10 **distributions under subdivisions (1) and (2), seventeen million**
- 11 **dollars (\$17,000,000) of tax revenues collected under this chapter**
- 12 **shall be transferred to the early learning fund.**
- 13 **(4)".**
- 14 Page 12, line 36, strike "subsection (a)(3)" and insert "**subsections**
- 15 **"(a)(4) and (b)(1)".**
- 16 Page 13, line 4, strike "subsection (a)(3)" and insert "**subsections**
- 17 **"(a)(4) and (b)(1)".**
- 18 Page 13, line 7, strike "subsection (a)(3)" and insert "**subsections**
- 19 **"(a)(4) and (b)(1)".**
- 20 Page 14, line 7, delete "or IC 4-33-12-7)," and insert ")".
- 21 Page 14, line 12, delete "or IC 4-33-12-7)" and insert ")".
- 22 Page 37, between lines 10 and 11, begin a new paragraph and
- 23 insert:
- 24 "SECTION 15. IC 21-1-31 IS ADDED TO THE INDIANA CODE
- 25 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 26 1, 2004]:
- 27 **Chapter 31. Early Learning Program**
- 28 **Sec. 1. As used in this chapter, "department" refers to the**
- 29 **department of education.**
- 30 **Sec. 2. As used in this chapter, "eligible student" refers to an**

1 eligible student determined under section 9 of this chapter.
2 **Sec. 3.** As used in this chapter, "fund" refers to the early
3 learning fund established by section 6 of this chapter.
4 **Sec. 4.** As used in this chapter, "school" means any school
5 maintained by a school corporation.
6 **Sec. 5.** As used in this chapter, "school corporation" has the
7 meaning set forth in IC 21-3-1.6-1.1.
8 **Sec. 6. (a)** The early learning fund is established for the
9 purpose of making grants to school corporations to establish,
10 continue, and expand full day kindergarten programs. The fund
11 shall be administered by the department.
12 **(b)** The treasurer of state shall invest money in the fund not
13 currently needed to meet the obligations of the fund in the same
14 manner as other public money may be invested. Interest that
15 accrues from these investments shall be deposited in the fund.
16 **(c)** Money in the fund at the end of a state fiscal year does not
17 revert to the state general fund.
18 **Sec. 7.** The department shall establish a program to make
19 grants to any school corporation that applies for a grant in the
20 manner prescribed by the department to establish, continue, or
21 expand full day kindergarten programs in one (1) or more schools
22 in the school corporation.
23 **Sec. 8.** Subject to section 10 of this chapter, the amount of a
24 grant is equal to one thousand five hundred dollars (\$1,500) for
25 each eligible student, as determined under section 9 of this
26 chapter.
27 **Sec. 9.** The number of eligible students in a school corporation
28 is equal to the number of students in the school corporation who
29 are enrolled in full day kindergarten in the current school year,
30 as determined in one (1) or more counts of students made under
31 the rules adopted the department.
32 **Sec. 10. (a)** If in any school year, insufficient money is
33 appropriated for full day kindergarten grants to make grants for
34 all eligible students enrolled in all applicant school corporations,
35 money shall be awarded in the following order until the amount
36 appropriated for grants is exhausted:
37 **(1)** The amounts determined under subsection (b).
38 **(2)** The amounts determined under subsection (c).
39 **(3)** The amounts determined under subsection (d).
40 **(b)** The department shall first award grants from
41 appropriations made for full day kindergarten grants in the
42 amount determined under STEP FIVE of the following formula:
43 **STEP ONE:** For each school that received state funding for
44 full day kindergarten in the immediately previous school
45 year, determine the number of eligible students enrolled in
46 the current school year in the school.
47 **STEP TWO:** For each school described in STEP ONE,
48 multiply the number determined under STEP ONE by the

1 amount of the grant determined under section 8 of this
2 chapter.

3 **STEP THREE:** Rank each school described in STEP ONE by
4 the percentage of the eligible students who are eligible for
5 a free or reduced school lunch program, with the school with
6 the highest percentage ranked first and the school with the
7 lowest percentage ranked last.

8 **STEP FOUR:** Beginning with the school ranked first under
9 STEP THREE and proceeding through the school ranked last
10 under STEP THREE, allocate the lesser of the following to
11 each school:

12 (A) The amount determined for the school under STEP
13 TWO.

14 (B) The amount remaining from the amounts
15 appropriated for full day kindergarten grants after
16 allocating money to each school with a higher ranking
17 under STEP THREE.

18 **STEP FIVE:** Distribute to each school corporation the sum
19 of the amounts allocated under STEP FOUR for each school
20 in the school corporation.

21 (c) If the amount appropriated for full day kindergarten
22 grants has a balance after making all of the distributions required
23 under subsection (b), grants shall be distributed in the amount
24 determined under STEP FIVE of the following formula:

25 **STEP ONE:** For each Title I school that did not receive state
26 funding for full day kindergarten in the immediately
27 previous school year, determine the number of eligible
28 students enrolled in the current school year.

29 **STEP TWO:** For each school described in STEP ONE,
30 multiply the number determined under STEP ONE by the
31 amount of the grant determined under section 8 of this
32 chapter.

33 **STEP THREE:** Rank each school described in STEP ONE by
34 the percentage of the eligible students who are eligible for
35 a free or reduced school lunch program, with the school with
36 the highest percentage ranked first and the school with the
37 lowest percentage ranked last.

38 **STEP FOUR:** Beginning with the school ranked first under
39 STEP THREE and proceeding through the school ranked last
40 under STEP THREE, allocate the lesser of the following to
41 each school:

42 (A) The amount determined for the school under STEP
43 TWO.

44 (B) The amount remaining from amounts appropriated
45 for full day kindergarten grants after allocating money
46 to each school with a higher ranking under STEP

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THREE.

STEP FIVE: Distribute to each school corporation the sum of the amounts allocated under STEP FOUR for each school in the school corporation.

(d) If the amount appropriated for full day kindergarten grants has a balance after making all of the distributions required under subsections (b) and (c), grants shall be distributed in the amount determined under STEP FIVE of the following formula:

STEP ONE: For each school that is not described in subsection (b) or (c), determine the number of eligible students enrolled in the current school year in the school.

STEP TWO: For each school described in STEP ONE, multiply the number determined under STEP ONE by the amount of the grant determined under section 8 of this chapter.

STEP THREE: Rank each school described in STEP ONE by the percentage of the eligible students who are eligible for a free or reduced school lunch program, with the school with the highest percentage ranked first and the school with the lowest percentage ranked last.

STEP FOUR: Beginning with the school ranked first under STEP THREE and proceeding through the school ranked last under STEP THREE, allocate the lesser of the following to each school:

(A) The amount determined for the school under STEP TWO.

(B) The amount remaining from amounts appropriated for full day kindergarten grants after allocating money to each school with a higher ranking under STEP THREE.

STEP FIVE: Distribute to each school corporation the sum of the amounts allocated under STEP FOUR for each school in the school corporation.

Sec. 11. Distributions of grant amounts under this chapter shall be made at the time and in the manner prescribed by the department.

Sec. 12. Money distributed to a school corporation under this chapter may be used only for the purposes described in the grant application approved by the department.

Sec. 13. As a condition of receiving a grant under this chapter, a school corporation may not charge a fee for any eligible student who is eligible for a free or reduced lunch program."

Page 37, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 19. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 21-1-31, as added by this act, apply throughout

1 **this SECTION.**

2 **(b) The appropriation of eight million five hundred thousand**
 3 **dollars (\$8,500,000) made to the department of education for total**
 4 **operating expense for full day kindergarten by P.L.224-2003,**
 5 **SECTION 9, for the state fiscal year beginning July 1, 2004, and**
 6 **ending June 30, 2005, is canceled.**

7 **(c) There is appropriated:**

8 **(1) to the early learning fund from the state general fund**
 9 **eight million five hundred thousand dollars (\$8,500,000);**
 10 **and**

11 **(2) from the early learning fund an additional seventeen**
 12 **million dollars (\$17,000,000);**

13 **for use by the department of education to make grants for full day**
 14 **kindergarten under IC 21-1-31, as added by this act, during the**
 15 **state fiscal year beginning July 1, 2004, and ending June 30, 2005.**

16 **(d) A school corporation that is awarded a grant must provide**
 17 **to the department of education a financial report stating how the**
 18 **funds were spent. Any unspent funds on July 1, 2005, must be**
 19 **returned to the state by the school corporation.**

20 **(e) The department of education may adopt temporary rules**
 21 **in the manner provided for the adoption of emergency rules under**
 22 **IC 4-22-2-37.1 to implement this SECTION and IC 21-1-31, as**
 23 **added by this act. A temporary rule adopted under this subsection**
 24 **expires on the earliest of the following:**

25 **(1) The date that another temporary rule adopted under this**
 26 **subsection supersedes the prior temporary rule.**

27 **(2) The date that permanent rules adopted under IC 4-22-2**
 28 **supersede the temporary rule.**

29 **(3) July 1, 2005.**

30 **(f) This SECTION expires July 1, 2005."**

31 Renumber all SECTIONS consecutively.

(Reference is to EHB 1365 as printed February 20, 2004.)

Senator SIMPSON