

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6701

BILL NUMBER: HB 1170

NOTE PREPARED: Dec 28, 2004

BILL AMENDED:

SUBJECT: School Corporation Police Department.

FIRST AUTHOR: Rep. Hinkle

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that the governing body of a school corporation may establish a school corporation police department that is staffed with police officers who have full police powers and whose survivors are eligible for death benefits. It requires school corporation police officers to have law enforcement academy education and basic training and to participate in local continuing education programs. The bill requires a school corporation police officer who was appointed before July 1, 2005, to complete the law enforcement academy education and basic training requirements not later than July 1, 2010. The bill also provides that a school corporation police department established before July 1, 2005, is considered a school corporation police department established under this act after June 30, 2005.

Effective Date: July 1, 2005.

Explanation of State Expenditures: *Special Death Benefit Fund*- This bill could minimally affect the Special Death Benefit Fund, which received funding from a \$5 fee collected for each bail bond issued until December 31, 1998 (the statutory requirement for fee collections for the fund expired on that date). This fund provides a death benefit of \$150,000 for each public safety officer who dies in the line of duty.

The balance in the Special Death Benefit Fund as of October 30, 2004, amounted to \$1,597,648. Since 1998, when the lump-sum special death benefit was increased to \$150,000, there have been 18 payments of \$150,000, totaling \$2.7 M.

Fluctuations in annual deaths, as well as interest rate changes and investment strategies would affect the life of the fund. It is not likely that the provisions of this bill would result in a significant increase of claims or

administrative cost by the Auditor of State or by the Public Employees Retirement Fund.

Law Enforcement Academy Training Costs- School corporations would incur no additional cost regarding Law Enforcement Academy training of their officers. Currently, the Law Enforcement Academy accepts individuals only after having been investigated and hired by a law enforcement agency (in this case a school corporation). If the officer is mandated by law to receive police powers, the Law Enforcement Academy will provide training at no cost to the law enforcement agency.

The Law Enforcement Academy is funded by the dedicated Law Enforcement Training Fund, which is funded by court fee revenue (under IC 33-19-7-5) as well as by General Fund appropriations. The FY 2004 expenditures by the academy were \$4,155,138 (\$1,545,711 from General Fund dollars and \$2,609,427 of dedicated fund revenue). The academy reverted \$79,756 on June 30, 2004, and had on December 20, 2004, three vacant positions valued at \$76,414. Two of the vacant positions had been vacant for more than two years.

The cost for completing basic law enforcement training at the Academy is \$6,230 and includes more than 600 hours over 15 weeks of training. School corporations would not be required to pay this cost.

Explanation of State Revenues:

Explanation of Local Expenditures: *Salary and Benefit Costs-* School corporations opting to establish a police force would experience an increase in salary and benefit costs, including contributions to the Public Employees Retirement Fund. Approximately 50 schools spend about \$9 M in employee salaries for security for the 2003-2004 school year.

School corporation budgets receive funding from a combination of the following sources: state support and local property, excise, and Financial Institution Taxes.

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Continuing Education Costs- School corporations would incur no additional cost regarding the continuation of law enforcement training. School corporation officers would be included in existing county, city, and town continuing education programs funded by various local fees related to law enforcement.

Explanation of Local Revenues:

State Agencies Affected: Law Enforcement Training Academy; Public Employees Retirement Fund; Auditor of State.

Local Agencies Affected: Local school corporations.

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