

Second Regular Session 115th General Assembly (2008)

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 2007 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1051

AN ACT to amend the Indiana Code concerning education finance.

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

SECTION 1. IC 20-47-1-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 2.5. As used in this chapter, "qualified foundation" means:**

- (1) **a nonprofit charitable community foundation; or**
- (2) **a public school endowment corporation.**

SECTION 2. IC 20-47-1-6, AS ADDED BY P.L.45-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 6. (a) The governing body of a school corporation may annually donate an amount not to exceed twenty-five thousand dollars (\$25,000) from the general fund of the school corporation to a **public school endowment corporation qualified foundation** under the following conditions:

- (1) For every dollar that the school corporation donates to the **public school endowment corporation; qualified foundation**, a private individual or entity must donate at least one dollar (\$1) to the **public school endowment corporation; qualified foundation**:
 - (A) for the benefit of the school corporation; and
 - (B) for the purposes designated by the school corporation for the school corporation's donation.
- (2) The **public school endowment corporation qualified foundation** retains all rights to the donation, including investment

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powers, except as provided in subdivision (3).

(3) The ~~public school endowment corporation~~ **qualified foundation** agrees to do the following:

(A) Distribute the principal and income from the donation only to the school corporation as directed by resolution of the governing body of the school corporation.

(B) Return the donation to the general fund of the school corporation if the ~~public school endowment corporation~~ **qualified foundation**:

(i) ceases to operate as a ~~public school endowment corporation~~ **qualified foundation**;

(ii) is liquidated; or

(iii) violates any condition of the endowment set by the governing body of the school corporation.

(C) Open the books of the ~~public school endowment corporation~~ **qualified foundation** for examination at the request of the state board of accounts to the extent necessary for the state board of accounts to determine the manner in which the school corporation's donation and any matching donations have been held or distributed.

(b) A school corporation may use distributions from a ~~public school endowment corporation~~ **qualified foundation** received under a resolution referred to in subsection (a)(3)(A) only for programs and activities that:

(1) enhance the quality of education; or

(2) extend learning opportunities;

for students of the school corporation.

(c) This section expires June 30, 2012.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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