

HOUSE BILL No. 1015

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-20-44.

Synopsis: School efficiency grants. Establishes the school efficiency grant program for the purpose of providing grants to school corporations for costs associated with implementing efficiency and cost effective measures. Establishes the school efficiency grant fund.

Effective: July 1, 2017.

Frye R

January 4, 2017, read first time and referred to Committee on Ways and Means.



First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1015

A BILL FOR AN ACT to amend the Indiana Code concerning education.

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

1 SECTION 1. IC 20-20-44 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]:

4 **Chapter 44. School Efficiency Grant Program and Fund**
5 **Sec. 1. As used in this chapter, "applicant" means a school**
6 **corporation that applies for a school efficiency grant under this**
7 **chapter.**

8 **Sec. 2. As used in this chapter, "fund" refers to the school**
9 **efficiency grant fund established by section 3 of this chapter.**

10 **Sec. 3. (a) The school efficiency grant fund is established for the**
11 **purpose of providing grants to school corporations for costs**
12 **associated with implementing efficiency and cost effective**
13 **measures.**

14 **(b) The fund consists of:**
15 **(1) appropriations made by the general assembly; and**
16 **(2) gifts, grants, devises, or bequests made to the state to**
17 **achieve the purposes of the fund.**



1 (c) The state board shall administer the fund.

2 (d) Money in the fund at the end of a state fiscal year does not
3 revert to the state general fund.

4 (e) The treasurer of state shall invest the money in the fund not
5 currently needed to meet the obligations of the fund in the same
6 manner as other public funds may be invested.

7 Sec. 4. The state board, in consultation with the department,
8 shall receive and consider an application from a school corporation
9 for a school efficiency grant under this chapter.

10 Sec. 5. (a) To qualify for a grant under this chapter, a school
11 corporation must:

12 (1) apply for the grant on a form supplied by the state board;

13 (2) submit a plan to the state board that includes:

14 (A) information on the efficiency and cost effective
15 measures the school corporation is proposing to
16 implement; and

17 (B) the cost associated with implementing the measures
18 described in clause (A); and

19 (3) meet any other criteria established by the state board, in
20 consultation with the department.

21 (b) Two (2) or more school corporations may apply for a grant
22 together on one (1) application if the plan is proposing to
23 implement efficiency and cost effective measures that would affect
24 the two (2) or more school corporations applying for the grant.

25 (c) The state board, in consultation with the department, may
26 require an applicant to include a cost analysis study of the
27 proposed plan.

28 (d) The state board, in consultation with the department, shall
29 establish criteria for the:

30 (1) selection of plans submitted under subsection (a); and

31 (2) awarding of grants under this chapter.

32 Sec. 6. In determining whether to award a school efficiency
33 grant to an applicant under this chapter, the state board, in
34 consultation with the department, shall consider whether the plan
35 submitted by the applicant under section 5 of this chapter will do
36 one (1) or more of the following:

37 (1) Reduce administrative costs by merging or consolidating
38 administrative services within a school corporation or among
39 two (2) or more school corporations.

40 (2) Reduce the duplication of programs or services within a
41 school corporation or among two (2) or more school
42 corporations.



1 **(3) Increase cost efficiencies relating to the use of school**
2 **facilities.**

3 **(4) Reduce the debt of one (1) or more school corporations.**

4 **(5) Establish any other measure that would significantly**
5 **reduce costs related to the provision of educational services,**
6 **special education services, or any other service provided**
7 **within a school corporation or among two (2) or more school**
8 **corporations.**

9 **Sec. 7. The state board, in consultation with the department,**
10 **may award a school efficiency grant to an applicant that meets the**
11 **requirements under this chapter.**

12 **Sec. 8. (a) The state board, in consultation with the department,**
13 **shall establish the terms and conditions for awarding a grant to an**
14 **applicant under this chapter, including requirements to ensure that**
15 **the applicant complies with the grant terms and conditions.**

16 **(b) The state board, in consultation with the department, shall**
17 **establish parameters or requirements that an applicant must meet**
18 **in order for the applicant to use a part of a grant awarded under**
19 **this chapter to pay for consulting or fees or charges by a third**
20 **party or consultant to develop the applicant's plan.**

21 **(c) A school corporation is not entitled to a grant under this**
22 **chapter for cost efficiencies of the school corporation that are also**
23 **included in a guaranteed savings contract under IC 36-1-12.5.**

24 **Sec. 9. (a) Subject to subsection (b), the state board, in**
25 **consultation with the department, shall determine the amount of**
26 **each grant awarded under this chapter.**

27 **(b) The state board, in consultation with the department, shall**
28 **establish written guidelines for determining the amount of a grant**
29 **awarded to an applicant based on the amount of cost savings to the**
30 **applicant as a result of implementing the plan submitted under**
31 **section 5 of this chapter. However, a grant awarded under this**
32 **chapter for implementation of a plan may not exceed five hundred**
33 **thousand dollars (\$500,000).**

34 **Sec. 10. (a) Except as provided in subsection (b), a school**
35 **corporation that receives a grant under this chapter must use the**
36 **amount of the grant for the costs associated with implementing the**
37 **plan submitted under section 5 of this chapter.**

38 **(b) A school corporation that receives a grant under this chapter**
39 **may use the amount of the grant awarded to pay any costs of**
40 **preparing a cost analysis study associated with a plan submitted**
41 **under section 5 of this chapter.**

42 **Sec. 11. The state board, in consultation with the department,**



1 **shall establish rules under IC 4-22-2 to administer this chapter.**

