

HOUSE BILL No. 1349

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-18-2-16; IC 20-20-41.

Synopsis: Classroom expense program. Establishes the classroom expense fund to provide advances to educators for amounts expended on classroom supplies. Provides that money from the fund be used to supplement, not replace, the money otherwise being used for classroom supplies. Provides that any money in the fund is continually appropriated.

Effective: July 1, 2014.

Smaltz

January 15, 2014, read first time and referred to Committee on Education.



Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1349



A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

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

1 SECTION 1. IC 20-18-2-16, AS AMENDED BY P.L.190-2013,
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 16. (a) "School corporation", for purposes of this
4 title (except IC 20-20-33, **IC 20-20-41**, IC 20-26-1 through IC 20-26-5,
5 IC 20-26-7, IC 20-28-11.5, IC 20-30-8, and IC 20-43), means a public
6 school corporation established by Indiana law. The term includes a:
7 (1) school city;
8 (2) school town;
9 (3) school township;
10 (4) consolidated school corporation;
11 (5) metropolitan school district;
12 (6) township school corporation;
13 (7) county school corporation;
14 (8) united school corporation; or
15 (9) community school corporation.
16 (b) "School corporation", for purposes of IC 20-26-1 through



1 IC 20-26-5 and IC 20-26-7, has the meaning set forth in IC 20-26-2-4.

2 (c) "School corporation", for purposes of IC 20-20-33, **IC 20-20-41**,
3 IC 20-26-18, and IC 20-30-8, includes a charter school (as defined in
4 IC 20-24-1-4).

5 (d) "School corporation", for purposes of IC 20-43, has the meaning
6 set forth in IC 20-43-1-23.

7 (e) "School corporation", for purposes of IC 20-28-11.5, has the
8 meaning set forth in IC 20-28-11.5-3.

9 SECTION 2. IC 20-20-41 IS ADDED TO THE INDIANA CODE
10 AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2014]:

12 **Chapter 41. Classroom Expense Program**

13 **Sec. 1. As used in this chapter, "educator" means a licensed**
14 **teacher employed by a school corporation on or before September**
15 **1 of each year whose full-time responsibility is the classroom**
16 **instruction of students in kindergarten through grade 12.**

17 **Sec. 2. As used in this chapter, "OMB" refers to the office of**
18 **management and budget established under IC 4-3-22.**

19 **Sec. 3. As used in this chapter, "program" refers to the**
20 **classroom expense program established by section 4 of this**
21 **chapter.**

22 **Sec. 4. (a) The classroom expense program is established to**
23 **make annual advances to educators to purchase, on behalf of the**
24 **school corporation, items that qualify for the educator expense**
25 **deduction under Section 62(a)(2)(D) of the Internal Revenue Code**
26 **(as effective December 31, 2013).**

27 **(b) The program must be used to provide money to supplement,**
28 **not replace, the money otherwise being used for these items.**

29 **Sec. 5. (a) The classroom expense fund is established to provide**
30 **money to make annual advances under the program.**

31 **(b) The OMB shall administer the fund.**

32 **(c) The fund consists of amounts appropriated to the fund.**

33 **(d) Money in the fund:**

34 **(1) is continually appropriated to the OMB;**

35 **(2) may be used only for making advances under the program**
36 **and not for any administrative expenses of the OMB; and**

37 **(3) does not revert to the state general fund at the end of a**
38 **state fiscal year.**

39 **(e) The treasurer of state shall invest the money in the fund not**
40 **currently needed to meet the obligations of the fund in the same**
41 **manner as other public money may be invested. Interest that**
42 **accrues from these investments shall be deposited in the fund.**



1 **Sec. 6. (a) Subject to the amount appropriated to the fund, the**
2 **OMB may determine the total amount that may be distributed for**
3 **advances in a state fiscal year. The total amount shall be based on**
4 **an identical advance amount for each full-time educator, which**
5 **may be pro rated for an educator who is not a full-time educator.**
6 **Based on the number of educators qualifying for an advance at**
7 **each school corporation, the OMB shall determine the amount to**
8 **be distributed to each school corporation and make distributions**
9 **to all school corporations before July 15 of each year. A school**
10 **corporation shall establish a separate account to deposit the**
11 **distribution. The school corporation shall determine an identical**
12 **amount for purposes of making an advance to each of its educators.**
13 **The advance amount may be prorated for an educator who is not**
14 **a full-time educator.**

15 **(b) The school corporation shall determine the arrangement for**
16 **making the advances and is responsible for accounting for the**
17 **expenditures made by each of its educators. The arrangement may**
18 **include direct deposit, a check, a debit card, or a purchasing card.**
19 **However, if a debit card is used, an identifier must be placed on the**
20 **front of the debit card that clearly indicates that the card has been**
21 **issued for the classroom expense fund. A school corporation shall**
22 **use an arrangement that will satisfy the requirements of an**
23 **accountable plan under Section 62(c) of the Internal Revenue**
24 **Code. The state board of accounts shall audit the disbursement and**
25 **use of advances.**

26 **(c) The school corporation shall provide each educator with the**
27 **educator's annual advance before September 1 of each year. An**
28 **educator may decline receipt of or return the advance without**
29 **explanation or cause.**

30 **(d) Advances and expenditures under the program are not**
31 **subject to state or local purchasing requirements. Advances**
32 **received by an educator do not affect wages, hours, or terms and**
33 **conditions of employment and are not subject to collective**
34 **bargaining.**

35 **Sec. 7. (a) Each educator must do the following to receive an**
36 **annual advance from the program:**

37 **(1) Sign a statement developed by the OMB acknowledging**
38 **receipt of an advance under the program.**

39 **(2) Return any unused payments to the school corporation at**
40 **the end of the regular school year.**

41 **(b) Any unused advances that are returned to the school**
42 **corporation shall be returned to the state as directed by the OMB.**

