FISCAL IMPACT STATEMENT

LS 6969
BILL NUMBER: HB 1004
NOTE PREPARED: Jan 16, 2019
BILL AMENDED: Jan 16, 2019

SUBJECT: School Safety.

FIRST AUTHOR: Rep. McNamara
FIRST SPONSOR:
BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL
IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

**Indiana Safe Schools Fund:** The bill provides that the Indiana Safe Schools Fund may not be used to provide grants to employ a school resource officer or a law enforcement officer.

**Indiana Secured School Fund:** The bill provides that an Indiana Secured School Fund matching grant may be used to employ a law enforcement officer.

**Nonpublic School:** The bill provides that an accredited nonpublic school may receive a grant from the Indiana Secured School Fund.

**Virtual Schools:** The bill provides that a virtual charter school or a virtual accredited nonpublic school may not receive a grant from the Indiana Secured School Fund.

**Maximum Grant Amount:** The bill makes changes to the maximum grant amounts that a school corporation, charter school, accredited nonpublic school, or coalition of schools may receive from the Indiana Secured School Fund.

**Matching Grant Amount:** The bill establishes minimum grant match percentages necessary to be eligible to receive a grant from the Indiana Secured School Fund.

**Threat Assessment:** The bill provides that, before July 1, 2021, each school corporation, charter school, or accredited nonpublic school shall certify to the Department of Homeland Security that the school
corporation, charter school, or accredited nonpublic school has conducted a threat assessment for each school building used by the school corporation, charter school, or accredited nonpublic school before applying for an Indiana Secured School Fund matching grant.

Active Shooter Drill: The bill requires that at least one of the manmade disaster drills that is required to be conducted by each school in a school corporation during each semester must be an active shooter drill and must be conducted within 90 days after the beginning of the semester. It provides that each: (1) accredited nonpublic school; and (2) charter school; must conduct at least one active shooter drill during each school year.

Survey: The bill provides that, beginning after July 1, 2019, for each year that the federal Centers for Disease Control and Prevention Youth Risk Behavior Survey or a successor survey is administered by the State Department of Health, each public school, charter school, and accredited nonpublic school with at least one employee shall work with the State Department of Health to provide students in grades 9 through 12 with the opportunity to participate in the survey.

Mental Health Services: The bill provides that each school corporation and charter school shall: (1) identify; and (2) enter into a memorandum of understanding for referral with; a provider or providers to provide appropriate and necessary mental health services to students. A memorandum of understanding for referral shall be developed by the Division of Mental Health and Addiction.

Effective Date: Upon passage; July 1, 2019.

Explanation of State Expenditures: Indiana Safe Schools Fund: This provision will increase the amount of funds available for other initiatives. In FY 2018, approximately $444,198 was allocated from this fund to employ school resource officers.

Indiana Secured School Fund Grants: To the extent that funds are available, the increase in the maximum grant amount, the decrease in the matching grant amount, and the permission to use grant funds to employ law enforcement officers, could result in some school corporations (including charter schools) and nonpublic schools receiving an increase in the grant amount from the fund than they would otherwise receive under current law. It could also encourage additional school corporations and nonpublic schools to apply for grants. The amount of the additional grants will depend on the number of schools that are able to provide matching funds and currently receive less than the maximum grant, or have not received a grant. Ultimately, the amount of additional state grants awarded will depend on local actions and available funds. The FY 2018-FY 2019 biennial budget appropriated $18M for the Secured School Safety Grants. In FY 2019, a total of $14.3 M in grants were awarded to 388 entities.

(1) Maximum Grant Amount: Under this provision, based on the FY 2019 distribution, the bill could potentially increase total grants to schools by $1.6 M. The increase would only go to school corporations with an ADM above 5,000.

(2) Matching Grant Amount: The potential matching grant requirement would decrease from $26.3 M to $15.7 M, a decrease of $10.6 M over current law: a $2.7 M decrease for school corporations and a $7.9 M decrease for nonpublic schools. The decrease would apply to school corporations with up to 1,000 in ADM. This could encourage additional schools to apply for a grant.

(3) Law Enforcement Officer: Based on FY 2019 data, the maximum amount of annual grants that
could be awarded to school corporations that have not received a grant or received a reduced grant would be $1.6 M higher than under current law, increasing from $14.9 M to $16.5 M. The increase will not apply to nonpublic schools.

(4) Nonpublic School, Virtual Schools: This is the current policy of the Department of Homeland Security. In FY 2019, about 77 nonpublic schools were awarded grants, but no virtual schools were awarded grants.

Department of Homeland Security (DHS): The bill’s requirements are within the agency’s routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

(Revised) Mental Health Services-Division of Mental Health and Addiction: Under this provision, the Division of Mental Health and Addiction has to develop an appropriate memorandum of understanding for referral to be used by school corporations. This requirement should be fulfilled within the division’s current resources.

Additional Information:

Indiana Secured School Fund Grants: Currently, a school corporation or nonpublic school can receive a matching grant from the Indiana Secured School Fund for its security program. The amount of the grant is the lesser of the total cost of the program and an amount based on the average daily membership (ADM) of the school corporation. Under current law, school corporations with an ADM of at least 1,000, or a coalition of school corporations, can apply for grants for up to $50,000 per year. School corporations with membership of less than 1,000 can apply for grants for up to $35,000 per year.

The bill makes a few changes to current law. The ADM is still used as the criteria for the amount of the grant but the cross over point has increased from 1,000 to 5,000. School corporations with an ADM up to 5,000 would receive the same grant amount as under current law; school corporations with an ADM of at least 1,000, or a coalition of school corporations, can apply for grants for up to $50,000 per year. School corporations with membership of less than 1,000 can apply for grants for up to $35,000 per year.

The criteria to determine the matching grant also changes. The matching grant does not have to be the same as the amount the school corporation receives. Instead, the matching grant is based on the ADM. If the ADM is less than 500, the matching grant would be 25% of the grant awarded; if the ADM is between 500 and 1,000, the matching grant would be 50% of the grant awarded; if the ADM is greater than 1,000, the matching grant would be the same as the grant awarded.

Explanation of State Revenues:

Explanation of Local Expenditures: Matching Grant Amount: See also Explanation of State Expenditures. The cost of the matching grant for school corporations would decrease by $2.7 M, from $15.1 M to $12.4 M. This could lead to additional school corporations applying for grants. This will impact school corporations with ADM up to 1,000; there were 127 identified in the FY 2019 data. The change to the matching grant requirements has the potential to allow for increased grant awards to schools.

Threat Assessment, Active Shooter Drill, Survey, Mental Health Services: These provisions could impact
workload of school corporations, yet ultimately depend on the action of local schools.

**Explanation of Local Revenues:** *Maximum Grant Amount:* Based on the FY 2019 distribution, the bill could potentially increase the total award to school corporations by $1.6 M. The increase would be limited to those school corporation with an ADM above 5,000. In FY 2019, 54 school corporations had an ADM over 5,000.

*Law Enforcement Officer:* This bill could result in more school corporations receiving grants from the Indiana Secured School Fund to the extent that funding is available and the school corporations provide matching funds. Based on FY 2019 ADM data, this proposal could encourage 44 more school corporations than under current law (from 116 to 160), to apply for a grant. It is not expected to increase the number of charter schools (currently 82) that could apply for a grant.

**State Agencies Affected:** Department of Homeland Security; Indiana Criminal Justice Institute; Division of Mental Health and Addiction.

**Local Agencies Affected:** Schools.

**Information Sources:** Department of Homeland Security databases; Indiana State Department of Health website: [https://www.in.gov/isdh/20627.htm](https://www.in.gov/isdh/20627.htm); Laura Turner, Indiana Criminal Justice Institute, 317-234-8891; Alyssa Schroeder, Indiana Department of Homeland Security, 317-775-2607

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