FISCAL IMPACT STATEMENT

LS 6969  
BILL NUMBER: HB 1004  
NOTE PREPARED: Jan 25, 2019  
BILL AMENDED: Jan 24, 2019

SUBJECT: School Safety.

FIRST AUTHOR: Rep. McNamara  
FIRST SPONSOR:  
BILL STATUS: 2nd Reading - 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. It provides that the Indiana Safe Schools Fund may be used to provide grants to provide school-based mental health services or social emotional wellness services to students.

Indiana Secured School Fund: The bill provides that an Indiana Secured School Fund matching grant may be used to employ a law enforcement officer. It provides that the Secured School Safety Board may award a secured school grant to certain schools to provide school-based mental health services or social emotional wellness services to students.

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 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 a matching grant from the Indiana Secured School Fund. It provides that advances made under the School Corporation and Charter School Safety Advance Program may be used to provide school-based mental health services or social emotional wellness services to students.

**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 (ISDH), the ISDH shall work with each school corporation, charter school, and nonpublic school with at least one employee (school) to provide students in grades 9 through 12 with the opportunity to participate in the survey.

The bill provides that if a school decides not to participate in the survey, the school shall notify the State Department of Health in writing of the school's decision not to participate. It establishes a procedure for both the State Department of Health and the school to use to notify the parent of a student or the student, if the student is an adult or an emancipated minor, to opt the student out of participation 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:** (Revised) **Indiana Safe Schools Fund:** The net impact on the Indiana Safe Schools Fund is unknown at this time. Savings would be realized by not having to allocate money from the fund to employ school resource officers or law enforcement officers (approximately $444,198 in FY 2018). In contrast, to the extent that funds are available, the number of grants from the fund could increase in order to provide school-based mental health services and social emotional wellness services to students. The Indiana Safe Schools Fund had a fund balance of a little under $1.84 M as of June 30, 2018. The Indiana Criminal Justice Institute should be able to process the potential increase in grant applications within its current resources.

(Revised) **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, and to provide school-based mental health services and social emotional wellness services to students, 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. The total grant amount would also increase if eligible school corporations and nonpublic schools are permitted to increase their grant to up to $50,000 or $100,000, as applicable.

(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. The amount of matching grants could increase if eligible school corporations and nonpublic schools are permitted to increase their matching grant in order to receive a grant of up to $50,000 or $100,000, as applicable.

(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.

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.

(Revised) Survey: The ISDH should be to fulfill its responsibilities under this provision within its current resource levels.

Additional Information:

(Revised) 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. School corporations with an ADM of at least 1,000, or a coalition of school corporations, can apply for a grant for up to $50,000 per year. School corporations with membership of less than 1,000 can apply for grants of up to $35,000 per year.
The bill makes a few changes to current law. School corporations with an ADM up to 5,000 would receive the same grant amount as under current law; school corporations with an ADM between 5,000 and 15,000 would receive a 50% increase in their grant amount to $75,000; school corporations with an ADM over 15,000 would receive a 100% increase to $100,000. The bill also permits eligible school corporations and nonpublic schools to increase their grant amount to up to $50,000 or $100,000, as applicable.

The matching grant does not have to be the same as the amount the school corporation receives. Instead, the matching grant would be based on the ADM.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *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 matching grant amount could increase if school corporations are permitted to increase their matching grant in order to receive a grant amount of up to $50,000 or $100,000, as applicable. 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:** (Revised) *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 (54 school corporations in FY 2019). The grant amount would also increase eligible school corporations are permitted to increase their grant amount to up to $50,000 or $100,000, as applicable.

(Revised) *Mental Health Services; 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. Additionally, under the bill, revenues could increase to those school corporations that receive a grant or an advance from the Indiana Safe Schools Fund, and the School Corporation and Charter School Safety Advance Program, as applicable.

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

**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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