

February 5, 2010

TO: School Board Members, Superintendents  
of Schools and School Business Officials

FROM: ISBA Staff  
IAPSS Staff  
IASBO Staff

SUBJECT: Legislative Bulletin 2010-2

## **The 116<sup>th</sup> Indiana General Assembly**

### **2nd Regular Session**

#### **LEGISLATIVE BULLETIN 2010-2**

On January 5, 2010, the House of Representatives and Senate reconvened the 116th Indiana General Assembly (2<sup>nd</sup> Regular Session) following a hearing schedule in December 2009 on the constitutional amendment and thus property tax caps. Since the beginning of 2010, the legislature has been on an interesting pace, conducting committee hearings on a range of topics with the major focus on property tax relief, ethics and lobbying reform. The review of bills such as school calendar, reading by third grade, adult education, teacher evaluation, dual enrollment costs, public access issues, teacher salary increments, school funds transfer permission and a host of others will be and have been discussion topics via media coverage, party caucuses, committee meetings and hall conversations. And, as a result, there is no question that because of the significance of public education that education-related issues will continue to be a focus even with the taxpayer outcry for property tax relief and the onerous public schools' budget cuts that were implemented for 2010.

Because of the short session and the certainty that many bills will not be heard, there is a high probability that several defeated or unheard bills will return for the long session. It is, therefore, important for the associations' memberships to contact their legislators on the impact of specific education-related bills as the information is shared on a daily basis through the electronic mail system. This will provide immediate Association positions at the local level and establish a base for the current and next session, of which it is always important to inform legislators of concepts that are acceptable and/or unacceptable. Additionally, if there are questions on specific bills, please contact an association staff member for an update and/or interpretation of pending legislation. FB

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**Senate Bills, House Bills and Action List are provided in separate email transmissions and are posted on the Associations' Websites.**

**Legend:**

FB – Frank Bush                      JE – John Ellis  
DC – Denny Costerison

\* The Associations are tracking 79 Senate and 64 House education-related bills for a total of 143 bills as of this Legislative Bulletin.

**Legislative Calendar for 2010 Session**

**Monday, October 19, 2009**

Senators may begin filing bills for the 2010 Session. (Senate Rule 42) Senator can file an unlimited number of bills (Senate Rule 45(a))

**Tuesday, November 17, 2009**

Organization Day for the 2010 Session (IC 2-2.1-1-3(a))  
Representatives may begin filing bills (House Rule 104)

**Thursday, December 31, 2009**

Senators may file only two bills per business day beginning today. (Senate Rule 45(a))

**Monday, January 11, 2010**

Latest day session must reconvene (IC 2-2.1-1-3(b))

**Friday, January 8, 2010**

Deadline for filing Senate bills (Senate Rule 45(a)) not later than 4:00 p.m.

**Fourth meeting day in January**

Deadline for filing House bills (Fourth meeting day in January)(House Rule 108.1, not later than 2:00 p.m.)

**Fifth meeting day in January**

Filing of House vehicle bills (Fifth meeting day in January)(House Rule 107)

**Seven (7) calendar days after last filing**

Last day Senate bills may be assigned to Senate committees. (Seven (7) calendar days following the last day for filing Senate bills and resolutions (Senate Rule 46(a))

**Ten (10) calendar days after filing**

Last day House bills may be assigned to committees unless committees have not been appointed, in which case bills shall be referred within ten (10) calendar days after the appointment of committees. (House Rule 113)

**Wednesday, February 3, 2010**

Last day for 3rd reading of Senate bills in Senate (Senate Rule 76(a), subject to Senate Rule 85(b))

**Noon Thursday, February 4, 2010**

Last day for Senate to receive House bills (Senate Rule 76(c), subject to Senate Rule 85(b))

**Wednesday, February 3, 2010**

Last day for 3rd reading of House bills in House (House Rule 147.1 )

**Wednesday, March 3, 2010**

Last day for 3rd reading of Senate bills in House (House Rule 148.1)

**Wednesday, March 3, 2010**

Last day for 3rd reading of House bills in the Senate (Senate Rule 76(b))

**Sunday March 14, 2010**

Last day for House adoption of conference committee reports without Rules Committee approval (House Rule 162.1)

**Sunday March 14, 2010**

Last day for Senate adoption of conference committee reports without Rules Committee approval (Senate Rule 83(j))

**Sunday March 14, 2010**

Last day for adjournment of both houses (IC 2-2.1-1-3(b)).

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**Important Date - Legislative Update and "A Day-at-the State House"  
FEBRUARY 18, 2010**

**ISBA, IAPSS, and IASBO have jointly agreed to cancel the February 18 Legislative Update.**

Due to the legislative timelines of the short session and the fact that the associations are providing current electronic communications on legislative activity, most of the legislative information will have already been distributed prior to February 18. If the General Assembly adjourns during the first week of March, which has been suggested by the leadership, then conference committees will be in progress rather than hearings on bills from the opposite chamber, creating an untimely meeting date for an update.

Another issue that has prompted cancellation is that preliminary registrations demonstrated a lack of interest in a February 18 Legislative Update due to busy personal calendars. Therefore, continue to monitor the email reporting system of the Associations for daily and weekly updates of legislative information. FB, JE, DC



## **ISBA Resolutions - Bills Filed**

ISBA has either specifically requested a legislator to file the corresponding bill as it reflects a specific ISBA resolution or a bill as noted has been filed that corresponds with an ISBA legislative resolution.

<b>ISBA Resolution</b>	<b>Bill Number/Title</b>	<b>Author</b>
Standing Resolution A. Funding State Mandates	SJR 1 Circuit breakers and other property tax matters SJR 10 Property tax HJR 1 Circuit breakers and other property tax matters HJR 2 Circuit breakers and other property tax matters	Senator Kenley  Senator M. Young Representative Crawford  Representative Bosma
Standing Resolution B. Elected/Appointed Boards and School Board Election	SB 241 Local government issues HB 1006 Lake Station school board election date HB 1096 School board election at general election time HB 1133 Election of school board members HB 1137 Recall of elected and appointed officials	Senator C. Lawson Representative V. Smith  Representative Sullivan  Representative C. Brown  Representative C. Brown
Standing Resolution C. Equivalent Instruction		
Standing Resolution D. Instructional Time/Class Size	SB 133 Student instructional time SB 150 School calendar HB 1092 School instructional time HB 1224 Limitation on school starting date	Senator Holdman Senator Delph Representative Dvorak Representative Lehe
Standing Resolution E. Teacher Collective Bargaining	HB 1012 Subjects of educational discussion and bargaining	Representative Torr
Standing Resolution F. Property Taxes and Other Revenue Sources	SJR 1 Circuit breakers and other property tax matters SJR 10 Property tax	Senator Kenley  Senator M. Young

	<p>SB 4 Homestead assessment value growth cap</p> <p>SB 28 Limit on property tax assessed value increases</p> <p>SB 193 Transfers between school funds</p> <p>SB 239 Property tax matters</p> <p>SB 309 School corporation expenditures</p> <p>SB 366 Limit on assessment increases</p> <p>SB 396 Agricultural land assessment</p> <p>SB 398 Homestead property taxes and sales and use taxes</p> <p>HJR 1 Circuit breakers and other property tax matters</p> <p>HJR 2 Circuit breakers and other property tax matters</p> <p>HB 1004 Assessed value of homesteads and farmland</p> <p>HB 1059 Property tax billing</p> <p>HB 1087 Notice of school tax levy referendum</p> <p>HB 1088 Real property reassessment</p> <p>HB 1149 Variable local option income tax</p> <p>HB 1302 Elimination of property taxes</p> <p>HB 1367 Education matters</p>	<p>Senator Zakas</p> <p>Senator C. Lawson</p> <p>Senator Errington</p> <p>Senator Hershman</p> <p>Senator Alting</p> <p>Senator Stutzman</p> <p>Senator Kenley</p> <p>Senator M. Young</p> <p>Representative Crawford</p> <p>Representative Bosma</p> <p>Representative Grubb</p> <p>Representative VanDenburgh</p> <p>Representative Thompson</p> <p>Representative Thompson</p> <p>Representative Thompson</p> <p>Representative Thompson</p> <p>Representative Porter</p>
<p>Standing Resolution G. School Governance Role/Powers</p>	<p>SB 205 Penalties imposed by public access counselor</p> <p>SB 230 E-mail notification of local government meetings</p> <p>HB 1075 Public access issues</p> <p>HB 1143 E-mail notification of local government meetings</p>	<p>Senator Mrvan</p> <p>Senator Waltz</p> <p>Representative Stilwell</p> <p>Representative Frizzell</p>
<p>Standing Resolution H. Staff Development Programs</p>	<p>SB 226 Suicide prevention training for school personnel</p> <p>SB 316 Dating violence policy and education</p> <p>SB 420 Relationship education; dating violence policies</p>	<p>Senator Miller</p> <p>Senator Rogers</p> <p>Senator Rogers</p>
<p>Standing Resolution I. Student Testing</p>	<p>SB 258 Reading deficiencies and student retention</p> <p>HB 1135 Advanced placement exams</p>	<p>Senator Kruse</p> <p>Representative Porter</p>

Standing Resolution J. Charter Schools	SB 181 Virtual charters and school scholarship tax credit SB 375 Charter school funding	Senator Hume Senator Taylor
Standing Resolution K. TIF Districts/Tax Abatements		
Standing Resolution L. Classified Personnel Bargaining	SB 322 Collective bargaining for school employees	Senator Skinner
Standing Resolution M. Alternative Schools		
Standing Resolution N. Voucher Plan and Tax Credits	SB 181 Virtual charters and school scholarship tax credit	Senator Hume
Standing Resolution O. School Consolidation		
Resolution 09-A-1-a School Distribution Formula	HB 1117 Funding of adult education	Representative Moseley
Resolution 09-A-1-b Special Education/High Ability Students		
Resolution 09-A-1-c Special Needs Factor		
Resolution 09-A-1-d Summer School		
Resolution 09-A-1-e Textbook Funding and Instructional Materials	SB 251 Textbook rental fees HB 1362 Textbook rental fee calculation	Senator Kenley Representative Dermody
Resolution 09-A-1-f Transportation	SB 74 Federal regulations on commercial driver licenses	Senator Wyss
Resolution 09-A-1-g Vocational Education	SB 345 Commission for career and technical education	Senator Yoder
Resolution 09-A-1-h Year- Round School		
Resolution 09-A-1-i Capital Projects Fund		
Resolution 09-A-1-j Lease Rental Payments from Debt Service Fund		
Resolution 09-A-2 Petition/ Remonstrance and Referendum Process	SB 197 Initiation of referendum or remonstrance process SB 401 Petitioners and remonstrators on local debt	Senator Walker Senator Yoder
Resolution 09-A-3 TIF Districts – PL 146—2008 HEA 1001 Related		
Resolution 09-B School Choice	SB 252 Waiver of transfer tuition	Senator Kenley

Resolution 09-C Open Door – Executive Session/Sale of Real Estate		
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**IAPSS Legislative Resolutions**

<b>IAPSS Legislative Position/Resolution</b>	<b>Bill Number/Title</b>	<b>Author</b>
Any discussions concerning the consolidation of service, administration, schools or school districts, or staffing comparisons, must be research based.	HB 1367 Education Matters.	Representative Porter
Fully fund all required programs. Add full-day kindergarten as a full student count in the ADM base for funding.	No action pending.	
IAPSS supports Foundation Funding per Adjusted ADM as the minimum funding level for all schools.	No action pending.	
Any school that receives state funding should be assigned the same accreditation requirements as mandated to public schools.	HB 1367 Education matters	Representative Porter
School corporations should be permitted to increase transportation levies by more than the five percent (5%) cap to compensate for the increase in fuel prices and other transportation costs. Without action, more school corporations may be forced to charge families for this service.	HB 1016 Transfer of money between funds.	Representative Truitt

IAPSS further believes that legislative action is needed to protect the school funding from being negatively impacted by the circuit breaker legislation to realize the state goal of moving dollars to instruction.	SJR 1 Circuit breakers and other property matters.	Senator Kenley
	HJR 1 Circuit breakers and other property matters.	Representative Crawford
	SJR 10 Property tax	Senator M. Young
	SB 4 Homestead assessment value growth cap	Senator Zakas
	SB 28 Limit on property tax assessed value increases	Senator C. Lawson
	SB 193 Transfers between school funds	Senator Errington
	SB 239 Property tax matters	Senator Hershman
SB 309 School corporation expenditures	Senator Alting	
SB 366 Limit on assessment increases	Senator Stutzman	

### **IASBO Resolutions - Bills Filed**

<b>IASBO Resolution</b>	<b>Bill Number/Title</b>	<b>Author</b>
School Distribution Formula and School Funding	HB 1117 Funding of adult education	Moseley
	SB 309 School corporation expenditures	Alting
	HB 1367 Education matters	Porter
Property Tax Billing	HB 1059 Property tax billing	VanDenburgh
Circuit Breaker	SJR 1 Circuit breakers and other property tax matters	Kenley
	HJR 1 Circuit breakers and other property tax matters	Crawford
School Construction Issues	SB 188 Qualification of public works professionals	Boots
	HB 1063 Energy efficient buildings	Pierce
Investment Issues	SB 238 Public depositories	Hershman
Petition & Remonstrance Process and Referendums	SB 239 Property tax matters	Hershman
	SB 401 Petitioners and remonstrators for local debt	Yoder
Textbook Rental Fees	SB 251 Textbook rental fees	Kenley

## **Information Topics**

### **SENATE JOINT RESOLUTION No. 1**

**Citations Affected:** Article 10, Section 1 of the Constitution of the State of Indiana.

**Synopsis:** Circuit breakers and other property tax matters. Requires, for property taxes first due and payable in 2012 and thereafter, the general assembly to limit a taxpayer's property tax liability as follows: (1) A taxpayer's property tax liability on homestead property may not exceed 1% of the gross assessed value of the homestead property. (2) A taxpayer's property tax liability on other residential property may not exceed 2% of the gross assessed value of the other residential property. (3) A taxpayer's property tax liability on agricultural land may not exceed 2% of the gross assessed value of the property that is the basis for the determination of the agricultural land. (4) A taxpayer's property tax liability on other real property may not exceed 3% of the gross assessed value of the other real property. (5) A taxpayer's property tax liability on personal property may not exceed 3% of the gross assessed value of the taxpayer's personal property that is the basis for the determination of property taxes within a particular taxing district. Specifies that property taxes imposed after being approved by the voters in a referendum shall not be considered for purposes of calculating the limits to property tax liability under these provisions. Provides that in the case of a county for which the general assembly determines in 2008 that limits to property tax liability are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units and school corporations in the county by at least 20%, the general assembly may provide that property taxes imposed in the county to pay debt service or make lease payments for bonds or leases issued or entered into before July 1, 2008, shall not be considered for purposes of calculating the limits to property tax. **Effective:** This proposed amendment must be agreed to by a second general assembly and ratified by a majority of the state's voters voting on the question to be effective.

Kenley, Miller, Hershman

A JOINT RESOLUTION proposing an amendment to Article 10, Section 1 of the Constitution of the State of Indiana concerning taxation.

*Be it resolved by the General Assembly of the State of Indiana:*

SECTION 1. The following proposed amendment to the Constitution of the State of Indiana, which was agreed to by the One Hundred Fifteenth General Assembly of the State of Indiana and referred to this General Assembly for reconsideration and agreement, is agreed to by this the One Hundred Sixteenth General Assembly of the State of Indiana.

SECTION 2. ARTICLE 10, SECTION 1 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED TO READ AS FOLLOWS: Section 1. (a) **Subject to this section**, the General Assembly shall provide, by law, for a uniform and equal rate of property assessment and taxation and shall prescribe regulations to secure a just valuation for taxation of all property, both real and personal.

(b) **A provision of this section permitting the General Assembly to exempt property from taxation also permits the General Assembly to exercise its legislative power to enact property tax deductions and credits for the property. The General Assembly may impose reasonable filing requirements for an exemption, deduction, or credit.**

(c) The General Assembly may exempt from property taxation any property in any of the following classes:

- (1) Property being used for municipal, educational, literary, scientific, religious, or charitable purposes.
- (2) Tangible personal property other than property being held as an investment.
- (3) Intangible personal property.
- (4) Tangible ~~real~~ property, including curtilage, used as a principal place of residence by an:
  - (A) owner of the property;
  - (B) individual who is buying the tangible ~~real~~ property under a contract; or
  - (C) individual who has a beneficial interest in the owner of the tangible ~~real~~ property.

~~(b)~~ (d) The General Assembly may exempt any motor vehicles, mobile homes (**not otherwise exempt under this section**), airplanes, boats, trailers, or similar property, provided that an excise tax in lieu of the property tax is substituted therefor.

(e) **This subsection applies to property taxes first due and payable in 2012 and thereafter. The following definitions apply to subsection (f):**

(1) **"Other residential property" means tangible property (other than tangible property described in subsection (c)(4)) that is used for residential purposes.**

(2) **"Agricultural land" means land devoted to agricultural use.**

(3) **"Other real property" means real property that is not tangible property described in subsection (c)(4), is not other residential property, and is not agricultural land.**

(f) **This subsection applies to property taxes first due and payable in 2012 and thereafter. The General Assembly shall, by law, limit a taxpayer's property tax liability as follows:**

(1) **A taxpayer's property tax liability on tangible property described in subsection (c)(4) may not exceed one percent (1%) of the gross assessed value of the property that is the basis for the determination of property taxes.**

(2) **A taxpayer's property tax liability on other residential property may not exceed two percent (2%) of the gross assessed value of the property that is the basis for the determination of property taxes.**

(3) **A taxpayer's property tax liability on agricultural land may not exceed two percent (2%) of the gross assessed value of the land that is the basis for the determination of property taxes.**

(4) **A taxpayer's property tax liability on other real property may not exceed three percent (3%) of the gross assessed value of the property that is the basis for the determination of property taxes.**

(5) **A taxpayer's property tax liability on personal property (other than personal property that is tangible property described in subsection (c)(4) or personal property that is other residential property) within a particular taxing district may not exceed three percent (3%) of the gross assessed value of the taxpayer's personal property that is the basis for the determination of property taxes within the taxing district.**

(g) **This subsection applies to property taxes first due and payable in 2012 and thereafter. Property taxes imposed after being approved by the voters in a referendum shall not be considered for purposes of calculating the limits to property tax liability under subsection (f).**

(h) **As used in this subsection, "eligible county" means only a county for which the General Assembly determines in 2008 that limits to property tax liability as described in subsection (f) are expected to reduce in 2010 the aggregate property tax revenue that would otherwise be collected by all units of local government and school corporations in the county by at least twenty percent (20%). The General Assembly may, by law, provide that**

**property taxes imposed in an eligible county to pay debt service or make lease payments for bonds or leases issued or entered into before July 1, 2008, shall not be considered for purposes of calculating the limits to property tax liability under subsection (f). Such a law may not apply after December 31, 2019.**

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**HOUSE ENROLLED JOINT  
RESOLUTION No. 1**

A JOINT RESOLUTION proposing an amendment to Article 10, Section 1 of the Constitution of the State of Indiana concerning taxation.

*Be it resolved by the General Assembly of the State of Indiana:*

SECTION 1. The following proposed amendment to the Constitution of the State of Indiana, which was agreed to by the One Hundred Fifteenth General Assembly of the State of Indiana and referred to this General Assembly for reconsideration and agreement, is agreed to by this the One Hundred Sixteenth General Assembly of the State of Indiana.

SECTION 2. ARTICLE 10, SECTION 1 OF THE CONSTITUTION OF THE STATE OF INDIANA IS AMENDED TO READ AS FOLLOWS: Section 1. (a) **Subject to this section**, the General Assembly shall provide, by law, for a uniform and equal rate of property assessment and taxation and shall prescribe regulations to secure a just valuation for taxation of all property, both real and personal.

**(b) A provision of this section permitting the General Assembly to exempt property from taxation also permits the General Assembly to exercise its legislative power to enact property tax deductions and credits for the property. The General Assembly may impose reasonable filing requirements for an exemption, deduction, or credit.**

(c) The General Assembly may exempt from property taxation any property in any of the following classes:

- (1) Property being used for municipal, educational, literary, scientific, religious, or charitable purposes.
- (2) Tangible personal property other than property being held as an investment.
- (3) Intangible personal property.
- (4) Tangible ~~real~~ property, including curtilage, used as a principal place of residence by an:
  - (A) owner of the property;
  - (B) individual who is buying the tangible ~~real~~ property under a contract; or
  - (C) individual who has a beneficial interest in the owner of the tangible ~~real~~ property.

~~(b)~~ **(d) The General Assembly may exempt any motor vehicles, mobile homes (not otherwise exempt under this section), airplanes, boats, trailers, or similar property, provided that an excise tax in lieu of the property tax is substituted therefor.**

**(e) This subsection applies to property taxes first due and payable in 2012 and thereafter. The following definitions apply to subsection (f):**

- (1) "Other residential property" means tangible property (other than tangible property described in subsection (c)(4)) that is used for residential purposes.**
- (2) "Agricultural land" means land devoted to agricultural use.**
- (3) "Other real property" means real property that is not tangible property described in subsection (c)(4), is not other residential property, and is not agricultural land.**

**(f) This subsection applies to property taxes first due and payable in 2012 and thereafter. The General Assembly shall, by law, limit a taxpayer's property tax liability as**



**SENATE BILL No. 30**

**Citations Affected:** IC 5-10.2; IC 5-10.3; IC 5-10.4; IC 36-8.

**Synopsis:** PERF and TRF benefits. Provides that certain members of the public employees' retirement fund (PERF) and the Indiana teachers' retirement fund (TRF) may withdraw the member's annuity savings account (ASA) if the member has separated employment and is not employed in a covered position for 30 days. (Current law provides that such members must have separated employment and not be in a covered position for 90 days.) Removes the requirement that certain members must be either a member of: (1) PERF after December 31, 2008; or (2) TRF after June 30, 2009; in order to request a distribution from the member's ASA. Authorizes the PERF and TRF to adopt rules to allow a member that designates more than one beneficiary to allocate benefit shares in percentage increments. Provides that, before July 1, 2012, an active member of the 1977 police officers' and firefighters' pension and disability fund (1977 fund) who is eligible to receive an unreduced retirement benefit may elect to receive at retirement a partial lump sum distribution equal to the member's monthly benefit times the member's years of creditable service in exchange for an actuarially reduced monthly benefit. Provides that an annual cost of living adjustment for monthly retirement benefits received by a member or survivor of the 1977 fund may not be used to decrease the member's monthly benefit. Requires the PERF board of trustees, one time before January 1, 2015, and every five years thereafter, to evaluate statewide physical and mental examination standards used by the 1977 fund. Makes a technical correction to resolve conflicting language. (The introduced version of this bill was prepared by the pension management oversight commission.) **Effective:** Upon passage; July 1, 2010.

**Boots , Tallian , Buck, Arnold, Deig**

**SB 30 passed the Senate by a vote of 49-0. The Associations support the bill.  
JE**

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**SENATE BILL No. 150**

**Citations Affected:** IC 20-30; noncode.

**Synopsis:** School year; calendar flexibility. Prohibits public schools and accredited nonpublic schools from beginning student instructional days for the school year before the Tuesday after the first Monday in September (Labor Day) and from ending after June 10 of the following year, beginning with the 2012-2013 school year. Provides that a governing body may establish an end date for a school year that is later than June 10 following a public hearing and a majority vote of the governing body. Makes an exception for year-round schools, schools with balanced calendars, and schools that coordinate calendars with a postsecondary educational institution. Makes the change effective for collective bargaining agreements and contracts negotiated after June 30, 2012. **Effective:** July 1, 2010.

**Delph, Kruse, Schneider, Zakas, Young R, Hume, Randolph, Mrvan, Stutzman, Mishler**

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

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

SECTION 1. IC 20-30-2-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 9. (a) This section does not apply**

to:

(1) a year-round school that has a calendar in which a break between instructional days does not exceed six (6) weeks;

(2) a school that has a balanced calendar of quarters; or

(3) a school that coordinates the school's calendar with that of a postsecondary educational institution.

(b) Beginning with the 2012-2013 school year, the student instructional days that make up a school year may not:

(1) begin before the Tuesday after Labor Day, the first Monday in September; and

(2) end after June 10 of the following year.

(c) Notwithstanding subsection (b), a governing body may end a school year after June 10 if:

(1) the governing body holds a public hearing on the issue; and

(2) following the public hearing, a majority of the members of the governing body vote for an ending date for the school year that is after June 10.

SECTION 2. [EFFECTIVE JULY 1, 2010] (a) IC 20-30-2-9, as added by this act, applies only to a collective bargaining agreement between a school employer (as defined in IC 20-29-2-15) and an exclusive representative that is entered into after June 30, 2012.

(b) IC 20-30-2-9, as added by this act, applies only to a contract entered into or renewed by a school after June 30, 2012.

(c) This SECTION expires June 30, 2013.

**SB 150 passed the Senate by a vote of 31-19. The Associations opposed the bill primarily because of the elimination of local control and the restriction that does not permit ending the first semester before the December holidays. FB**

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**SENATE BILL No. 224**

**Citations Affected:** IC 31-37; IC 35-42; IC 35-49.

**Synopsis:** Electronic dissemination of indecent material. Provides that a child commits a delinquent act if the child creates, transmits, or possesses a photograph, video, or other material that shows a minor engaging in sexual conduct. Creates a defense to child exploitation, possession of child pornography, and dissemination of material harmful to minors if the defendant is a child, the offense constitutes a delinquent act, and: (1) the photograph, video, or other material does not show a child less than thirteen (13) years of age; or (2) the defendant did not knowingly or intentionally transmit or display the photograph, video, or other material to ten or more persons. Requires a child's parent to participate in outpatient treatment or an educational program if a juvenile court orders the child to receive outpatient treatment or to attend an educational program. **Effective:** July 1, 2010.

**Merritt,** Delph, Head, Arnold

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

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

SECTION 1. IC 31-37-2-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 8. A child commits a delinquent act**

**if, before becoming eighteen (18) years of age, the child knowingly, intentionally, or recklessly uses a computer or telecommunications device to create, transmit, or possess a photograph, video, or other material that shows a minor engaging in sexual conduct (as defined in IC 35-49-1-9).**

SECTION 2. IC 31-37-19-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 4.5. (a) This section applies if a child is a delinquent child under IC 31-37-2 due to the commission of a delinquent act under IC 31-37-2-8.**

**(b) If a child has been adjudicated a delinquent child due to the commission of a delinquent act under IC 31-37-2-8, the court may enter one (1) or more of the following dispositional decrees:**

**(1) Order the child and the child's parent to receive outpatient treatment.**

**(2) Order the child and the child's parent to attend an educational program.**

SECTION 3. IC 35-42-4-4, AS AMENDED BY P.L.216-2007, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 4. (a) As used in this section:**

"Disseminate" means to transfer possession for free or for a consideration.

"Matter" has the same meaning as in IC 35-49-1-3.

"Performance" has the same meaning as in IC 35-49-1-7.

"Sexual conduct" means sexual intercourse, deviate sexual conduct, exhibition of the uncovered genitals intended to satisfy or arouse the sexual desires of any person, sadomasochistic abuse, sexual intercourse or deviate sexual conduct with an animal, or any fondling or touching of a child by another person or of another person by a child intended to arouse or satisfy the sexual desires of either the child or the other person.

**(b) A person who knowingly or intentionally:**

**(1) manages, produces, sponsors, presents, exhibits, photographs, films, videotapes, or creates a digitized image of any performance or incident that includes sexual conduct by a child under eighteen (18) years of age;**

**(2) disseminates, exhibits to another person, offers to disseminate or exhibit to another person, or sends or brings into Indiana for dissemination or exhibition matter that depicts or describes sexual conduct by a child under eighteen (18) years of age; or**

**(3) makes available to another person a computer, knowing that the computer's fixed drive or peripheral device contains matter that depicts or describes sexual conduct by a child less than eighteen (18) years of age;**  
**commits child exploitation, a Class C felony.**

**(c) A person who knowingly or intentionally possesses:**

**(1) a picture;**

**(2) a drawing;**

**(3) a photograph;**

**(4) a negative image;**

**(5) undeveloped film;**

**(6) a motion picture;**

**(7) a videotape;**

**(8) a digitized image; or**

**(9) any pictorial representation;**

**that depicts or describes sexual conduct by a child who the person**

**knows is less than sixteen (16) years of age or who appears to be less than sixteen (16) years of age, and that lacks serious literary, artistic, political, or scientific value commits possession of**



**SENATE BILL No. 230**

**Citations Affected:** IC 5-14.

**Synopsis:** E-mail notification of local government meetings. Provides that if the governing body of a public agency of a political subdivision provides initial notice of public meetings to members of the governing body or public officials by electronic mail, the governing body of a public agency shall also give initial public notice by electronic mail to any person (excluding news media) who annually requests notice of meetings. Provides that a governing body that fails to give initial notice by electronic mail: (1) does not invalidate any proceedings of the governing body including the validity of any bonds issued; and (2) a court may not declare void any policy, decision, or final action of the governing body based on the failure to give notice.

**Effective:** July 1, 2010.

**Waltz , Schneider, Mrvan**

**SB 230 passed the Senate by a vote of 35-15. The Associations support the bill. JE**

XX

**SENATE BILL No. 238**

**Citations Affected:** IC 5-13.

**Synopsis:** Public depositories. Removes the discretion of a school corporation to determine if a board of finance meeting is needed on an annual basis. Permits local government investment officers to invest in municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, or a unit of government, municipal corporation, or special taxing district in Indiana so long as the issuer has not defaulted on an obligation within the 20 years preceding the date of the purchase. Permits counties and political subdivisions to invest public funds in certificates of deposit under certain conditions. Eliminates the power of the conservancy district in Lawrenceburg and Danville (Hendricks County) to invest in equity securities. Provides that in the case of the host community agreement future fund in Danville, the municipal securities in which the fund may invest may not have a maturity of more than five years. (Current law specifies that there is no maximum maturity for these investments.) Replaces the requirement that money be invested in transaction accounts and certificates of deposit with the depository quoting the highest interest rate with the authority to invest in a depository offering any one of the top three interest rates so long as the reason for choosing the alternate depository is noted in the memorandum of quotes. Provides for geographical representation on the board for public depositories. Requires the four governor appointments to be a chief executive officer or a chief financial officer of a depository and that each appointment represent a different segment of the financial institutions industry based on total deposits. Provides that if the depository is not an Indiana bank, the appointee must be the most senior corporate officer of the depository with management or operational responsibility, or both, or the person designated to manage public funds for the bank's depository that is located in Indiana. Specifies that the terms of the appointed member is four years and that a member's term does not extend beyond the appointed term. Permits the governor to reappoint a member if the individual meets the requirements at the time of reappointment. Provides that a simple majority of the board members voting is required to approve an action by the board instead of a unanimous vote. Changes the notice requirement for meeting notices from ten days to two days. Allows the board to fix the

assessment rate at the times the board determines are necessary instead of twice each year. Requires the assessment be effective on the first day of a month and with 90 days' notice. Exempts certain certificates of deposit issued by a federally insured bank or savings and loan association from the assessment calculation. Provides that the board for depositories may consider capital adequacy, liquidity, and asset quality in addition to any study by actuaries in establishing any change in the reserve for losses. Increases the amount of anticipatory warrants the board may issue to pay immediate claims when the assets in the public deposit insurance fund are not sufficient to pay claims from \$1,500,000 to \$300,000,000. Permits the board to accept as collateral bonds or other obligations that the board could not invest in if the board determines the obligations are acceptable collateral. Permits the board to determine whether a depository may withdraw collateral when the amount of public funds on deposit is at least 10% less than the market value of securities pledged as collateral. Allows the board to determine the amount and type of substituted securities a depository may provide to insure the insurance funds solvency consistent with the depository's pro rata share of total deposit accounts of public funds based on an average of the depository's total public deposits. Provides that the market value of the substituted securities as of the date of delivery may be less than, but not exceed, the amount determined by the board. Provides that a joint investment fund may be invested or reinvested only in investments that are permitted for political subdivisions. Limits the maximum deposit of state and local public funds a public depository may have at any time to 100% of the balance in the public deposit insurance fund unless the depository pledges acceptable collateral as security for the excess amount of the deposit. Provides that a financial institution may not have public funds on deposit if it issues a credit card with an interest rate in excess of 21% per year. Provides that penalty rates, interest on cash advances, and annual fees may not be considered in calculating the 21% per year interest rate. Provides that the disqualification does not apply to an institution that serves only as an agent of such a credit card issuer. Eliminates a report by the public employees' retirement fund to the board for depositories' secretary-investment manager and an interest calculation concerning the coverage of local police and firefighter pension funds.

**Effective:** Upon passage; July 1, 2010.

**Hershman , Landske**

**SB 238 passed the Senate by a vote of 28-2. The Associations are continuing to review the bill. JE**

XX

**SENATE BILL No. 241**

**Citations Affected:** IC 3-5; IC 3-8; IC 3-10; IC 3-11; IC 6-1.1; IC 13-11; IC 20-23; IC 20-25; IC 33-33; IC 33-34; IC 36-1; IC 36-2; IC 36-3; IC 36-4; IC 36-5; IC 36-8; IC 36-9.

**Synopsis:** Local government issues. Provides that in counties other than Marion County, the county executive may adopt an ordinance providing that the voters of the county shall elect a single county chief executive officer to serve as the county executive and a county council that has the legislative and fiscal powers and duties of the county. Provides that such an ordinance to change the structure of county government may be adopted only during an odd-numbered year or before July 1 of an even-numbered year. Specifies that an ordinance providing for a single

elected county executive officer must be approved by: (1) a unanimous vote of all the elected members of the county executive, in the case of a county executive with not more than three members; or (2) a vote of at least two-thirds of all the elected members of the county executive, in the case of a county executive with more than three members. Provides that in a county with a single county chief executive officer: (1) the initial county chief executive officer is elected in the second general election after the ordinance to change the structure of county government is approved; (2) the board of county commissioners is abolished; and (3) the membership of the county council continues under existing law. Places city offices on the primary and general election ballots before (rather than after) township employee. Prohibits a relative of an officer or employee of a political subdivision from being employed by the political subdivision in a position that would put the relative in a direct supervisory or subordinate relationship with the officer or employee. Specifies that an employee of a political subdivision is not required by these provisions to be terminated or reassigned from any position held by that individual before July 1, 2010, but provides that this grandfathering provision expires January 1, 2015. Provides that a political subdivision may not enter into or renew certain contracts. Provides for the adjustment of maximum property tax levies after the consolidation of fire departments in Marion County. Provides that the property tax levy limits do not apply to property taxes imposed by the consolidated city to pay indebtedness assumed or paid under a consolidation of fire departments in Marion County. Specifies that not more than four years after the consolidation of a fire department in Marion County, the consolidated city may levy a tax above the tax rate set for the consolidated fire department in the township as necessary to phase out that township's borrowing for fire and emergency services and any other emergency or temporary loans by the township for fire and emergency services. Requires constables and deputy constables to file an annual statement of economic interests with the commission on judicial qualifications. Provides that a building authority in Marion County must submit its operating and maintenance budget and tax levy to the city-county council for approval. Establishes the use of vote centers as an option for all counties. Requires the county election board (board) to adopt an order designating a county a vote center county, adopt a plan to administer the vote centers, and file the order and the plan with the election division. Requires the board to accept and consider public comment before adopting an order designating the county as a vote center county. Provides that designation of a county as a vote center county remains in effect until the board rescinds the order designating the county as a vote center county and files a copy of the rescission with the election division. Provides that an electronic poll list must be programmed so that access to the list requires the coordinated action of two precinct election officials who are not members of the same political party. Allows an electronic poll list used at a vote center to include an electronic image of the voter's signature, if available. Authorizes a precinct election board administering an election at a vote center to report the vote totals by precinct on election night. Redesignates automatically as a vote center county a county previously designated a vote center pilot county. **Provides that school board members selected by election must be elected at general elections beginning in 2010.** Repeals the expiration date of the vote center program and provisions that: (1) require the secretary of state's approval of the vote center designation; and (2) allow the secretary of state to revoke the vote center designation. Repeals other obsolete and superseded statutes. **Effective:** Upon passage; July 1, 2010; January 1, 2011. **Lawson C , Wyss, Sipes, Altig**

**SB 241 passed the Senate by a vote of 28-22. The bill is one of three of the Governor's initiatives for the public schools during 2010. The Associations are affected by only one section of the bill as noted in bold in the synopsis. This concept has been opposed by ISBA for the past four years. IAPSS also opposes the concept. It appears within the bill that if it passes all school board**



**SENATE BILL No. 251**

**Citations Affected:** IC 20-26.

**Synopsis:** Textbook rental fees. Permits public and nonpublic schools to rent textbooks using an average fee for each student if the average is determined using the same total rental fees that would be charged under the per student method. **Effective:** July 1, 2010.

**Kenley , Head**

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

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

SECTION 1. IC 20-26-12-2, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 2. (a) A governing body may purchase from a contracting publisher, at a price equal to or less than the net contract price, any textbook adopted by the state board and selected by the proper local officials. The governing body may rent these textbooks to students enrolled in any public or nonpublic school that is:

- (1) in compliance with the minimum certification standards of the state board; and
- (2) located within the attendance unit served by the governing body.

The annual rental rate may not exceed twenty-five percent (25%) of the retail price of the textbooks.

(b) Notwithstanding subsection (a), the governing body may not assess a rental fee of more than fifteen percent (15%) of the retail price of a textbook that has been:

- (1) adopted for usage by students under IC 20-20-5;
- (2) extended for usage by students under IC 20-20-5-2; and
- (3) paid for through rental fees previously collected.

**(c) Instead of determining rental fees for textbooks under subsections (a) and (b), a governing body may rent textbooks to students enrolled in public and nonpublic schools described in subsection (a) for a uniform fee per student. To use a uniform fee, the governing body must adopt a resolution to use the uniform fee or receive a resolution to use the uniform fee that is adopted by the governing board of a nonpublic school whose students rent textbooks from the governing body. A uniform textbook rental fee used under this subsection must be calculated using:**

**(1) a numerator representing the sum of the rental fees for all of the books to be rented by the governing body to students of a public school or to students of a nonpublic school; and**

**(2) a denominator representing the number of students to whom textbooks are to be rented.**

**In determining the sum to be used as the numerator in the calculation, the number representing the rental fee for a book to which subsection (a) applies may not exceed twenty-five percent (25%) of the book's retail price and the number representing the rental fee for a book to which subsection (b) applies may not exceed fifteen percent (15%) of the book's retail price.**

**(e) (d)** This section does not limit other laws.

**SB 251 passed the Senate by a vote of 44-6. The Associations support the flexibility of the bill. FB**

XX

**SENATE BILL No. 252**

**Citations Affected:** IC 20-26; IC 20-28; noncode.

**Synopsis:** Waiver of transfer tuition; sign language interpreters. Provides that a transferee school may elect to not charge transfer tuition to the parents of a student or a student who transfers into the transferee school. Requires the department of education to set standards for sign language interpreters who provide services in an educational setting before July 1, 2011, and voids rules adopted by the division of disability and rehabilitative services. **Effective:** July 1, 2010.

**Kenley, Kruse**

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

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

SECTION 1. IC 20-26-11-6, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 6. (a) A school corporation may accept a transferring student without approval of the transferor corporation under section 5 of this chapter.

(b) A transfer may ~~not~~ be accepted ~~unless~~ **regardless of whether, as a condition of the transfer, the transferee school requires** the requesting parents or student ~~pays to pay~~ transfer tuition in an amount determined under the formula established in section 13 of this chapter for the payment of transfer tuition by a transferor school corporation. However, **if the transferee school elects to charge transfer tuition**, the transferee school may not offset the amounts described in section 13(b) STEP TWO (B) through section 13(b) STEP TWO (D) of this chapter from the amount charged to the requesting parents or student.

(c) **When the transferee school elects to charge tuition to the requesting parents or student**, the tuition determined under subsection (b) must be paid by the parents or the student before the end

of the school year in installments as determined by the transferee corporation.

(d) Failure to pay a tuition installment **that is agreed to by the parents or student and the transferee school corporation** is a ground for exclusion from school.

(e) **If the transferee school elects not to charge transfer tuition to the parents or student under this section, the transferee school may not charge transfer tuition or fees to the transferor school.**

SECTION 2. IC 20-28-2-6, AS AMENDED BY P.L.12-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 6. (a) Subject to subsection (c) and in addition to the powers and duties set forth in IC 20-20-22 or this article, the advisory board may adopt rules under IC 4-22-2 to do the following:

(1) Set standards for teacher licensing and for the administration of a professional licensing and certification process by the department.

(2) Approve or disapprove teacher preparation programs.

(3) Set fees to be charged in connection with teacher licensing.

(4) Suspend, revoke, or reinstate teacher licenses.

(5) Enter into agreements with other states to acquire reciprocal approval of teacher preparation programs.

(6) Set standards for teacher licensing concerning new subjects of study.

(7) Evaluate work experience and military service concerning postsecondary education and

experience equivalency.

(8) Perform any other action that:

(A) relates to the improvement of instruction in the public schools through teacher education and professional development through continuing education; and

(B) attracts qualified candidates for teacher education from among the high school graduates of Indiana.

(9) Set standards for endorsement of school psychologists as independent practice school psychologists under IC 20-28-12.

(10) Before July 1, ~~2010~~, **2011**, set standards for sign language interpreters who provide services to children with disabilities in an educational setting and an enforcement mechanism for the interpreter standards.

(b) Notwithstanding subsection (a)(1), an individual is entitled to one (1) year of occupational experience for purposes of obtaining an occupational specialist certificate under this article for each year the individual holds a license under IC 25-8-6.

(c) Before publishing notice of the intent to adopt a rule under

IC 4-22-2, the advisory board must submit the proposed rule to the state superintendent for approval. If the state superintendent approves the rule, the advisory board may publish notice of the intent to adopt the rule. If the state superintendent does not approve the rule, the advisory board may not publish notice of the intent to adopt the rule.

(d) The advisory board may adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to establish procedures to expedite the issuance, renewal, or reinstatement under this article of a license or certificate of a person whose spouse serves on active duty (as defined in IC 25-1-12-2) and is assigned to a duty station in Indiana. Before publishing notice of the intent to adopt a permanent rule under IC 4-22-2, the advisory board must comply with subsection (c).

**SECTION 3. [EFFECTIVE JULY 1, 2010] 460 IAC 2-5-1 through 460 IAC 2-5-9 are void. The publisher of the Indiana Administrative Code and Indiana Register shall remove these sections from the Indiana Administrative Code.**

**SB 252 passed the Senate by a vote of 48-2. The Associations support the clarification of and need for the bill. FB**

XX

**SENATE BILL No. 256**

**Citations Affected:** Noncode.

**Synopsis:** School corporation administrative hearings. Urges the legislative council to assign as a study topic during the legislative interim of the issue of whether a student or the parent of a student who believes the student has been improperly denied participation in an educational function or subjected to an illegal rule or standard should be entitled to a hearing with the school corporation's superintendent, upon request of the student or parent. **Effective:** July 1, 2010.

**Kruse , Rogers**

A BILL FOR AN ACT concerning education.

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

**SECTION 1. [EFFECTIVE JULY 1, 2010] (a) The legislative council is urged to refer to an education study committee that meets during the 2010 legislative interim the issue of whether a student or the student's parent who believes that the student has been:**

**(1) improperly denied participation in an educational function of a school corporation;**  
**or**

**(2) subjected to an illegal rule or standard contrary to a state statute, an applicable statute of the United States, the Constitution of the State of Indiana, or the Constitution of the United States;**

**and is unable to resolve the issue with the administrative staff should be entitled to a hearing with the superintendent, upon request of the student or parent.**

**SB 256 passed the Senate by a vote of 41-9. The Associations support the study committee but are concerned about the need for the bill and opposed it as such in committee. FB**

XX

**SENATE BILL No. 258**

**Citations Affected:** IC 20-20; IC 20-32.

**Synopsis:** Reading skills. Requires additional information concerning ISTEP performance and student retention be included on a school corporation's annual performance report. Requires schools to give priority in the allocation of resources to remediation programs to students who are deficient in reading skills in kindergarten through grade 3. Requires the state superintendent of public instruction in conjunction with the state board of education to develop a plan to improve reading skills of students. Provides that the plan must include reading skill standards for grade 3, an emphasis on a method for making determinant evaluations by grade 3 that might require remedial action for the student, including retention, if reading skills are below the standard, and the fiscal impact of each component of the plan. Requires for any component of the plan that has a fiscal impact, that the state superintendent present those components of the plan to the general assembly to determine the amount of any appropriation in the state budget for the state fiscal years beginning in 2011 and 2012. Provides that to the extent a component of the plan does not have a fiscal impact, that component of the plan may be implemented after the state board holds a public hearing at which there is full public discussion and review by the state board. Permits the state board to adopt rules to carry out the plan. **Effective:** July 1, 2010; July 1, 2012.

**Kruse, Buck, Head, Leising, Mrvan, Schneider, Zakas, Rogers**

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

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

**SECTION 1. IC 20-20-8-8, AS AMENDED BY P.L.3-2008, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]:** Sec. 8. The report must include the following information:

- (1) Student enrollment.
- (2) Graduation rate (as defined in IC 20-26-13-6).

- (3) Attendance rate.
- (4) The following test scores, including the number and percentage of students meeting academic standards:
  - (A) ISTEP program test scores.
  - (B) Program test scores for the reading portion of ISTEP.**
  - ~~(B)~~ (C) Scores for assessments under IC 20-32-5-21, if appropriate.
  - ~~(C)~~ (D) For a freeway school, scores on a locally adopted assessment program, if appropriate.
- (5) Average class size.
- (6) The number and percentage of students in the following groups or programs:
  - (A) Alternative education, if offered.
  - (B) Career and technical education.
  - (C) Special education.
  - (D) High ability.
  - (E) Remediation.
  - (F) Limited English language proficiency.
  - (G) Students receiving free or reduced price lunch under the national school lunch program.
  - (H) School flex program, if offered.
- (7) Advanced placement, including the following:
  - (A) For advanced placement tests, the percentage of students:
    - (i) scoring three (3), four (4), and five (5); and
    - (ii) taking the test.
  - (B) For the Scholastic Aptitude Test:
    - (i) test scores for all students taking the test;
    - (ii) test scores for students completing the academic honors diploma program; and
    - (iii) the percentage of students taking the test.
- (8) Course completion, including the number and percentage of students completing the following programs:
  - (A) Academic honors diploma.
  - (B) Core 40 curriculum.
  - (C) Career and technical programs.
- (9) The percentage of grade 8 students enrolled in algebra I.
- (10) The percentage of graduates who pursue higher education.
- (11) School safety, including:
  - (A) the number of students receiving suspension or expulsion for the possession of alcohol, drugs, or weapons; and
  - (B) the number of incidents reported under IC 20-33-9.
- (12) Financial information and various school cost factors, including the following:
  - (A) Expenditures per pupil.
  - (B) Average teacher salary.
  - (C) Remediation funding.
- (13) Technology accessibility and use of technology in instruction.
- (14) Interdistrict and intradistrict student mobility rates, if that information is available.
- (15) The number and percentage of each of the following within the school corporation:
  - (A) Teachers who are certificated employees (as defined in IC 20-29-2-4).
  - (B) Teachers who teach the subject area for which the teacher is certified and holds a license.
  - (C) Teachers with national board certification.

- (16) The percentage of grade 3 students reading at grade 3 level.
- (17) The number of students expelled, including the number participating in other recognized education programs during their expulsion.
- (18) Chronic absenteeism, which includes the number of students who have been absent more than ten (10) days from school within a school year without being excused.
- (19) The number of students who have dropped out of school, including the reasons for dropping out.
- (20) The number of student work permits revoked.
- (21) The number of student driver's licenses revoked.
- (22) The number of students who have not advanced to grade 10 due to a lack of completed credits.
- (23) The number of students suspended for any reason.
- (24) The number of students receiving an international baccalaureate diploma.
- (25) Student retention information for each grade from kindergarten through grade 10, including the number and percentage of students retained in each grade.**

~~(25)~~ **(26)** Other indicators of performance as recommended by the education roundtable under IC 20-19-4.

SECTION 2. IC 20-32-8-9, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 9. If the governing body decides to establish a remediation program or preventive remediation program under this chapter, the governing body must:

**(1) give priority in the allocation of resources to students who are deficient in reading skills in kindergarten through grade 3;**

~~(2)~~ **(2)** subject to section 10 of this chapter, determine the type of program that best fits the needs of the students of the school corporation; and

~~(2)~~ **(3)** adopt guidelines for:

(A) procedures for determining student eligibility for a program; and

(B) implementation of the program.

SECTION 3. IC 20-32-8.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

#### **Chapter 8.5. Reading Deficiency Remediation Plan**

**Sec. 1. The state superintendent in conjunction with the state board shall develop a plan to improve reading skills of students.**

**Sec. 2. The plan required by this chapter must include the following:**

**(1) Reading skill standards for grade 3.**

**(2) An emphasis on a method for making determinant evaluations by grade 3 that might require remedial action for the student, including retention, if reading skills are below the standard.**

**(3) The fiscal impact of each component of the plan, if any.**

**Sec. 3. (a) For any component of the plan that has a fiscal impact, the state superintendent shall present those components of the plan to the general assembly:**

**(1) for consideration of the plan; and**

**(2) to determine the amount of any appropriation in the state budget for the state fiscal years beginning in 2011 and 2012 that is necessary to carry out the plan.**

**(b) To the extent a component of the plan does not have a fiscal impact, that component of the plan may be implemented after the board holds a public hearing at which there is full public discussion and review by the board.**

**Sec. 4. The state board may adopt rules under IC 4-22-2 to carry out this chapter.**

**SB 258 passed the Senate by a vote of 33-17. The bill was substantially amended to remove the \$49M fiscal and require the State Board to develop policies on reading. However, one caveat must be shared regarding the potential for the State Board to adopt a rule on reading that could be a mandate without funding. The discussions and deliberation of the State Board on this issue will have to be monitored during 2010-2012. The Associations opposed the original bill because of the fiscal and will raise a few additional concerns such as parental engagement and earlier intervention than the third grade when the bill is heard in the House. FB**

XX

**SENATE BILL No. 309**

**Citations Affected:** IC 20-40.

**Synopsis:** School corporation fund transfers. Allows the governing body of a school corporation to adopt a resolution to transfer money for 2010 and 2011 among funds maintained by a school corporation, except to or from the debt service fund, and certifying that no employees of the school corporation will receive a compensation increase for the 2010-2011 school year. Limits the amount that can be transferred to the amount the school corporation's state tuition support is reduced for 2010 and 2011. Permits transfers only in 2010 and 2011. **Effective:** July 1, 2010.  
**Alting , Miller, Broden, Charbonneau**

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

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

SECTION 1. IC 20-40-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

**Chapter 16. School Fund Transfers**

**Sec. 1. As used in this chapter, "fund" means any of the following funds of a school corporation:**

- (1) The general fund (IC 20-40-2).
- (2) The racial balance fund (IC 20-40-5).
- (3) The school transportation fund (IC 20-40-6).
- (4) The school bus replacement fund (IC 20-40-7).
- (5) The capital projects fund (IC 20-40-8).
- (6) The levy excess fund (IC 20-40-10).
- (7) The repair and replacement fund (IC 20-40-11).
- (8) The self-insurance fund (IC 20-40-12).
- (9) The school technology fund (IC 20-40-15).

The term does not include the debt service fund established under IC 20-40-9.

**Sec. 2. As used in this chapter, "qualified school corporation" means a school corporation in which all of the employees will not receive a general compensation increase for the 2010-2011 school year as set forth in a resolution adopted by the governing body of the school corporation and as determined by the department of education. A general compensation increase:**

- (1) includes an increase in salary, employee health insurance benefits, and an increase

under IC 20-28-9-2 or IC 20-28-9-3; and

(2) does not include an incidental or automatic increase caused by tax or federal insurance contribution act provisions or an increase in the employer's contribution to the teachers' retirement fund or the public employees' retirement fund.

Sec. 3. (a) If a school corporation desires to make a transfer under this chapter, the school corporation must do the following before August 1, 2010:

(1) The governing board of the school corporation must adopt a resolution:

(A) requesting that the department of education permit a transfer from one (1) or more funds to one (1) or more other funds during 2010 or 2011, or both; and

(B) certifying that the school corporation will not provide any general compensation increases to any employees for the 2010-2011 school year and will permanently eliminate any foregone increase when considering compensation increases after the 2010-2011 school year.

(2) The school corporation must file a notice with the department of education providing a certified copy of the resolution and any other information required by the department of education.

(b) The maximum amount that may be transferred from all funds under this chapter is the amount the school corporation's state tuition support is reduced for 2010 and 2011, as determined by the department of education.

(c) If a fund to fund transfer is made during a year, the school corporation shall file a report with the department within three (3) months after the end of the year. The report must include the following:

(1) The purpose of the transfer.

(2) The funds involved in the transfer.

(3) The amount transferred between the funds.

(4) The impact of the transfer to the programs that are

supported by the fund from which the transfer was made.

Sec. 4. A transfer is not permitted under this chapter after December 31, 2011.

Sec. 5. This chapter expires June 30, 2012.

**SB 309 passed the Senate by a vote of 36-14. The original language of the bill was stripped with the current language amended in committee. The Associations supported the original bill but have reservations about the viability of the requirement of the school board to obtain an agreement with the teachers union as such to enact a transfer of funds. It will be a better opportunity for the school board if there is a "good fair effort" toward agreement that permits transfers but falls short of the union agreeing to reductions. Otherwise, no transfer of funds will be possible. JE**

XX

**SENATE BILL No. 316**

**Citations Affected:** IC 20-19.

**Synopsis:** Dating violence. Requires the department of education to develop guidelines for use in professional development activities concerning dating violence. **Effective:** July 1, 2010.

**Rogers , Kruse**

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

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

SECTION 1. IC 20-19-3-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010] **Sec. 10. The department shall develop guidelines that schools may use in professional development activities concerning dating violence. The guidelines must include the following topics:**

- (1) Warning signs of dating violence.
- (2) The basic principles of dating violence prevention.
- (3) Methods of parental education and outreach.

**SB 316 passed the Senate by a vote of 41-8. The Associations supported the original bill which was amended in committee to the current language. FB**

XX

**SENATE BILL No. 337**

**Citations Affected:** IC 36-1.5; IC 36-6.

**Synopsis:** Local government merger and cooperation. Requires the department of local government finance to develop criteria for making a one-time adjustment to allow a political subdivision to retain a portion of its levy and budget that would otherwise be reduced because of savings from a government reorganization or merger. Specifies that such an adjustment may not exceed 50% of the savings or reduction realized in the first full year of operation after the merger or reorganization. Specifies that the adjustment applies in the first year in which the adjustment is made and to all subsequent years. Provides that fiscal body of the reorganizing political subdivision or new township shall determine and certify to the department of local government finance the amount of the one time adjustment that the political subdivision or new township wishes to accept. Provides that in the case of a reorganization under the government modernization statutes, the amount of any one time adjustment accepted by a reorganized political subdivision must comply with the reorganization agreement. **Effective:** July 1, 2010.

**Head , Hershman, Broden, Randolph, Charbonneau**

**SB 337 passed the Senate by a vote of 48-0. The Associations support the bill. DC**

XX

**SENATE BILL No. 401**

**Citations Affected:** IC 6-1.1.

**Synopsis:** Petitioners and remonstrators for local debt. Permits an owner of a mobile home or a manufactured home that is used as a principal place of residence and that is assessed as personal property within a political subdivision to participate in the petition and remonstrance process for

the issuance of debt or execution of a lease on a controlled project by the political subdivision.  
**Effective:** July 1, 2010.  
**Yoder , Randolph**

**SB 401 passed the Senate by a vote of 50-0. The Associations were neutral on the bill. DC**

XX

**HOUSE BILL No. 1004**

**Citations Affected:** IC 6-1.1; IC 8-22; IC 36-7; noncode.

**Synopsis:** Property taxes. Requires trending adjustments to real property assessments every two years instead of annually. In making the annual calculation of the base rate for the assessment of agricultural land, requires the department of local government finance to use an adjusted six year average that eliminates the highest and lowest values determined for the six year period. Applies a property tax credit to limit property tax liability on real property based on the change in the annual average Consumer Price Index (CPI). Requires the budget agency to determine and give notice of the CPI factor. Excepts from eligibility for the credit taxes based on certain changes relating to the real property, taxes imposed after being approved by the voters in a referendum or local public question, taxes payable in the first year after certain transfers of title, taxes that result from the correction of an error, and taxes attributable to the elimination of or a reduction in the amount of a tax abatement deduction. Specifies how the credit applies if parcels are combined. Allows an appeal to the distressed unit appeal board by certain political subdivisions affected by the credit. Specifies the relief that board may authorize.

**Effective:** January 1, 2010 (retroactive); July 1, 2010.

**Grubb, Pearson, Steuerwald , Espich**

**HB 1004 passed the House by a vote of 82-13. The Associations provide the bill for information purposes. FB**

XX

**HOUSE BILL No. 1005**

**Citations Affected:** IC 20-28.

**Synopsis:** Indefinite teacher contracts. Removes the age limit for teachers who hold an indefinite contract. **Effective:** July 1, 2010.

**Smith V**

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

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

SECTION 1. IC 20-28-6-8, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 8. (a) An individual who:

(1) serves under contract as a teacher in a public school corporation for at least five (5) successive years; and

(2) at any time enters into a teacher's contract for further service with the school corporation; becomes, by entering into the contract described in subdivision (2), a permanent teacher of the school corporation. When a contract between the school corporation and a permanent teacher expires by the contract's terms, the contract is considered to continue indefinitely as an indefinite contract.

(b) An indefinite contract remains in force until ~~the permanent teacher becomes seventy-one (71) years of age, unless~~ the indefinite contract is:

- (1) replaced by a new contract signed by both parties; or
- (2) canceled as provided in IC 20-28-7.

**HB 1005 passed the House by a vote of 93-1. The Associations support the bill. JE**

XX

**HOUSE BILL No. 1063**

**Citations Affected:** IC 4-13; noncode.

**Synopsis:** Energy efficient buildings. Requires certain government buildings to be designed and constructed or renovated to achieve or exceed the performance criteria determined under certain rating systems. Specifies that the Environmental Protection Agency's Energy Star rating system is an optional standard permissible only for the renovation or reconstruction of a government building. Provides that Indiana hardwood lumber may be considered for use as a local source material in any project in which the use of Indiana hardwood lumber is practicable. Recognizes a 2006 timberland study. **Effective:** July 1, 2010.

**Pierce , Harris**

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.  
*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 4-13-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

**Chapter 20. Government Building Design Standards for Energy Efficiency**

**Sec. 1. (a) This chapter applies to a design plan that is approved by the owner of a government building after June 30, 2010 for:**

- (1) the major renovation of the government building; or
- (2) the construction of a new government building that satisfies both of the following requirements:

(A) The government building will consist of at least five thousand (5,000) square feet of floor space.

(B) The construction project will cost the owner of the government building at least five hundred thousand dollars (\$500,000).

(b) This chapter does not apply to a design plan for the major renovation or construction

of a building that does not consume energy for heating, ventilating, or air conditioning.

**Sec. 2.** As used in this chapter, "government building" means a building owned, occupied, and used by any of the following:

- (1) A state agency (as defined in IC 4-13-1-1(b)).
- (2) Any other authority, board, branch, commission, committee, department, division, or instrumentality of the executive branch of state government, including the following:
  - (A) A license branch operated or administered under IC 9-16.
  - (B) The state police department created by IC 10-11-2-4.
- (3) A state educational institution (as defined in IC 21-7-13-32).
- (4) A body corporate and politic created by statute.
- (5) The judicial department of state government.
- (6) The legislative department of state government.
- (7) A political subdivision (as defined in IC 36-1-2-13).
- (8) A school corporation (as defined in IC 36-1-2-17).

**Sec. 3.** As used in this chapter, "LEED rating system" refers to the United States Green Building Council's Leadership in Energy and Environmental Design rating system.

**Sec. 4.** As used in this chapter, "major renovation" refers to a renovation of a government building in which:

- (1) the building shell is used to contain new construction;
- (2) the heating, air conditioning, ventilation, electrical, and plumbing systems of the building are replaced; and
- (3) at least seven thousand five hundred (7,500) square feet are renovated.

**Sec. 5.** (a) A newly constructed government building must be designed and constructed to achieve or exceed the performance criteria determined under any of the following:

- (1) The silver rating under the LEED rating system.
- (2) The Two Globes rating under the Green Building Initiative's Green Globes rating system.
- (3) An equivalent rating under a rating system that is accredited by the American National Standards Institute.

(b) This subsection does not apply to contracts for the reconstruction, repair, alteration, or retrofitting of a building or structure that is listed or eligible for listing on the National Register of Historic Places. A major renovation of a government building must be designed, renovated, or reconstructed to achieve or exceed the performance criteria determined under any of the following:

- (1) The silver rating under the LEED rating system.
- (2) The Two Globes rating under the Green Building Initiative's Green Globes rating system.
- (3) The Environmental Protection Agency's Energy Star rating system.
- (4) An equivalent rating under a rating system that is accredited by the American National Standards Institute.

**Sec. 6.** The owner of a government building shall consider the historic or aesthetic qualities of the building and the availability of local materials when determining performance criteria required of the design, construction, renovation, or reconstruction of the government building by section 5 of this chapter.

**Sec. 7.** (a) As used in this section, "Indiana hardwood lumber" means hardwood lumber harvested from real property located in Indiana.

(b) The owner of a government building may consider Indiana hardwood lumber for use as a local source material in any project in which the use of Indiana hardwood lumber is practicable.

**SECTION 2. [EFFECTIVE JULY 1, 2010] The general assembly recognizes that the 2006 study:**

- (1) conducted by the department of natural resources division of forestry; and**
  - (2) entitled "The Sustainability of Indiana's Forest Resources";**
- indicates Indiana timberland acreage and volume has steadily increased since 1967.**

**HB 1063 passed the House by a vote of 51-47. The Associations support the bill. JE**

XX

**HOUSE BILL No. 1075**

**Citations Affected:** IC 3-7; IC 5-14; IC 34-30.

**Synopsis:** Public access issues. Requires a public agency to: (1) allow inspection or copying; or (2) make copies; of a public record within a reasonable time after the request is received by the agency. Provides that the court may impose a civil penalty against: (1) an officer of a public agency or an individual employed in a management level position with a public agency; or (2) the public agency; for violating the public records law or the open door law. Provides that the court may impose a civil penalty of: (1) not more than \$100 for the first violation; and (2) not more than \$500 for any additional violations. Provides that a court may: (1) impose only one civil penalty against an individual in an action even if the court finds that the individual committed multiple violations; and (2) impose another civil penalty against an individual in a separate action. Provides that if an officer of a state or local government agency orders a management level employee to: (1) not give proper notice of a public meeting or executive session; or (2) deny or interfere with a person's request to inspect or copy a public document; the employee is not subject to a civil penalty for violating the statute. Provides that if a local government agency has the capacity to send electronic mail, the agency shall provide notice to anyone (other than news media) that makes an annual request for notice by: (1) transmitting the notice by electronic mail; or (2) posting the notice on the agency's Internet web site (if the agency has an Internet web site). Provides that a court may not declare a governmental action void for failure to give notice by electronic mail or posting on the local government agency's web site, if the agency made a good faith effort to comply with the statute. Provides that a public agency may withhold personal information from public disclosure regarding an individual less than 18 years of age who participates in an activity conducted or supervised by a state educational institution, including personal information regarding the individual's parent or guardian. Requires (rather than allows) a court to review public records in camera to determine whether redaction of the records violates the public records act. If a formal complaint is filed, requires the public access counselor to review public records in camera without redaction (excluding redacted information that is the work product of an attorney and records that the agency is prohibited by law from disclosing) to determine whether the redaction of the records violated the access to public records act. Provides that unredacted documents that are in the possession of the public access counselor for in camera inspection are confidential while in the possession of the public access counselor. Creates an education fund for a program administered by the public access counselor to train public officials and educate the public on the rights of the public and the responsibilities of public agencies under the public access laws. Provides that a public agency has the discretion whether to disclose a public record requested by an offender

containing personal information relating to a judge, law enforcement officer, or family member of a judge or law enforcement officer. **Effective:** July 1, 2010.

**Stilwell, Bauer , Bosma , Bartlett**

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

SECTION 3. IC 5-14-1.5-5, AS AMENDED BY P.L.177-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 5. (a) Public notice of the date, time, and place of any meetings, executive sessions, or of any rescheduled or reconvened meeting, shall be given at least forty-eight (48) hours (excluding Saturdays, Sundays, and legal holidays) before the meeting. This requirement does not apply to reconvened meetings (not including executive sessions) where announcement of the date, time, and place of the reconvened meeting is made at the original meeting and recorded in the memoranda and minutes thereof, and there is no change in the agenda.

(b) Public notice shall be given by the governing body of a public agency ~~by~~ **as follows:**

(1) **The governing body of a public agency shall give public notice by** posting a copy of the notice at the principal office of the public agency holding the meeting or, if no such office exists, at the building where the meeting is to be held. ~~and~~

(2) **The governing body of a public agency shall give public notice by** delivering notice to all news media which deliver ~~by January 1~~ an annual written request for ~~such~~ **the notices not later than December 31** for the next succeeding calendar year to the governing body of the public agency. The governing body shall give notice by one (1) of the following methods:

(A) Depositing the notice in the United States mail with postage prepaid.

(B) Transmitting the notice by electronic mail, **if the public agency has the capacity to transmit electronic mail.**

(C) Transmitting the notice by facsimile (fax).

(3) **This subdivision applies only to the governing body of a public agency of a political subdivision described in section 2(a)(2), 2(a)(4), or 2(a)(5) of this chapter that has the capacity to send electronic mail. The governing body of a public agency shall give public notice by delivering notice to any person (other than news media) who delivers an annual written request for the notices not later than December 31 for the next succeeding calendar year to the governing body of the public agency. The governing body shall give notice by one (1) of the following methods, which shall be determined by the governing body:**

(A) **Transmitting the notice by electronic mail.**

(B) **Publishing the notice on the public agency's web site at least forty-eight (48) hours in advance of the meeting, if the public agency has an Internet web site.**

**A court may not declare void any policy, decision, or final action under section 7 of this chapter based on a failure to give a person notice under subdivision (3) if the public agency made a good faith effort to comply.** If a governing body comes into existence after ~~January 1,~~ **December 31**, it shall comply with this ~~subdivision~~ **subsection** upon receipt of a written request for notice. In addition, a state agency (as defined in IC 4-13-1-1) shall provide electronic access to the notice through the computer gateway administered by the office of technology established by IC 4-13.1-2-1.

(c) .....

SECTION 4. IC 5-14-1.5-7, AS AMENDED BY P.L.179-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 7. (a) An action may be filed by any person in any court of competent jurisdiction to:

- (1) obtain a declaratory judgment;
- (2) enjoin continuing, threatened, or future violations of this chapter; or .....

**(g) A court may assess a civil penalty against the public agency and an individual under section 7.5 of this chapter.**

~~(g)~~ **(h) A court shall expedite the hearing of an action filed under this section.**

**SECTION 5. IC 5-14-1.5-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 7.5. (a) This section applies only to an individual who is:**

- (1) an officer of a public agency; or**
- (2) employed in a management level position with a public agency.**

**(b) An individual who knowingly and intentionally fails to perform a duty imposed on the individual under this chapter by:**

**(1) failing to give proper notice of a regular meeting, special meeting, or executive session;**

**(2) taking final action outside a regular meeting or special meeting;**

**(3) participating in a secret ballot during a meeting;**

**(4) discussing in an executive session subjects not eligible for an executive session;**

**(5) failing to prepare a memorandum of a meeting required by section 4 of this chapter; or**

**(6) participating in at least one (1) gathering of a series of gatherings under section 3.1 of this chapter;**

**is subject to a civil penalty under this section.**

**(c) Except as provided in subsection (g), a court may impose a civil penalty against one (1) or more of the following:**

**(1) The individual who commits the violation.**

**(2) The public agency.**

**(d) The court may impose against each entity listed in subsection (c) the following civil penalties:**

**(1) Not more than one hundred dollars (\$100) for the first violation.**

**(2) Not more than five hundred dollars (\$500) for each additional violation.**

**The penalty imposed under this section is in addition to any other civil or criminal penalty imposed. However, in any one (1) action brought under this section, a court may impose only one (1) civil penalty against an individual, even if the court finds that the individual committed multiple violations. This subsection does not preclude a court from imposing another civil penalty against an individual in a separate action, but an individual may not be assessed more than one (1) civil penalty in any one (1) action brought under this section.**

**(e) A court shall distribute monthly to the auditor of state any penalties collected under this section for deposit in the education fund established by IC 5-14-4-14.**

**(f) An individual is personally liable for a civil penalty imposed under this section. A civil penalty imposed against a public agency shall be paid from the public agency's budget.**

**(g) If an officer of a public agency directs an individual who is employed in a management level position to perform any action under subsection (b)(1), the management level employee is not subject to civil penalties under subsection (c).**

**6. IC 5-14-3-3, AS AMENDED BY P.L.2-2007, SECTION 100, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 3. (a)..... (c) A public agency shall allow for the inspection or copying or make the copies available to the person making the request within a reasonable time after the request is received by the agency.**

(23) Records requested by an offender that:

(A) contain personal information relating to:

(i) a correctional officer (as defined in IC 5-10-10-1.5);

**(ii) a law enforcement officer (as defined in IC 35-41-1-17);**

**(iii) a judge (as defined in IC 33-38-12-3);**

~~(ii)~~ (iv) the victim of a crime; or

~~(iii)~~ (v) a family member of a correctional officer, **law enforcement officer (as defined in IC 35-41-1-17), judge (as defined in IC 33-38-12-3),** or the victim of a crime; or

(B) concern or could affect the security of a jail or correctional

facility.

**(24) Information concerning an individual less than eighteen (18) years of age who participates in a conference, meeting, program, or activity conducted or supervised by a state educational institution. The information includes the following regarding the individual or the individual's parent or guardian:**

**(A) Name.**

**(B) Address.**

**(C) Telephone number.**

**(D) Electronic mail account address.....**

SECTION 8. IC 5-14-3-9, AS AMENDED BY P.L.22-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 9. (a).....(h) The court may review the public record in camera to determine whether any part of it may be withheld under this chapter. **However, if the complaint alleges that a public agency denied disclosure of a public record by redacting information in the public record, the court shall conduct an in camera inspection of the public record without the information redacted.....**

**(j) A court may assess a civil penalty against a public agency and an individual under section 9.5 of this chapter.**

~~(k)~~ (k) A court shall expedite the hearing of an action filed under this

section.

SECTION 9. IC 5-14-3-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 9.5. (a) This section applies only to an individual who is:**

**(1) an officer of a public agency; or**

**(2) employed in a management level position with a public agency.**

**(b) An individual who knowingly and intentionally does any of the following is subject to a civil penalty under subsection (c):**

**(1) Denies or interferes with a person's request for inspection or copying of a public record if:**

**(A) the person's request meets the requirements of this chapter; and**

**(B) the record is subject to disclosure by law.**

**(2) Charges a copying fee that exceeds the amount permitted by this chapter.**

**(c) A court may impose a civil penalty for a violation under subsection (b) against one (1) or more of the following:**

**(1) The individual who committed the violation.**

**(2) The public agency.**

**(d) The court may impose against each entity listed in subsection (c) the following civil penalties:**

**(1) Not more than one hundred dollars (\$100) for the first violation.**

**(2) Not more than five hundred dollars (\$500) for each additional violation.**

**The penalty imposed under this section is in addition to any other civil or criminal penalty imposed. However, in any one (1) action brought under this section, a court may impose only one (1) civil penalty against an individual, even if the court finds that the individual committed multiple violations. This subsection does not preclude a court from imposing another civil penalty against an individual in a separate action, but an individual may not be assessed more than one (1) civil penalty in any one (1) action brought under this section.**

**(e) A court shall distribute monthly to the auditor of state any penalties collected under this section for deposit in the education fund established by IC 5-14-4-14.**

**(f) An individual is personally liable for a civil penalty imposed under this section. A civil penalty imposed against a public agency shall be paid from the public agency's budget.**

**(g) If an officer of a public agency directs an individual who is employed in a management level position to perform any action under subsection (b)(1), the management level employee is not subject to civil penalties under subsection (c).**

**SECTION 11. IC 5-14-4-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 14. (a) An education fund is established to fund a program under section 10(1) of this chapter.**

**(b) The fund consists of the following:**

**(1) Civil penalties collected under IC 5-14-1.5-7.5 and IC 5-14-3-9.5.**

**(2) Money appropriated by the general assembly.**

**(3) Grants, gifts, contributions, and money received from any other source.**

**(c) The treasurer of state shall administer the fund. The following may be paid from money in the fund:**

**(1) Expenses of administering the fund.**

**(2) Nonrecurring administrative expenses incurred to carry out the purposes of this section.**

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

**(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same**

**manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.**

**SECTION 12. IC 5-14-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 9. Except as provided in section 10 of this chapter, the counselor shall issue an advisory opinion on the complaint not later than thirty (30) days after:**

**(1) the complaint is filed; or**

**(2) an in camera inspection is completed under section 10.5 of this chapter.**

**SECTION 13. IC 5-14-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 10. (a) If the counselor determines that a complaint has priority, the counselor shall issue an advisory opinion on the complaint not later than seven (7) days after:**

**(1) the complaint is filed; or**

**(2) an in camera inspection is completed under section 10.5 of this chapter.**

**(b) The counselor shall adopt rules under IC 4-22-2 establishing criteria for complaints that have priority.**

**SECTION 14. IC 5-14-5-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 10.5. (a) Except as provided in subsections (e) and (i), if a formal complaint is filed alleging that a public agency denied disclosure of a public record by redacting information in the public record, the counselor shall conduct an in camera inspection of the public record without the information**

redacted.

**(b) Both parties to the dispute shall be notified of the in camera inspection. However, neither the parties nor their representatives may be present during the inspection.**

**(c) The counselor shall provide a written notice to the public agency that includes the following:**

**(1) A statement of the date, time, place, and nature of the inspection.**

**(2) The documents to be inspected.**

**(3) The manner in which the documents must be presented to the counselor for inspection.**

**(4) Any other information the counselor considers relevant.**

**(d) Except as provided in subsection (e), the public agency shall:**

**(1) deliver the documents specified under subsection (c)(2) to the counselor for inspection in a sealed envelope; and**

**(2) deliver to the counselor and the complainant:**

**(A) a certification signed by the custodian of the documents stipulating that the copies of the documents delivered to the counselor are true and complete copies of the documents in question with no alterations or redactions; and**

**(B) an in camera inspection index that:**

**(i) gives the title or name of each document, or any part of the document, claimed to be exempt from disclosure;**

**(ii) provides a description of each document that is general enough to explain the exemptions without compromising the alleged reason for the exemption from disclosure;**

**(iii) lists the reasons that each document, or any part of the document, is alleged to be exempt from disclosure; and**

**(iv) fully explains why the alleged reason for exemption from disclosure applies to each document.**

**(e) If the redacted information in a public record is the work product of an attorney (as defined in IC 5-14-3-2(q)), the counselor may not inspect the public record with the redaction removed. If the notice provided by the counselor under subsection (c) requests disclosure of redacted information that is the work product of an attorney, the public agency shall do the following:**

**(1) Deliver the documents specified under subsection (c)(2) to the counselor, with the information redacted.**

**(2) Deliver an index to the counselor and the complainant that:**

**(A) gives the title or name of each document, or any part of the document, claimed to be exempt from disclosure on the basis that the document or any part of the document is the work product of an attorney;**

**(B) provides a description of each document that is general enough to explain the exemption without compromising the alleged reason for the exemption from disclosure;**

**(C) lists the reasons that each document, or any part of the document, is alleged to be exempt from disclosure; and**

**(D) fully explains why the alleged reason for exemption from disclosure applies to each document.**

**(f) The counselor or anyone else authorized to inspect the documents may not make copies of the documents or take notes making reference to specific information contained in the documents. Upon completion of an in camera inspection, the counselor shall seal the documents and return them to the custodian of the documents. The sealed documents are confidential while in the possession of the counselor.**

**(g) An advisory opinion issued on the complaint may not discuss the specific contents of**

the documents and may refer only to the assigned reference number or the general descriptions of the documents listed in the in camera inspection index.

(h) This section does not prohibit a court from conducting an in camera inspection of a public record under IC 5-14-3-9(h) without the information redacted that is the work product of an attorney (as defined in IC 5-14-3-2(q)).

(i) If the redacted information in a public record is redacted under IC 5-14-3-4(a), the public agency shall cite the relevant statute that prohibits the information from being disclosed, and the counselor may not inspect the public record with the redaction removed.

SECTION 15. IC 34-30-2-14.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 14.1. IC 5-14-1.5-7.5**

(Concerning a public employee who, acting on the orders of a superior, fails to provide proper notice of a public meeting or executive session).

SECTION 16. IC 34-30-2-14.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 14.2. IC 5-14-3-9.5 (Concerning a public employee who, acting on the orders of a superior, denies or interferes with a person's request for inspection or copying of a public record).**

**HB 1075 passed the House by a vote of 97-0. The Associations support the fines of \$100 for the first violation and \$500 for the second violation. School officials take an oath to uphold the laws of the State. A school official will only be fined if he/she “knowingly and intentionally” violate the public meeting or access to records laws. FB**

XX

**HOUSE BILL No. 1117**

**Citations Affected:** IC 20-30; IC 20-43; noncode.

**Synopsis:** Funding of adult education. Provides an adult education grant to school corporations as part of the state tuition support distribution. Adds the adult education appropriation for state fiscal year 2010-2011 to the state tuition support distribution appropriation for state fiscal year 2010-2011. Repeals a provision that permits a surplus in a tuition support distribution appropriation to be used to fund adult education. **Effective:** Upon passage; July 1, 2010.

**Moseley , Bartlett , Klinker , Barnes**

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:*

SOURCE: IC 20-30-6-1; (10)HB1117.3.1. --> SECTION 1. IC 20-30-6-1, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 1. (a) The state board and the state superintendent may prescribe a program of adult education. ~~The state board shall adopt rules under IC 4-22-2 to provide for this program and to provide for the state distribution formula for money appropriated by the general assembly for adult education. Money appropriated by the general assembly for adult education may be used only to reimburse a school corporation for adult education that is provided to for individuals who:~~

- (1) need the education to master a skill that leads to:
  - (A) the completion of grade 8; or
  - (B) a state of Indiana general educational development (GED) diploma under IC 20-20-6;
- (2) need the education to receive high school credit to obtain a high school diploma; or
- (3) have graduated from high school (or received a high school equivalency certificate or a state of Indiana general educational

development (GED) diploma) but who demonstrate basic skill deficiencies in mathematics or English/language arts;

~~For purposes of reimbursement under this section, the school corporation may not count an individual who is also~~ **and are not** enrolled in the school corporation's kindergarten through grade 12 educational program. ~~An individual described in subdivision (3) may be counted for reimbursement by the school corporation only for classes taken in mathematics and English/language arts.~~

(b) The state board shall ~~provide for reimbursement to a school corporation under this section for instructor salaries and administrative and support costs. However, the state board may not allocate more than fifteen percent (15%) of the total appropriation under subsection (a) for administrative and support costs.~~ **adopt rules under IC 4-22-2 to provide for the program of adult education described in subsection (a).**

(c) A school corporation may conduct a program of adult education.

(d) **A school corporation may permit a student who is enrolled in the school corporation's kindergarten through grade 12 educational program or a student who is a high school graduate but not an eligible adult (as defined in IC 20-43-1-10.5) to participate in a program of adult education.** A school corporation may require an individual who:

- (1) is at least sixteen (16) years of age; and
- (2) wishes to enroll in a school following the student's expulsion from school under IC 20-33-8 on the grounds that the student was:
  - (A) disorderly; or
  - (B) dangerous to persons or property;

to attend evening classes or classes established for students who are at least sixteen (16) years of age. However, the school corporation shall provide a child with a disability (as defined in IC 20-35-1-2) who is at least eighteen (18) years of age and whom the school corporation elects to educate with an appropriate special educational program.

SECTION 2. IC 20-43-1-7.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 7.4. "Adult education course" refers to a course of study offered in a program of adult education that is subject to IC 20-30-6-1.**

SECTION 3. IC 20-43-1-7.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 7.6. "Adult education grant" refers to an adult education grant under IC 20-43-13.**

SECTION 4. IC 20-43-1-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 10.5. "Eligible adult" means an Indiana resident who:**

- (1) either:
  - (A) **has officially withdrawn from a kindergarten through grade 12 educational program and does not have a high school diploma; or**
  - (B) **is a high school graduate and has been determined to need basic skill development in English language arts or mathematics at or below the high school level; and**

**(2) meets the criteria established by the state board to enroll in an adult education course.**

SECTION 5. IC 20-43-1-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 24.5. "Standard reimbursable unit of adult instruction" means an individual course in a program of adult education that consists of the following:**

**(1) For an adult basic education (ABE) program or general educational development (GED) program, a block of time that includes the following:**

**(A) At least forty (40) and not more than eighty (80) teacher hours.**

**(B) A student enrollment of at least five (5) eligible adults who each have at least twelve (12) hours of attendance in the unit.**

**(2) For an adult secondary credit (ASC) program, a block of time that includes the following:**

**(A) At least sixty (60) and not more than seventy-five (75) teacher hours.**

**(B) A student enrollment of at least five (5) eligible adults who each have at least six (6) hours of attendance in the unit.**

SECTION 6. IC 20-43-2-2, AS AMENDED BY P.L.182-2009(ss), SECTION 329, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 2.** The maximum state distribution for a calendar year for all school corporations for the purposes described in section 3 of this chapter is:

**(1) five billion eight hundred twenty-nine million nine hundred thousand dollars (\$5,829,900,000) in 2009;**

**(2) six billion five hundred ~~forty-eight~~ **fifty-five** million nine hundred thousand dollars (~~\$6,548,900,000~~) (**\$6,555,900,000**) in**

**2010; and**

**(3) six billion five hundred ~~sixty-eight~~ **eighty-two** million five hundred thousand dollars (~~\$6,568,500,000~~) (**\$6,582,500,000**) in 2011.**

SECTION 7. IC 20-43-2-3, AS AMENDED BY P.L.182-2009(ss), SECTION 330, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 3.** If the total amount to be distributed:

**(1) as basic tuition support;**

**(2) for academic honors diploma awards;**

**(3) for primetime distributions;**

**(4) for special education grants;**

**(5) for career and technical education grants;**

**(6) for restoration grants; and**

**(7) for small school grants; and**

**(8) for adult education grants;**

for a particular year exceeds the maximum state distribution for a calendar year, the amount to be distributed for state tuition support under this article to each school corporation during each of the last six (6) months of the year shall be proportionately reduced so that the total reductions equal the amount of the excess.

SECTION 8. IC 20-43-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

**Chapter 13. Adult Education Grant**

**Sec. 1. This chapter does not apply to a charter school.**

**Sec. 2. A school corporation that conducts a program of adult education is entitled to an**

**adult education grant.**

**Sec. 3. A school corporation shall count the number of eligible adults enrolled in an adult education course on:**

- (1) the date specified in IC 20-43-4-4(1) in the year immediately preceding the current year; and**
- (2) the date specified in IC 20-43-4-4(2) in the current year.**

**The school corporation shall include an eligible adult in the count for each adult education course in which the eligible adult is enrolled.**

**Sec. 4. This section applies to adult education grants only for calendar years beginning after December 31, 2010. Subject to the adjustments required under sections 6 and 7 of this chapter, the amount of the grant to which a school corporation is entitled for the first six (6) months of the current year is equal to the result determined in the last STEP of the following formula:**

**STEP ONE: Determine the number of standard reimbursable units of adult instruction for each adult education course provided by the school corporation in the last six (6) months of the year immediately preceding the current year.**

**STEP TWO: For each adult education course provided by the school corporation in the last six (6) months of the year immediately preceding the current year, determine:**

- (A) the result of:**
  - (i) the number of eligible adults participating in the adult education course on the date specified in section 3(1) of this chapter; multiplied by**
  - (ii) the number of standard reimbursable units determined in STEP ONE for the course; and**
- (B) the result of:**
  - (i) the result determined under clause (A); multiplied by**
  - (ii) two hundred fifty dollars (\$250).**

**STEP THREE: Determine the sum of the following:**

- (A) The sum of the results determined under clause (B) of STEP TWO.**
- (B) This clause applies only to a school corporation that has continuously operated a program of adult education of the type described by this clause since at least 2009. If the school corporation has entered into a written agreement with one (1) or more school corporations to operate a program of adult education for the other school corporations at a common location, the school corporation provides substantially all of its adult education courses in a facility that is separate from buildings used to provide education to students enrolled in kindergarten through grade 12, and the school corporation provides education courses during the regular business hours for kindergarten through grade 12 instead of or in addition to evening adult education classes, the result of:**
  - (i) the sum of the results determined under clause (A) of STEP TWO; multiplied by**
  - (ii) seventy-five dollars (\$75).**

**Sec. 5. This section applies to adult education grants for calendar years 2010 and 2011. Subject to the adjustments required under sections 6 and 7 of this chapter, the amount of the grant to which a school corporation is entitled for the last six (6) months of the current year is equal to the result determined in the last STEP of the following formula:**

**STEP ONE: Determine the number of standard reimbursable units of adult instruction for each adult education course provided by the school corporation in the first six (6) months of the current year.**

**STEP TWO: For each adult education course provided by the school corporation in the first six (6) months of the current year, determine:**

**(A) the result of:**

**(i) the number of eligible adults participating in the adult education course on the count date specified in section 3(2) of this chapter; multiplied by**

**(ii) the number of standard reimbursable units determined in STEP ONE for the course; and**

**(B) the result of:**

**(i) the result determined under clause (A); multiplied by**

**(ii) two hundred fifty dollars (\$250).**

**STEP THREE: Determine the sum of the following:**

**(A) The sum of the results determined under clause (B) of STEP TWO.**

**(B) This clause applies only to a school corporation that has continuously operated a program of adult education of the type described by this clause since at least 2009. If the school corporation has entered into a written agreement with one (1) or more other school corporations to operate a program of adult education for the other school corporations at a common location, the school corporation provides substantially all of its adult education courses in a facility that is separate from buildings used to provide education to students enrolled in kindergarten through grade 12, and the school corporation provides education courses during the regular business hours for kindergarten through grade 12 instead of or in addition to evening adult education classes, the result of:**

**(i) the sum of the results determined under clause (A) of STEP TWO; multiplied by**

**(ii) seventy-five dollars (\$75).**

**Sec. 6. (a) Before the first day of a six (6) month period for which a distribution is permitted under section 4 or 5 of this chapter, the department shall provide each school corporation that is implementing an adult education program with an estimate of the amount of the expenditures for which the school corporation would have been eligible for reimbursement under 511 IAC 11-3-6, if IC 20-30-6-1 had not been amended in the 2010 session of the general assembly and if fourteen million dollars (\$14,000,000) had been appropriated for the state fiscal year to provide reimbursement under 511 IAC 11-3-6 for two (2) six (6) month funding periods. The total amount of distributions made to a school corporation under section 4 or 5 of this chapter for a six (6) month funding period may not exceed the amount of the estimate provided for the funding period under this section.**

**(b) Not later than February 1, 2011, a school corporation shall submit its claim for reimbursement for adult education expenditures for the last six (6) months of 2010 in the manner provided in 511 IAC 11-3-7. Costs shall be determined as provided in 511 IAC 11-3. If the amount distributable to the school corporation under section 5 of this chapter for the same funding period is less than the lesser of the amount determined under this subsection or the amount determined under subsection (a), the school corporation shall be held harmless and the amount of the distribution to which the school corporation is entitled under this chapter for the funding period is the lesser of the amount determined under this subsection or the amount determined under subsection (a) for that funding period.**

**(c) Not later than July 1, 2011, a school corporation shall submit its claim for reimbursement for adult education expenditures for the first six (6) months of 2011 in the manner provided in 511 IAC 11-3-7. Costs shall be determined as provided in 511 IAC 11-3. If the amount distributable to the school corporation under section 4 of this chapter for the same funding period is less than the lesser of the amount determined under this subsection or the amount determined under subsection (a) for the funding period, the school corporation shall be held harmless and the amount of the distribution to which the school corporation is entitled under this chapter for the funding period is the lesser of the**

amount determined under this subsection or the amount determined under subsection (a) for that funding period.

(d) Not later than February 1, 2012, a school corporation shall submit its claim for reimbursement for adult education expenditures for the last six (6) months of 2011 in the manner provided in 511 IAC 11-3-7. Costs shall be determined as provided in 511 IAC 11-3. If the amount distributable to the school corporation under section 5 of this chapter for the same funding period is less than the lesser of the amount determined under this subsection or the amount determined under subsection (a) for the funding period, the school corporation shall be held harmless and the amount of the distribution to which the school corporation is entitled to under this chapter for the funding period is the lesser of the amount determined under this subsection or the amount determined under subsection (a) for that funding period.

(e) The department shall, in the year a determination is made under this section, provide for a reconciling payment to a school corporation that is entitled to a larger distribution under this section than under section 4 or 5 of this chapter for a particular funding period.

(f) If the total amount to be distributed under this section plus the amount to be distributed under section 4 or 5 of this chapter for a particular six (6) month funding period exceeds seven million dollars (\$7,000,000), the excess shall be proportionately deducted from school corporations that are eligible to receive a larger distribution under section 4 or 5 of this chapter than under this section. The amount of the reduction for a particular school corporation under this section is equal to the total amount of the excess determined under this section multiplied by a fraction. The numerator of the fraction is the amount of the distribution for adult education grants that the school corporation would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed for adult education grants to all school corporations that would have received a larger distribution under section 4 or 5 of this chapter than under this section, if a reduction were not made under this section.

**Sec. 7. (a)** The maximum amount that may be distributed under section 5 of this chapter for calendar year 2010, as adjusted under section 6 of this chapter, is seven million dollars (\$7,000,000), and the maximum amount that may be distributed under sections 4 and 5 of this chapter for calendar year 2011, as adjusted under section 6 of this chapter, is fourteen million dollars (\$14,000,000).

(b) If the total amount to be distributed in a particular year exceeds the amount specified for the calendar year under subsection (a), the amount to be distributed for adult education grants under this chapter to each school corporation during the last six (6) months of the year shall be proportionately reduced so that the total reductions equal the amount of the excess. The amount of the reduction for a particular school corporation under this section is equal to the total amount of the excess determined under this section multiplied by a fraction. The numerator of the fraction is the amount of the distribution for adult education grants that the school corporation would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed for adult education grants to all school corporations if a reduction were not made under this section. An excess shall be recovered from adult education grants distributed to the school corporation over the six (6) month period following the date a determination is made under this subsection.

**Sec. 8.** This chapter shall not be treated as reducing or restricting the method by which federal funds are distributed to school corporations for adult education.

**SECTION 10. [EFFECTIVE UPON PASSAGE]** (a) Notwithstanding IC 20-43-13-4, as added by this act, adult education grant distributions in calendar year 2010 shall be based solely

on the distribution amount determined under IC 20-43-13-5, as added by this act, without considering the amount determined under IC 20-43-13-4, as added by this act. The initial student count for distributions under IC 20-43-13-5, as added by this act, shall be made on the date specified in IC 20-43-4-4(2) in 2010. Except as provided in IC 20-43-13-6, as added by this act, 511 IAC 11-3 shall not be used to distribute state revenue to school corporations for adult education programs.

(b) Notwithstanding P.L.182-2009(ss), SECTION 9, the appropriation for ADULT EDUCATION DISTRIBUTION for the state fiscal year beginning July 1, 2010, and ending June 30, 2011, is reassigned to supplement the appropriation for DISTRIBUTION FOR TUITION SUPPORT for the state fiscal year beginning July 1, 2010, and ending June 30, 2011, and shall be used for the purposes of the DISTRIBUTION FOR TUITION SUPPORT for that state fiscal year.

SECTION 11. An emergency is declared for this act.

**HB 1117 passed the House by a vote of 53-45. The Associations supported the funding mechanism of the bill. DC**

XX

**HOUSE BILL No. 1134**

**Citations Affected:** IC 20-28.

**Synopsis:** Teacher performance evaluations. Prohibits the use of test scores as a sole factor to determine teacher employment decisions. **Effective:** July 1, 2010.

**Porter**

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

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

SECTION 1. IC 20-28-11-3, AS AMENDED BY P.L.182-2009(ss), SECTION 514, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 3. (a) Each plan:

- (1) must provide for the improvement of the performance of the individuals evaluated;
- (2) must provide for the growth and development of the individuals evaluated;
- (3) must require periodic assessment of the effectiveness of the plan;
- (4) must provide that nonpermanent and semipermanent teachers receive:
  - (A) an evaluation on or before December 31 each year; and
  - (B) if requested by that teacher, an additional evaluation on or before March 1 of the following year;

(5) may provide a basis for making employment decisions; and

(6) if federal rules, regulations, or directives require the use of collective program results of tests to evaluate educators in order to qualify for those federal funds, collective program results of tests used by any school corporation that would receive federal funds may be used as a factor, but not the sole factor, to evaluate educators. If collective testing results are used as a factor in evaluations by a school corporation, they must be applied to all educators in that school corporation.

Except as provided in subdivision (6), the plan may not provide for an evaluation that is based in whole or in part on the ISTEP program test scores of the students in the school corporation.

**(b) If subsection (a)(6) applies:**

- (1) the collective testing results may not be used as a sole factor to make assignment or employment decisions regarding teachers;
- (2) each test used must be determined to be valid and reliable according to accepted psychometric standards for the purpose that a test is used; and
- (3) a testing contractor must certify that a test is valid and reliable for the purpose for which it is used.

**HB 1134 passed the House by a vote of 51.47. The Associations supported the narrow focus of the bill that clarified "sole factor". JE**

XX

**HOUSE BILL No. 1135**

**Citations Affected:** IC 20-32; IC 20-36.

**Synopsis:** Advanced placement exams. Requires state educational institutions to grant postsecondary level academic credit that counts toward meeting the student's degree requirements to students who receive a satisfactory score on an advanced placement examination. **Effective:** July 1, 2010.

**Porter , Behning , Smith V , Noe**

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

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

SECTION 1. IC 20-32-2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 2.5. "Satisfactory score" means a score of 3, 4, or 5 on an advanced placement examination sponsored by the College Board's Advanced Placement Program.**

SECTION 2. IC 20-32-3-10, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 10. A student who undergoes an advanced placement examination under IC 20-36-3 and receives a satisfactory score on the advanced placement examination is entitled to receive:

- (1) a certificate of achievement; and
- (2) **postsecondary level academic credit at a state educational institution for the particular subject area in which the student was tested. that counts toward meeting the student's degree requirements, as determined under IC 20-36-3-5.**

SECTION 3. IC 20-36-1-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

1, 2010]: **Sec. 4. "Satisfactory score" means a score of 3, 4, or 5 on an advanced placement exam sponsored by the College Board's Advanced Placement Program.**

SECTION 4. IC 20-36-3-6, AS ADDED BY P.L.1-2005, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 6. (a) Each student who enrolls in an advanced course may take the advanced placement examination to receive high school credit for the advanced course.

(b) Any rule adopted by the department concerning an academic honors diploma must provide that a successfully completed mathematics or science advanced course is credited toward fulfilling the requirements of an academic honors diploma.



**HOUSE BILL No. 1276**

**Citations Affected:** IC 2-5.5; IC 5-2; IC 8-1; IC 16-41; IC 20-30; IC 20-33; IC 21-7; IC 21-48; IC 31-25; IC 33-24; IC 35-33; IC 35-50; noncode.

**Synopsis:** Domestic violence, bullying, HIV testing, and sending of sexual material. Requires the sentencing policy study committee to study and make recommendations regarding the sending of sexually suggestive or sexually explicit material over the Internet or by use of a cell phone or similar device. Provides that school corporations may provide instruction or programs regarding domestic violence. Amends the definition of "bullying" to include communications transmitted from an electronic communications device or through a social networking web site. Requires a person convicted of domestic battery to complete a batterer's intervention program. Provides that a court may require a person convicted of domestic battery to have only supervised visitation with the person's child. Provides that a court may appoint a court appointed supervised visit provider to facilitate the supervised visitation. Provides that a court may require a person charged with domestic violence to wear a GPS tracking device as a condition of bail. Increases the time a facility is required to have custody of a person arrested for domestic violence to 24 hours. Requires each postsecondary educational institution to adopt policies regarding student notification of dangerous situations on and off campus. Requires the criminal justice institute to establish and administer an exception to the human immunodeficiency virus (HIV) testing consent statute. Provides that if a victim of certain crimes requests that a defendant be tested for HIV, the defendant must be tested. Requires the division of state court administration to annually report to the commission on courts regarding: (1) the implementation of the judicial technology and automation project (JTAP); and (2) statistics compiled by JTAP regarding the number of dissolution of marriage decrees in Indiana entered in the previous year. **Effective:** Upon passage; July 1, 2010.

**Blanton**

**HB 1276 passed the House by a vote of 97-1. The Associations support the bill. JE**

XX

**HOUSE BILL No. 1295**

**Citations Affected:** IC 20-20; IC 20-28; noncode.

**Synopsis:** School counselors. Establishes specific target counselor/student ratios to be used for the hiring of school counselors, school social workers, and school psychologists. Requires the department of education, in cooperation with other appropriate associations, to develop a uniform job description for school counselors. Requires individuals seeking initial licensure for school counseling to provide evidence of performance in certain areas. Makes a technical correction. **Effective:** July 1, 2010.

**Porter**

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

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

SECTION 7. IC 20-20-18-6, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 6. Upon review of the applications

received under section 5 of this chapter, the department may award grants to school corporations subject to available money and in accordance with the following priorities:

(1) To the extent possible, to achieve geographic balance throughout Indiana and to include urban, suburban, and rural school corporations.

(2) To address a documented need for new or expanded programs, including consideration of the percentage of students within the school corporation who are designated as at risk students.

(3) To lower:

(A) student/school counselor ratios **to at least one (1) school counselor to two hundred fifty (250) students;**

(B) ~~student/social~~ **student/school social** worker ratios **to at least one (1) school social worker to four hundred (400) students;** and

(C) student/school psychologist ratios **to at least one (1) school psychologist to one thousand (1,000) students.**

~~where the ratios are excessively high.~~

SECTION 8. IC 20-28-5-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 16. After June 30, 2012, the department may not issue an initial school services license for school counseling to an individual unless the individual demonstrates mastery in the following areas:**

- (1) Developmental guidance instruction.**
- (2) Educational development.**
- (3) Career development student assistance services.**
- (4) Counseling strategies.**
- (5) Prevention programming.**
- (6) Crisis intervention leadership.**
- (7) Advocacy for students.**
- (8) Professional growth.**

SECTION 9. [EFFECTIVE JULY 1, 2010] **(a) Not later than July 1, 2011, the department of education, in cooperation with other appropriate associations, shall develop a uniform job description for school counselors.**

**(b) This SECTION expires December 31, 2011.**

**HB 1295 passed the House by a vote of 57-40. The Associations supported the “may” provisions of the bill and noted the lack of a fiscal note. FB**

XX

### HOUSE BILL No. 1365

**Citations Affected:** IC 21-43. **Synopsis:** Dual enrollment costs and fees. Provides that a student may not be charged tuition or fees for a college course or test that the student completes in order to obtain a core 40 diploma. Requires state educational institutions that offer dual credit courses in liberal arts, professional, or career and technical disciplines to be approved by the commission for higher education. (Current law requires the state educational institutions that offer dual credit courses in liberal arts, professional, or career and technical disciplines to be accredited by the National Alliance of Concurrent Enrollment Partnerships.) **Effective:** July 1, 2010.

**Porter**

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

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

SECTION 1. IC 21-43-1.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

**Chapter 1.5. Tuition and Fees; Courses and Tests Necessary for Core 40 Diplomas**

**Sec. 1. A student may not be charged tuition or fees for a program course that the student completes to obtain a core 40 diploma under IC 20-30-10.**

**Sec. 2. A student may not be charged a fee to complete a test for a course that the student completes to obtain a core 40 diploma under IC 20-30-10.**

SECTION 2. IC 21-43-5-13, AS ADDED BY P.L.2-2007, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 13. After June 30, ~~2008~~, **2010**, a state educational institution or campus of a state educational institution that offers dual credit courses in liberal arts, professional, or career and technical disciplines must be ~~accredited~~ **approved** by the ~~National Alliance of Concurrent Enrollment Partnerships~~. **commission for higher education.**

**HB 1365 passed the House by a vote of 77-22. The Association supported the bill because taxpayers already are providing an education for the student and should not have to pay extra for such courses. FB**

XX

**HOUSE BILL No. 1367**

**Citations Affected:** IC 6-3.1; IC 20-24; IC 20-40; IC 20-42.5; IC 20-43; IC 20-51; noncode.

**Synopsis:** Education matters. Delays the implementation of the school scholarship tax credit and virtual charter school pilot program. Permits up to 5% of the balance of a school capital projects fund to be used to pay any expenditure that can be paid from the school's general fund. Requires each school corporation to establish and carry out a plan to preserve and protect instructional programs. Directs school corporations to use of cash balances, reduce non-instructional expenditures, and suspend nonessential testing programs as part of the plan. Establishes the instructional services restoration grant program to provide additional funds to school corporations to preserve and protect instructional programs. Makes an appropriation. Repeals a noncode provision indicating that the school scholarship tax credit program applies to taxable years beginning after December 31, 2009. **Effective:** Upon passage; January 1, 2010 (retroactive). **Porter , Cheatham**

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:*

SECTION 1. IC 6-3.1-30.5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)]: **Sec. 0.5. This chapter applies only to taxable years beginning after December 31, 2011.**

SECTION 2. IC 20-24-7-13, AS ADDED BY P.L.182-2009(ss), SECTION 315, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) As used in this section, "**current ADM**" has the meaning set forth in IC 20-43-1-10 and "virtual charter school" means any charter school, including a conversion charter school, that provides for the delivery of more than fifty percent (50%) of instruction to students through:

- (1) virtual distance learning;
- (2) online technologies; or
- (3) computer based instruction.

(b) The department shall establish a pilot program to provide funding for a statewide total of up to two hundred (200) students who

attend virtual charter schools in the school year ending in ~~2010~~ **2013** and five hundred (500) students who attend virtual charter schools in the school year ending in ~~2011~~ **2014**. The department shall choose an entity or entities to operate the virtual charter school. The pilot program must focus on children who have medical disabilities or circumstances that prevent them from attending school or for whom a virtual charter school is a better alternative than a traditional school. At least seventy-five percent (75%) of the students enrolled in virtual charter schools under this section must have been included in the ADM count for the previous school year.

(c) **After June 30, 2012**, a virtual charter school is entitled to receive funding from the state in an amount equal to the product of:

- (1) the number of students included in the virtual charter school's **current** ADM who are participating in the pilot program; multiplied by
- (2) eighty percent (80%) of the statewide average basic tuition support.

**A virtual charter school is not entitled to receive funding under this section, IC 20-43, or another law in the last six (6) months of 2010, in any month in 2011, or in the first six (6) months of 2012. The amount to which a virtual charter school is entitled in 2010 is equal to fifty percent (50%) of the amount determined under subdivisions (1) and (2) for 2010. One hundred percent (100%) of this amount shall be distributed to virtual charter schools before June 30, 2010. A virtual charter school is entitled to receive funding under this section in 2012 only for the last six (6) months of the calendar year if the virtual charter school participates in the pilot program established under this section for the last six (6) months of 2012 and the current ADM of the virtual charter school in 2012 is greater than zero (0). The amount to which a virtual charter school is entitled in 2012 is equal to fifty percent (50%) of the amount determined under subdivisions (1) and (2) for 2012. One hundred percent (100%) of this amount shall be distributed to virtual charter schools after June 30, 2012, and before January 1, 2013.**

(d) The department shall adopt rules under IC 4-22-2 to govern the operation of virtual charter schools.

(e) ~~Beginning~~ **In 2009 and in 2011 and each year thereafter**, the department shall before December 1 of each ~~the~~ year submit an annual report to the state budget committee concerning the program under this section.

(f) **Notwithstanding this section, a pilot program established under this section for a school year beginning after June 30, 2010, and ending before July 1, 2012, is suspended. However, the department shall conduct a fall count of the number of students enrolled in a virtual charter school in the school year ending on June 30, 2012, to determine the current ADM of the virtual charter school for 2012.**

SECTION 3. IC 20-40-8-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) Money in the fund may be used for any expenditure payable from the school corporation's general fund, including utility services and property or casualty insurance costs not paid from a levy imposed under IC 20-46-6-6.**

**(b) A school corporation's expenditures under this section may not exceed in any calendar year five percent (5%) of the sum of:**

- (1) the unencumbered balance in the fund on January 1 of the calendar year; and**
- (2) the deposits in the fund in the calendar year;**

**derived from the capital projects fund property tax levy imposed under IC 20-46-6-5.**

**(c) This section expires January 1, 2012.**

SECTION 4. IC 20-42.5-4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 4. Emergency Measures to Maintain Instruction and Learning Programs**

**Sec. 1. As used in this section, "filing date" refers to the later of March 31, 2010, or the date that is thirty (30) days after the act in which this chapter is initially added becomes law under Section 14 of Article 5 of the Constitution of the State of Indiana after enactment in the 2010 session of the general assembly.**

**Sec. 2. As used in this chapter, "fund" refers to the instructional services restoration fund established by section 8 of this chapter.**

**Sec. 3. A school corporation shall take the actions necessary and desirable to preserve and protect instructional programs, including class sizes, curriculum or program offerings, and certificated employee positions and teaching assistants.**

**Sec. 4. (a) A school corporation shall carry out section 3 of this chapter according to a plan adopted by the governing body of the school corporation. The plan must be adopted by resolution.**

**(b) The plan must establish the steps that the school corporation will take and the schedule on which the actions will be taken to carry out section 3 of this chapter. The plan, including an amended plan, must include at least the following determinations:**

**(1) An evaluation of the cash balances that the school corporation must maintain in 2010 and 2011 to carry out its governmental functions.**

**(2) An estimate of the additional resources needed to carry out section 3 of this chapter.**

**(3) A determination of whether the school corporation has maintained or will maintain on the last day of any month in 2010 or 2011:**

**(A) an unexpended and unencumbered general fund cash balance exceeding eight percent (8%) of the amount appropriated from the school corporation's general fund for the 2010 calendar year; or**

**(B) an unexpended and unencumbered rainy day fund balance exceeding fifty percent (50%) of the school corporation's rainy day fund balance on January 1, 2010;**

**(4) A record showing that if the governing body determines that either of the balances described in subdivision (3)(A) or (3)(B) exist or will exist, the governing body has conducted a public hearing and vote on the balances in the school corporation's general fund and rainy day fund to determine whether any part of those balances should be used to carry out section 3 of this chapter.**

**(5) If the governing body votes against using any part of any balance described in subdivision (3), the governing body must include findings that demonstrate the circumstances that require a balance exceeding the percentage specified in subdivision (3) to be maintained.**

(6) A description of steps that will be taken under IC 20-40-8-22 to transfer money from the capital projects fund for the purposes of section 3 of this chapter.

(7) A detailed listing of all expenditure reductions required under section 5 of this chapter and the amount that will be devoted to the purposes of section 3 of this chapter.

(8) A detailed listing of all expenditure reductions required under section 6 of this chapter and the amount that will be devoted to the purposes of section 3 of this chapter.

(9) A description of all other steps that will be taken to carry out section 3 of this chapter and the amount that will be devoted to the purposes of section 3 of this chapter.

Sec. 5. (a) To the extent needed to carry out section 3 of this chapter, a school corporation shall reduce nonessential testing expenditures and expenditures classified in each category set forth in IC 20-42.5-3-4(a)(3) and IC 20-42.5-3-4(a)(4) by at least:

(1) five percent (5%) for the school year beginning July 1, 2010, and ending June 30, 2011; and

(2) ten percent (10%) for the school year beginning July 1, 2011, and ending June 30, 2012.

(b) Notwithstanding any other law, if any of the expenditures that were reduced or eliminated under subsection (a) would have been payable from a fund other than the general fund or the transportation fund, the school corporation may transfer the amount of the savings from that fund to the general fund to carry out section 3 of this chapter. A transfer permitted under this subsection is in addition to any transfer permitted under IC 20-40-8-22.

(d) A school corporation shall comply with a plan adopted under subsection (b) or (c).

Sec. 6. To the extent needed to carry out section 3 of this chapter, a school corporation shall reduce its expenditures for nonessential testing programs that are not required by federal law or an agency of the federal government during the period beginning July 1, 2010, and ending June 30, 2012, and use the money saved from the reduction in testing expenditures. The tests that may be suspended under this section include the following:

(1) Kindergarten through grade 2 diagnostics.

(2) Grade 3 through 8 acuity tests.

(3) CORE 40 end of course assessments.

(4) PSAT testing, to the extent that the school corporation's expenditures for PSAT testing are not otherwise paid from PSAT program grants distributed by the state.

(5) ISTEP social studies testing.

The state board and the department shall amend its rules and policies as necessary to permit a school corporation to carry out this section and to give guidance on the identification of nonessential testing expenditures that are not listed in subdivisions (1) through (6).

Sec. 7. (a) Not later than the filing date, the department, after consultation with the department of state revenue and the budget agency, shall submit a report to the executive director of the legislative services agency in an electronic format under IC 5-14-6, the budget agency, and the auditor of state specifying the following:

(1) The:

(A) amount of administrative expenditures that otherwise would have been incurred by the department or another agency of the state in each state fiscal year; and

(B) amount of state tuition support that would have been distributed to virtual charter schools in each state fiscal year;

during the period beginning July 1, 2010, and ending December 31, 2011, if the virtual school pilot program were not suspended under IC 20-24-7-13. The maximum state distribution under IC 20-43-2-2 for calendar years 2010 and 2011 is reduced by the amount

attributable to distributions described in clause (B) for that calendar year.

(2) The:

(A) amount of administrative expenditures that otherwise would have been incurred by the department or another agency of the state in the administration of IC 6-3.1-30.5 or IC 20-51 in the period beginning April 1, 2010, and ending December 31, 2011; and

(B) amount of tax revenue that otherwise would have been lost to the state from the granting of school scholarship tax credits granted under 6-3.1-30.5 against adjusted gross income imposed in taxable years ending not later than December 31, 2011, including amounts that the department of state revenue estimates would have lost from tax returns filed or amended after December 31, 2011;

if the school scholarship tax credit program were not suspended under IC 6-3.1-30.5-0.5 and the school scholarship program were not suspended under IC 20-51-3-2.

(b) The department shall make the estimates required under subsection (a) based on the best information available to the department at the time the estimates are made.

**Sec. 8. (a) The instructional services restoration fund is established. The budget agency shall administer the fund.**

(b) Not later than the first regular business day after June 30, 2010, the auditor of state shall transfer from the state general fund to the fund an amount equal to the sum of the following:

(1) The amounts determined under section 7 of this chapter.

(2) The five hundred thousand dollars (\$500,000) that P.L.182-2009(ss), SECTION 9 directed the department to use for ACT/SAT test preparation in the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The appropriation in P.L.182-2009(ss), SECTION 9 for the state fiscal year beginning July 1, 2010, and ending June 30, 2011, for testing and remediation is reduced by the amount transferred under this subdivision. The requirement that the department use money from this appropriation in the state fiscal year beginning July 1, 2010, and ending June 30, 2011, for ACT/SAT test preparation is terminated.

(3) The seven hundred seventeen thousand four hundred forty-nine dollars (\$717,449) that P.L.182-2009(ss), SECTION 9 appropriated for other operating expenses of the PSAT Program for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The appropriation for the PSAT Program for the state fiscal year beginning July 1, 2010, and ending June 30, 2011, is terminated.

(c) Money in the fund shall be used for the purposes of instructional services restoration grants under section 9 of this chapter.

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

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for purposes of this chapter.

(f) The amount required to be transferred under subsection (b) is appropriated to the auditor of state from the state general fund for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. Money in the fund is appropriated from the fund to the department for the purposes of instructional services restoration grants under section 9 of this chapter, beginning July 1, 2010, and ending June 30, 2011.

**Sec. 9. The department shall establish an instructional services restoration grant program. The purpose of the program is to provide grants in the state fiscal year beginning July 1, 2010, and ending June 30, 2011, to school corporations to carry out section 3 of this chapter. In awarding grants, the department shall give priority to school corporations that demonstrate from a plan or amended plan submitted under section 4 of this chapter that,**

**after taking the actions described in section 4(b) of this chapter, the school corporation will have insufficient funds to carry out section 3 of this chapter. The department shall determine the amount to be awarded to each school corporation.**

**Sec. 10. The state board may require a school corporation to provide interim quarterly reports or annual reports summarizing the actions taken under this chapter.**

**Sec. 11. This chapter expires July 1, 2011.**

SECTION 5. IC 20-43-6-3, AS AMENDED BY P.L.182-2009(ss), SECTION 339, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A school corporation's basic tuition support for a year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that has transition to foundation revenue per adjusted ADM for a year that is not equal to the foundation amount for the year. The school corporation's basic tuition support for a year is equal to the school corporation's transition to foundation revenue for the year.

(c) This subsection applies to a school corporation that has transition to foundation revenue per adjusted ADM for a year that is equal to the foundation amount for the year. The school corporation's basic tuition support for a year is the sum of the following:

(1) The foundation amount for the year multiplied by the school corporation's adjusted ADM.

(2) The amount of the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(d) This subsection applies to students of a virtual charter school who are participating in the pilot program under IC 20-24-7-13. A virtual charter school's basic tuition support for a year for those students is the amount determined under IC 20-24-7-13. **A virtual charter school is not entitled to any other funding under this article.**

SECTION 6. IC 20-51-3-2, AS ADDED BY P.L.182-2009(ss), SECTION 364, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The department shall certify all programs that meet the qualifications under section 1 of this chapter as school scholarship programs. **The certification program under this article is suspended until July 1, 2011. After June 30, 2011, the department may certify programs for the purpose of permitting taxpayers to receive school scholarship tax credits under IC 6-3.1-30.5 in a** SECTION 7. P.L.182-2009(ss), SECTION 488 IS REPEALED [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)].

SECTION 8. **An emergency is declared for this act.**

**HB 1367 passed the House by a vote of 51-48. The bill was amended on 2<sup>nd</sup> Reading. The Associations did not support sections of the bill in committee and have serious concerns about how prescriptive the bill is for local school boards and superintendents. JE**

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**END OF LEGISLATIVE BULLETIN 2010-2**

**Senate Bills, House Bills and Action List are provided in separate email transmissions and are posted on the Associations' Websites.**

