Adopted	Rejected

COMMITTEE REPORT

YES: 8
NO: 5

MR. SPEAKER:

Your Committee on ***Labor and Employment****, to which was referred Senate Bill 367, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill* ***be amended*** *as follows:*

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-3-11-32, AS AMENDED BY P.L.340-1995, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. The general school laws of this state and all laws and parts of laws applicable to the general system of common schools in school cities, so far as not inconsistent with the provisions of this chapter, ~~and IC 20-3.1, and unless made inapplicable by IC 20-3.1,~~ shall be in full force and effect in a school city to which this chapter applies.

SECTION 2. IC 20-3.1-2-10, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. "Expected performance level" refers to a

performance measure, used to place a school in academic receivership, established by the board ~~at a level not less than one (1) standard deviation below the state average~~ **under the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5** for:

(1) student attendance rates;

(2) remediation rates;

(3) scores on assessment tests; and

(4) graduation rates.

SECTION 3. IC 20-3.1-3-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The following school city conditions and needs are found to exist on January 1, 1995:

(1) Education in the school city presents unique challenges.

(2) Student achievement in the school city on statewide tests consistently has been significantly below:

(A) the state average; and

(B) achievement attained in school corporations adjacent to the school city.

(3) The need for remediation of students in the school city consistently has been significantly higher than:

(A) the state average; and

(B) remediation levels in school corporations adjacent to the school city.

(4) Graduation rates in the school city consistently have been significantly below:

(A) the state average; and

(B) graduation rates in school corporations adjacent to the school city.

(5) Student attendance rates in the school city consistently have been below:

(A) the state average; and

(B) student attendance rates in school corporations adjacent to the school city.

(6) There are individual schools in the school city whose students are achieving. However, ~~overall~~ **a degree of** student achievement in the school city is unsatisfactory.

~~(7) Improving education in the school city requires unique legislative intervention.~~

~~(8)~~ **(7)** Educator-driven school level control of efforts to improve student achievement in their schools and a program of performance awards in the school city will encourage the development and use of:

(A) innovative teaching methods;

(B) improved opportunities for teacher professional development;

(C) programs achieving greater levels of parental involvement;

(D) more efficient administrative efforts; and

(E) improved student achievement.

~~(9)~~ **(8)** Greater accountability among educators in their schools, including:

(A) evaluations based on ~~student achievement measures and~~ administrative efficiency criteria; and

(B) annual reports to the public regarding student achievement information and administrative performance measures;

will encourage the development and use of creative and innovative educational methods and improve student achievement.

~~(10)~~ **(9)** Providing a range of remediation opportunities to students in the school city who fail to meet state achievement standards or who are determined to be at risk of academic failure by the board will enhance the educational opportunities available to students and improve student performance.

~~(11)~~ **(10)** Enhanced intervention for schools whose students fail to meet expected performance levels will improve the educational opportunities and educational achievement in the school city.

~~(12)~~ **(11)** Allowing students to attend neighborhood schools and the development and implementation of a plan by the board to increase student performance and achievement in the school city are necessary to achieve these legislative objectives and to meet the unique challenges to education and improve student achievement in the school city.

SECTION 4. IC 20-3.1-5-3, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

UPON PASSAGE]: Sec. 3. Each school shall report to the county office of family and children the names of **parents and** foster parents who have not completed a compact under this chapter.

SECTION 5. IC 20-3.1-6-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The student performance measures described in sections 2 through 4 of this chapter shall be used by the board to:

(1) assess;

(2) report; and

(3) improve;

the performance of schools ~~educators,~~ and students in the school city.

SECTION 6. IC 20-3.1-7-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) **Subject to the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5,** the board shall develop and implement a plan for the improvement of student achievement in the schools within the school city.

(b) A plan developed and implemented under this chapter must be consistent with this article.

SECTION 7. IC 20-3.1-7-2, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The plan developed and implemented under this chapter must do the following:

(1) Provide for efforts to increase support of the schools by the parents of students and the neighborhood communities surrounding the schools.

(2) Establish performance objectives for educators and students in each school within the school city **as described in IC 20-3.1-8-1.**

(3) Provide opportunity and support for the educators in each school to develop a school plan, including:

(A) traditional or innovative methods and approaches to improve student achievement; and

(B) efficient and cost effective management efforts in the school;

that are consistent with general guidelines established by the board.

(4) Require annual reports identifying the progress of student achievement for each school as described in IC 20-3.1-10.

(5) Provide for the effective evaluation of each school within the school city and the school's educators, including the consideration of student achievement in the school.

~~(6) Develop performance awards under IC 20-3.1-12 for extraordinary and outstanding performance by educators.~~

~~(7)~~ **(6)** Provide a range of opportunity for remediation of students who:

(A) fail to meet state achievement standards; or

(B) are at risk of academic failure.

~~(8)~~ **(7)** Require action to raise the level of performance of a school if the school's students fail to achieve expected performance levels or performance objectives established for the school.

SECTION 8. IC 20-3.1-7-3, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The board shall:

(1) develop and publish the plan required under this chapter not later than ~~December 31, 1995,~~ **December 31, 1998;** and

(2) implement the plan not later than July 1, ~~1996.~~ **1999.**

SECTION 9. IC 20-3.1-7-4, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. **(a)** If the board revises the plan after the plan is published, the board shall publish the revisions.

(b) Revisions to the plan are subject to the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5.

SECTION 10. IC 20-3.1-8-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The board shall establish annual performance objectives for each school, including the following:

(1) For students:

(A) improvement in scores on statewide assessment tests and assessment programs;

(B) improvement in attendance rates; and

(C) improvement in progress toward graduation.

(2) For teachers,

~~(A) improvement in student scores on assessment tests and~~

~~assessment programs;~~

~~(B) improvement in the number and percentage of students achieving state achievement standards and, if applicable, performance levels set by the board, on assessment tests;~~

~~(C) improvement in student progress toward graduation;~~

~~(D) improvement in student attendance rates for the school year;~~

~~(E) improvement in individual teacher attendance rates;~~

~~(F) improvement in communication with parents and parental involvement in classroom and extracurricular activities; and~~

~~(G) other objectives developed by the board.~~

improvement in objectives that are identified under the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5.

(3) For the school: ~~and the school administrators:~~

(A) improvement in student scores on assessment tests, aggregated by class and grade;

(B) improvement in the number and percentage of students achieving state achievement standards and, if applicable, performance levels set by the board, on assessment tests, aggregated by class and grade;

(C) improvement in student graduation rates and in progress toward graduation; **and**

(D) improvement in student attendance rates.

(4) For the school administrators:

~~(E)~~ **(A)** management of general fund expenditures per student and total expenditures per student;

~~(F) improvement in teacher attendance rates;~~ and

~~(G)~~ **(B)** other objectives developed by the board.

SECTION 11. IC 20-3.1-9-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) **Subject to the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5,** the plan developed and implemented by the board under IC 20-3.1-7 must contain general guidelines for decisions by the educators in each school to improve student achievement in the school.

(b) The board's plan shall provide for the publication to other schools within the school city and to the general community those

processes, innovations, and approaches that have led individual schools to significant improvement in student achievement.

SECTION 12. IC 20-3.1-9-2, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Educators in each school are responsible for improving student achievement in the school and, **subject to the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5,** may develop the educators' own school plan to achieve improvement that:

(1) conforms to the guidelines issued by the board; and

(2) has a cost that does not exceed the amount allocated to the school under section 5 of this chapter.

(b) **Under a plan described in subsection (a),** educators may use traditional or innovative techniques that the educators believe will best maintain a secure and supportive educational environment and improve student achievement.

SECTION 13. IC 20-3.1-9-6, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) **Under a plan described in section 2 of this chapter,** each school's educators may:

(1) determine the educational resources, goods, and services that are necessary and appropriate for improving student performance in the school; and

(2) obtain or purchase the educational resources, goods, and services.

(b) Purchases and acquisitions under this section are subject to:

(1) the general guidelines developed by the board; and

(2) the school's budget.

SECTION 14. IC 20-3.1-9-8, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If, as a result of a school's efforts to incur less expense than was budgeted in a fiscal year, the school has excess general fund money after the school's expenses for the fiscal year are paid in full, the school retains control of the excess.

(b) The school shall use excess general fund money retained under this section during the following school year for:

(1) professional development of the school's educators; and

(2) other classroom instructional purposes;

under the general guidelines developed by the board **and as provided for in the plan.**

(c) The board may not consider a school's excess general fund money retained under this section when setting or approving the school's budget for subsequent years.

SECTION 15. IC 20-3.1-11-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. IC 20-6.1-9 ~~does not apply~~ **applies** to a school city.

SECTION 16. IC 20-3.1-11-3, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a)** A staff performance evaluation plan must: ~~do~~

(1) provide for the improvement of the performance of the individuals evaluated;

(2) provide for the growth and development of the individuals evaluated;

(3) require periodic assessment of the effectiveness of the plan;

(4) provide that nonpermanent and semipermanent teachers receive:

(A) an evaluation on or before December 31 each year; and

(B) if requested by the teacher, an additional evaluation on or before March 1 of the following year; and

(5) comply with IC 20-6.1-9.

(b) In addition to the requirements of subsection (a), the staff performance evaluation must comply with the following:

(1) **The plan shall** provide for evaluation of each employee's performance based upon the following:

(A) For teachers,

~~(i) the development and maintenance of parental involvement in classroom and extracurricular activities;~~

~~(ii) student achievement on assessment tests and assessment programs; and~~

~~(iii) the teacher's attendance rates.~~

criteria identified through the procedures set forth in

IC 20-7.5-1-4 and IC 20-7.5-1-5.

(B) For administrators:

(i) student attendance rates;

(ii) graduation rates;

(iii) the number of teachers for each student at the school;

(iv) the number of certified administrators for each student at the school; **and**

(v) classroom expenditures per student as determined by a formula to be established by the board. ~~and~~

~~(vi) Scholastic Aptitude Test scores.~~

~~(C) Other objective standards developed by the board for measuring student, teacher, and administrator performance.~~

(2) **The plan may not** provide for ~~the continuing professional development and improvement of the performance of the individuals evaluated.~~ **an evaluation that is based in whole or in part on the ISTEP test scores or the Scholastic Aptitude Test scores of the students in the school corporation.**

~~(3) Require periodic assessment of the effectiveness of the plan.~~

~~(4) Provide that teachers receive an evaluation twice during each school year.~~

SECTION 17. IC 20-3.1-11-6, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Each staff performance evaluation plan must:

(1) comply with guidelines established by ~~and~~ **the board;**

(2) be approved by the board; **and**

(3) as it relates to certificated employees under IC 20-7.5, be established under the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5.

SECTION 18. IC 20-3.1-13-2, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The board may:

(1) request and receive competitive proposals from:

(A) a school of the school city; **or**

~~(B) another public educational institution; or~~

~~(C)~~ **(B)** a group of educators from the school city;

to provide summer remediation services under guidelines and

specified performance standards established by the **state** board; and

(2) contract with one (1) or more providers listed in subdivision (1) to provide summer remediation services to students in the school city.

SECTION 19. IC 20-3.1-13-4, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. ~~(a)~~ Summer remediation services provided by contractors under section 2 of this chapter shall be at no tuition cost to the student.

~~(b) Upon the request of the parent of a student described in section 1 of this chapter, the school city shall provide the parent with a summer remediation subsidy in an amount equal to fifty percent (50%) of the lowest per student cost of summer remediation services provided by a contractor under section 2 of this chapter.~~

~~(c) A parent to whom a summer remediation subsidy is provided may use the subsidy to purchase summer remediation services from a provider located within Marion County. The parent may choose to use the remediation subsidy at an accredited public school. If the amount of tuition for the remediation services is greater than the amount of the remediation subsidy provided to the parent, the parent is responsible for the additional amount.~~

~~(d) The allocated remediation subsidy is payable to a provider of remediation services upon the provider's enrollment of the student in the remediation program.~~

~~(e) Payment of a remediation subsidy fulfills the obligation under this chapter of the school city to provide remediation services to a student.~~

~~(f) If a student who has received a remediation subsidy does not complete a remediation program, the provider of remediation services shall make a refund of the remediation subsidy on a pro rata basis to the school city.~~

SECTION 20. IC 20-3.1-14-4, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. **Subject to the procedures set forth in IC 20-7.5-1-4 and IC 20-7.5-1-5 (as each is applicable) and IC 20-6.1-4 concerning the cancellation of employment contracts and** before August 1 of a school year for which a school is placed in

academic receivership, the superintendent and the board shall require the following:

(1) Evaluation of each administrator at the school.

(2) Evaluation of each teacher at the school.

(3) Evaluation of the school's educational plan **as described in IC 20-3.1-9.**

(4) Consideration of personnel, management, plan, and policy changes for the school to improve student performance at the school.

(5) Identification of significant management, personnel, plan, or policy changes that in the board's judgment must be implemented to improve the school's performance.

SECTION 21. IC 20-3.1-14-5, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) **Subject to the requirements of subsection (b),** if a school is placed in academic receivership, the superintendent and the board must take action to raise the school's level of performance on each of the performance indicators listed in section 1 of this chapter.

(b) The actions that the superintendent and the board may take to raise the performance of a school in academic receivership ~~include the following:~~

~~(1) Shifting resources of the school city to the school.~~

~~(2) Changing or removing the school principal, teachers, administrators, or other staff.~~

~~(3) Establishing a new educational plan for the school.~~

~~(4) Requiring the superintendent or another school city appointee to administer the school until the academic receivership status of the school is removed.~~

~~(5) Contracting with a for-profit or nonprofit organization or individual to manage the school.~~

~~(6) Closing the school.~~

~~(7) Any other management, personnel, or policy changes that the superintendent and board expect in the following school year to:~~

~~(A) raise the performance of the school; and~~

~~(B) avoid continuing academic receivership status for the school.~~

must be taken in accordance with the procedures set forth in:

(1) IC 20-7.5-1-4 and IC 20-7.5-1-5; and

(2) IC 20-6.1-4 as it pertains to the cancellation of employment contracts.

(c) The provisions of this chapter, if inconsistent with any other law relating to education, teachers, or common schools, govern.

SECTION 22. IC 20-3.1-15-1, AS ADDED BY P.L.340-1995, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. To provide the board with the necessary flexibility and resources to carry out this article, the following apply:

~~(1) The board may eliminate or modify existing policies and create new policies, and alter policies from time to time, subject to this article and the plan developed under IC 20-3.1-7.~~

~~(2) IC 20-7.5 does not apply to matters set forth in this article. The matters set forth in this article may not be the subject of collective bargaining or discussion under IC 20-7.5.~~

~~(3) An exclusive representative certified under IC 20-7.5 to represent certified employees of the school city, or any other entity voluntarily recognized by the board as a representative of employees providing educational services in the schools, may bargain collectively only concerning salary, wages, and salary and wage related fringe benefits. The exclusive representative may not bargain collectively or discuss performance awards under IC 20-3.1-12.~~

~~(4)~~ **(1)** The board of school commissioners may waive the following statutes and rules for any school in the school city without the need for administrative, regulatory, or legislative approval:

(A) The following rules concerning curriculum and instructional time:

511 IAC 6.1-3-4
511 IAC 6.1-5-0.5
511 IAC 6.1-5-1
511 IAC 6.1-5-2.5
511 IAC 6.1-5-3.5
511 IAC 6.1-5-4

(B) The following rules concerning pupil/teacher ratios:

511 IAC 6-2-1(b)(2)
511 IAC 6.1-4-1

(C) The following statutes and rules concerning textbooks, and rules adopted under the statutes:

IC 20-10.1-9-1
IC 20-10.1-9-18
IC 20-10.1-9-21
IC 20-10.1-9-23
IC 20-10.1-9-27
IC 20-10.1-10-1
IC 20-10.1-10-2
511 IAC 6.1-5-5

(D) The following rules concerning school principals:

511 IAC 6-2-1(c)(4)
511 IAC 6.1-4-2

(E) 511 IAC 2-2, concerning school construction and remodeling.

~~(5)~~ **(2)** Notwithstanding any other law, a school city may do the following:

(A) Lease school transportation equipment to others for nonschool use when the equipment is not in use for a school city purpose.

(B) Establish a professional development and technology fund to be used for:

(i) professional development; or
(ii) technology, including video distance learning.

(C) Transfer funds obtained from sources other than state or local government taxation among any account of the school corporation, including a professional development and technology fund established under clause (B).

~~(6)~~ **(3)** Transfer funds obtained from property taxation among the general fund (established under IC 21-2-11) and the school transportation fund (established under IC 21-2-11.5), subject to the following:

(A) The sum of the property tax rates for the general fund and the school transportation fund after a transfer occurs under this subdivision may not exceed the sum of the property tax rates for the general fund and the school transportation fund before a transfer occurs under this clause.

(B) This clause does not allow a school corporation to transfer to any other fund money from the debt service fund (established under IC 21-2-4).

SECTION 23. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 20-3.1-2-15; IC 20-3.1-12.

SECTION 24. [EFFECTIVE UPON PASSAGE] **(a) Between the effective date of this act and the implementation of the plan for the improvement of student achievement that is established under IC 20-3.1-7-1, as amended by this act, a school employer who is subject to IC 20-3.1, as amended by this act:**

(1) may not cancel the contract of a school employee for any reason other than a reason set forth in IC 20-6.1-4-10 or IC 20-6.1-4-10.5; and

(2) is subject to IC 20-6.1-4-11 when canceling the contract of a school employee.

(b) This SECTION expires July 1, 2001.".

Page 2, line 7, delete "communicate with" and insert: "**provide factual information to**".

Page 2, after line 31, begin a new paragraph and insert:

"SECTION 26. IC 20-7.5-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 11. (a) Unfair practices shall be remediable in the manner provided in this section. Any school employer or any school employee who believes he is aggrieved by an unfair practice may file a complaint under oath to such effect, setting out a summary of the facts involved and specifying the section of this chapter alleged to have been violated.

(b) ~~Thereafter,~~ The board shall give notice to the person or organization against whom the complaint is directed and shall determine the matter raised in the complaint, and appeals may be taken in accordance with IC 4-21.5-3.

(c) Testimony may be taken and findings and conclusions may be made by a hearing examiner or **an** agent of the board who may be a member ~~thereof.~~ **of the board.**

(d) The board, but not a hearing examiner or **an** agent ~~thereof,~~ **of the board,** may enter ~~such~~ **an** interlocutory ~~orders~~ **order** after summary hearing ~~as it deems necessary in carrying~~ **to carry** out the intent of this chapter.

(e) If, at the conclusion of the hearing, the board, hearing

examiner, or agent of the board determines, based on a preponderance of the evidence admitted at the hearing, that the person named in the complaint has engaged in an unfair practice under section 7 of this chapter, the board:

(1) shall:

(A) state its findings of fact and conclusions of law; and

(B) issue an order requiring the person to cease the unfair practice; and

(2) may:

(A) take other appropriate action, including ordering the reinstatement with back pay of an employee; and

(B) require the person who has engaged in the unfair practice to report to the board concerning compliance with the board's order.

(f) If, at the conclusion of the hearing, the board, hearing examiner, or agent of the board determines, based on a preponderance of the evidence admitted at the hearing, that the person named in the complaint has not engaged in an unfair practice under section 7 of this chapter, the board shall:

(1) state its findings of fact and conclusions of law; and

(2) dismiss the complaint.

(g) If, at the conclusion of the hearing, the board, hearing examiner, or agent of the board determines that an employee was dismissed or suspended for cause, an order reinstating the employee or awarding the employee back pay may not be issued.

SECTION 27. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 367 as printed January 30, 1998.)

and when so amended that said bill do pass.

Representative Liggett