

SENATE BILL No. 446

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-1; IC 20-8.1-6.1-8; IC 20-10.1-22.3; IC 20-12-22.3; IC 21-3-1.7.

Synopsis: International baccalaureate program. Establishes a school's student International Baccalaureate (IB) examination participation and passing scores as a benchmark to be reported to the department of public instruction and as a component of the performance-based award and incentive program. Requires the department of education to pay student fees for taking IB examinations and to encourage schools and students to participate in the IB program. Establishes the IB diploma higher education loan program for Indiana residents who graduate from a public or private high school with an IB diploma, maintain residency in Indiana, and attend an Indiana public or private nonprofit institution of higher learning on a full-time or part-time basis. Provides eligible students with a loan in an amount equal to the undergraduate tuition at the institution of the student's choice (subject to the availability of appropriations), less an adjustment for money awarded to the student
(Continued next page)

Effective: July 1, 1998.

Alexa

January 13, 1998, read first time and referred to Committee on Education.



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Digest Continued

under other state higher education award programs. Provides for forgiveness of the loan obligation if a loan recipient graduates from the Indiana institution, remains a resident of Indiana for four consecutive years following graduation, and is employed in Indiana for at least 42 months of the four consecutive years following graduation. Provides for administration of the program by the state student assistance commission. Provides an \$800 IB diploma award to school corporations for each eligible pupil of the school corporation who achieves an IB diploma. Appropriates from the state general fund a sufficient amount to administer various programs relating to the IB diploma.

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Introduced

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

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SENATE BILL No. 446

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

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

- 1 SECTION 1. IC 20-1-1.2-6, AS AMENDED BY P.L.34-1996,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]: Sec. 6. (a) Each school shall submit to the department
4 the following benchmarks:
5 (1) Graduation rate.
6 (2) Attendance rate.
7 (3) ISTEP scores, or, for a freeway school, scores on a locally
8 adopted assessment program, if appropriate, including the number
9 and percentage of students:
10 (A) meeting an advanced standard; or
11 (B) meeting a proficient standard.
12 (4) Actual class size.
13 (5) The number and percentage of students in the following
14 groups or programs:
15 (A) At risk.



- 1 (B) Vocational education.
 2 (C) Special education.
 3 (D) Gifted or talented.
 4 (E) Remediation/preventative remediation.
 5 (F) Technology preparation.
 6 (6) Advanced placement, including the following:
 7 (A) For advanced placement tests, the number and percentage
 8 of students:
 9 (i) scoring three (3), four (4), and (5); or
 10 (ii) participating.
 11 (B) For the Scholastic Aptitude Test, the number and
 12 percentage of students:
 13 (i) above a designated proficient score;
 14 (ii) above a designated advanced score; or
 15 (iii) participating.
 16 **(C) For International Baccalaureate examinations, the**
 17 **number and percentage of students:**
 18 **(i) scoring three (3), four (4), five (5), six (6), and seven**
 19 **(7); or**
 20 **(ii) participating.**
 21 (7) Course completion, including the number and percentage of
 22 students completing the following programs:
 23 (A) Academic honors diploma.
 24 (B) Core 40 curriculum.
 25 (C) Vocational programs.
 26 **(D) International Baccalaureate diploma.**
 27 (8) The percentage of graduates who pursue higher education.
 28 (9) School safety, including the number and percentage of
 29 students receiving suspension or expulsion for the possession of
 30 alcohol, drugs, or weapons.
 31 (10) Financial information relevant to performance.
 32 (b) The superintendent and board shall determine which
 33 benchmarks under subsection (a) are appropriate benchmarks for
 34 performance based accreditation under IC 20-1-1.3-3.
 35 SECTION 2. IC 20-1-1.3-3, AS AMENDED BY P.L.34-1996,
 36 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 1998]: Sec. 3. The board shall implement the
 38 performance-based award and incentive program to recognize and
 39 reward schools that have exhibited relative improvement toward the
 40 performance benchmarks determined to be appropriate for the school
 41 by the superintendent and board, including the following benchmarks:
 42 (1) Graduation rate.



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- 1 (2) Attendance rate.
 2 (3) ISTEP scores under the ISTEP program or a locally adopted
 3 assessment program used by a freeway school, including the
 4 number and percentage of students:
 5 (A) meeting an advanced standard; or
 6 (B) meeting a proficient standard.
 7 (4) Actual class size.
 8 (5) The number and percentage of students in the following
 9 groups or programs:
 10 (A) At risk.
 11 (B) Vocational education.
 12 (C) Special education.
 13 (D) Gifted or talented.
 14 (E) Remediation/preventative remediation.
 15 (F) Technology preparation.
 16 (6) Advanced placement, including the following:
 17 (A) For advanced placement tests, the number and percentage
 18 of students:
 19 (i) scoring three (3), four (4), and **five (5)**; or
 20 (ii) participating.
 21 (B) For the Scholastic Aptitude Test, the number and
 22 percentage of students:
 23 (i) above a designated proficient score;
 24 (ii) above a designated advanced score; or
 25 (iii) participating.
 26 **(C) For International Baccalaureate examinations, the**
 27 **number and percentage of students:**
 28 **(i) scoring three (3), four (4), five (5), six (6), and seven**
 29 **(7); or**
 30 **(ii) participating.**
 31 (7) Course completion, including the number and percentage of
 32 students completing the following programs:
 33 (A) Academic honors diploma.
 34 (B) Core 40 curriculum.
 35 (C) Vocational programs.
 36 **(D) International Baccalaureate diploma.**
 37 (8) The percentage of graduates who pursue higher education.
 38 (9) School safety, including the number and percentage of
 39 students receiving suspension or expulsion for the possession of
 40 alcohol, drugs, or weapons.
 41 (10) Financial information relevant to performance.
 42 SECTION 3. IC 20-1-21-9, AS ADDED BY P.L.34-1996,

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1 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 1998]: Sec. 9. The report must include the following
3 benchmarks:

- 4 (1) Graduation rate.
5 (2) Attendance rate.
6 (3) ISTEP test scores, or for a freeway school scores on a locally
7 adopted assessment program, if appropriate, including the number
8 and percentage of students:
9 (A) meeting an advanced standard; or
10 (B) meeting a proficient standard.
11 (4) Actual class size.
12 (5) The number and percentage of students in the following
13 groups or programs:
14 (A) At risk.
15 (B) Vocational education.
16 (C) Special education.
17 (D) Gifted or talented.
18 (E) Remediation/preventative remediation.
19 (6) Advanced placement, including the following:
20 (A) For advanced placement tests, the number and percentage
21 of students:
22 (i) scoring three (3), four (4), and (5); or
23 (ii) participating.
24 (B) For the Scholastic Aptitude Test, the number and
25 percentage of students:
26 (i) above a designated proficient score;
27 (ii) above a designated advanced score; or
28 (iii) participating.
29 **(C) For the International Baccalaureate examinations, the**
30 **number and percentage of students:**
31 **(i) scoring three (3), four (4), five (5), six (6), and seven**
32 **(7); or**
33 **(ii) participating.**
34 (7) Course completion, including the number and percentage of
35 students completing the following programs:
36 (A) Academic honors diploma.
37 (B) Core 40 curriculum.
38 (C) Vocational programs.
39 **(D) International Baccalaureate diploma.**
40 (8) The percentage of graduates who pursue higher education.
41 (9) School safety, including the number and percentage of
42 students receiving suspension or expulsion for the possession of

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1 alcohol, drugs, or weapons.

2 (10) Financial information relevant to performance.

3 SECTION 4. IC 20-8.1-6.1-8, AS AMENDED BY
4 P.L.260-1997(ss), SECTION 58, IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 8. (a) As used in this
6 section, the following terms have the following meanings:

7 (1) "Class of school" refers to a classification of each school or
8 program in the transferee corporation by the grades or special
9 programs taught at the school. Generally, these classifications are
10 denominated as kindergarten, elementary school, middle school
11 or junior high school, high school, and special schools or classes,
12 such as schools or classes for special education, vocational
13 training, or career education.

14 (2) "ADM" means the following:

15 (A) For purposes of allocating to a transfer student state
16 distributions under IC 21-1-30 (primetime), "ADM" as
17 computed under IC 21-1-30-2.

18 (B) For all other purposes, "ADM" as set forth in
19 IC 21-3-1.6-1.1.

20 (3) "Pupil enrollment" means the following:

21 (A) The total number of students in kindergarten through
22 grade 12 who are enrolled in a transferee school corporation
23 on a date determined by the Indiana state board of education.

24 (B) The total number of students enrolled in a class of school
25 in a transferee school corporation on a date determined by the
26 Indiana state board of education.

27 However, a kindergarten student shall be counted under clauses
28 (A) and (B) as one-half (½) a student.

29 (4) "Special equipment" means equipment that during a school
30 year:

31 (A) is used only when a child with disabilities is attending
32 school;

33 (B) is not used to transport a child to or from a place where the
34 child is attending school;

35 (C) is necessary for the education of each child with
36 disabilities that uses the equipment, as determined under the
37 individualized instruction program for the child; and

38 (D) is not used for or by any child who is not a child with
39 disabilities.

40 The Indiana state board of education may select a different date for
41 counts under subdivision (3). However, the same date shall be used for
42 all school corporations making a count for the same class of school.

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1 (b) Each transferee corporation is entitled to receive for each school
 2 year on account of each transferred student, except a student
 3 transferred under section 3 of this chapter, transfer tuition from the
 4 transferor corporation or the state as provided in this chapter. Transfer
 5 tuition equals the amount determined under STEP THREE of the
 6 following formula:

7 STEP ONE: Allocate to each transfer student the capital
 8 expenditures for any special equipment used by the transfer
 9 student and a proportionate share of the operating costs incurred
 10 by the transferee school for the class of school where the transfer
 11 student is enrolled.

12 STEP TWO: If the transferee school included the transfer student
 13 in the transferee school's ADM for a school year, allocate to the
 14 transfer student a proportionate share of the following general
 15 fund revenues of the transferee school for, except as provided in
 16 clause (C), the calendar year in which the school year ends:

17 (A) The following state distributions that are computed in any
 18 part using ADM or other pupil count in which the student is
 19 included:

20 (i) Primetime grant under IC 21-1-30.

21 (ii) Tuition support for basic programs and at-risk weights
 22 under IC 21-3-1.7-8 (before January 1, 1996) and only for
 23 basic programs (after December 31, 1995).

24 (iii) Enrollment growth grant under IC 21-3-1.7-9.5.

25 (iv) At-risk grant under IC 21-3-1.7-9.7.

26 (v) Academic honors diploma award **and International**
 27 **Baccalaureate diploma award** under IC 21-3-1.7-9.8.

28 (vi) Vocational education grant under IC 21-3-1.8-3.

29 (vii) Special education grant under IC 21-3-1.8 (repealed
 30 January 1, 1996) or IC 21-3-10.

31 (viii) The portion of the ADA flat grant that is available for
 32 the payment of general operating expenses under
 33 IC 21-3-4.5-2(b)(1).

34 (B) For school years beginning after June 30, 1997, property
 35 tax levies.

36 (C) For school years beginning after June 30, 1997, excise tax
 37 revenue (as defined in IC 21-3-1.7-2) received for deposit in
 38 the calendar year in which the school year begins.

39 (D) For school years beginning after June 30, 1997, allocations
 40 to the transferee school under IC 6-3.5.

41 STEP THREE: Determine the greater of:

42 (A) zero (0); or

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1 (B) the result of subtracting the STEP TWO amount from the
2 STEP ONE amount.

3 If a child is placed in an institution or facility in Indiana under a court
4 order, the institution or facility shall charge the county office of the
5 county of the student's legal settlement under IC 12-19-7 for the use of
6 the space within the institution or facility (commonly called capital
7 costs) that is used to provide educational services to the child based
8 upon a prorated per student cost.

9 (c) Operating costs shall be determined for each class of school
10 where a transfer student is enrolled. The operating cost for each class
11 of school is based on the total expenditures of the transferee
12 corporation for the class of school from its general fund expenditures
13 as specified in the classified budget forms prescribed by the state board
14 of accounts. This calculation excludes:

- 15 (1) capital outlay;
- 16 (2) debt service;
- 17 (3) costs of transportation;
- 18 (4) salaries of board members;
- 19 (5) contracted service for legal expenses; and
- 20 (6) any expenditure which is made out of the general fund from
21 extracurricular account receipts;
22 for the school year.

23 (d) The capital cost of special equipment for a school year is equal
24 to:

- 25 (1) the cost of the special equipment; divided by
- 26 (2) the product of:
 - 27 (A) the useful life of the special equipment, as determined
 - 28 under the rules adopted by the Indiana state board of
 - 29 education; multiplied by
 - 30 (B) the number of students using the special equipment during
 - 31 at least part of the school year.

32 (e) When an item of expense or cost described in subsection (c)
33 cannot be allocated to a class of school, it shall be prorated to all
34 classes of schools on the basis of the pupil enrollment of each class in
35 the transferee corporation compared to the total pupil enrollment in the
36 school corporation.

37 (f) Operating costs shall be allocated to a transfer student for each
38 school year by dividing:

- 39 (1) the transferee school corporation's operating costs for the class
40 of school in which the transfer student is enrolled; by
- 41 (2) the pupil enrollment of the class of school in which the
42 transfer student is enrolled.



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1 When a transferred student is enrolled in a transferee corporation for
2 less than the full school year of pupil attendance, the transfer tuition
3 shall be calculated by the portion of the school year for which the
4 transferred student is enrolled. A school year of pupil attendance
5 consists of the number of days school is in session for pupil attendance.
6 A student, regardless of the student's attendance, is enrolled in a
7 transferee school unless the student is no longer entitled to be
8 transferred because of a change of residence, the student has been
9 excluded or expelled from school for the balance of the school year or
10 for an indefinite period, or the student has been confirmed to have
11 withdrawn from school. The transferor and the transferee corporation
12 may enter into written agreements concerning the amount of transfer
13 tuition due in any school year. Where an agreement cannot be reached,
14 the amount shall be determined by the Indiana state board of education,
15 and costs may be established, when in dispute, by the state board of
16 accounts.

17 (g) A transferee school shall allocate revenues described in
18 subsection (b) STEP TWO to a transfer student by dividing:

- 19 (1) the total amount of revenues received; by
- 20 (2) the ADM of the transferee school for the school year that ends
21 in the calendar year in which the revenues are received.

22 However, for state distributions under IC 21-1-30, IC 21-3-10, or any
23 other statute that computes the amount of a state distribution using less
24 than the total ADM of the transferee school, the transferee school shall
25 allocate the revenues to the transfer student by dividing the revenues
26 that the transferee school is eligible to receive in a calendar year by the
27 pupil count used to compute the state distribution.

28 (h) In lieu of the payments provided in subsection (b), the transferor
29 corporation or state owing transfer tuition may enter into a long term
30 contract with the transferee corporation governing the transfer of
31 students. This contract is for a maximum period of five (5) years with
32 an option to renew, and may specify a maximum number of pupils to
33 be transferred and fix a method for determining the amount of transfer
34 tuition and the time of payment, which may be different from that
35 provided in section 9 of this chapter.

36 (i) If the school corporation can meet the requirements of
37 IC 21-1-30-5, it may negotiate transfer tuition agreements with a
38 neighboring school corporation that can accommodate additional
39 students. Agreements under this section may be for one (1) year or
40 longer and may fix a method for determining the amount of transfer
41 tuition or time of payment that is different from the method, amount,
42 or time of payment that is provided in this section or section 9 of this

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1 chapter. A school corporation may not transfer a student under this
2 section without the prior approval of the child's parent or guardian.

3 (j) If a school corporation experiences a net financial impact with
4 regard to transfer tuition that is negative for a particular school year as
5 described in IC 6-1.1-19-5.1, the school corporation may appeal for an
6 excessive levy as provided under IC 6-1.1-19-5.1.

7 SECTION 5. IC 20-10.1-22.3 IS ADDED TO THE INDIANA
8 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 1998]:

10 **Chapter 22.3. International Baccalaureate Diploma**

11 **Sec. 1. As used in this chapter, "International Baccalaureate**
12 **examination" refers to an examination for a certificate or a**
13 **diploma from the International Baccalaureate Organisation.**

14 **Sec. 2. As used in this chapter, "program" refers to the**
15 **International Baccalaureate program established by the**
16 **International Baccalaureate Organisation.**

17 **Sec. 3. The department shall do the following:**

18 (1) **Administer this chapter.**

19 (2) **Encourage school corporations to offer the International**
20 **Baccalaureate program to students enrolled in the school**
21 **corporation.**

22 (3) **Encourage students to participate in the International**
23 **Baccalaureate program.**

24 (4) **To the extent that funds are appropriated for this**
25 **purpose, pay the fees for each International Baccalaureate**
26 **examination that is taken by a student who is:**

27 (A) **enrolled in a public secondary school; and**

28 (B) **a resident of Indiana.**

29 (5) **Prepare an annual report concerning the implementation**
30 **of this chapter and submit this report to the board before**
31 **December 1 of each year. The report must include the**
32 **following:**

33 (A) **The number of students participating in the**
34 **program.**

35 (B) **Recent trends in the program.**

36 (C) **The distribution of money under this chapter.**

37 (D) **Other pertinent matters.**

38 (6) **Establish guidelines concerning the distribution of funds**
39 **under this chapter. In establishing the distribution**
40 **guidelines, the department shall consider the following**
41 **factors:**

42 (A) **The number of students participating in the**

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program.

(B) Financial need of students participating in the program.

(C) Other factors that have an impact on the distribution of money under this chapter.

(7) Adopt rules under IC 4-22-2 to implement this chapter.

SECTION 6. IC 20-12-22.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]:

Chapter 22.3 International Baccalaureate Diploma Higher Education Loans

Sec. 1. As used in this chapter, "academic year" has the meaning set forth in IC 20-12-21-3(1).

Sec. 2. As used in this chapter, "approved institution of higher learning" has the meaning set forth in IC 20-12-21-3(2) and includes the following:

(A) An institution that offers a nursing diploma program that is accredited by the Indiana state board of nursing and operated by a hospital.

(B) Ivy Tech State college when it offers a technical certificate or associate degree program.

Sec. 3. As used in this chapter, "commission" refers to the state student assistance commission established by IC 20-12-21-4.

Sec. 4. As used in this chapter, "fund" refers to the International Baccalaureate diploma loan fund established by this chapter.

Sec. 5. As used in this chapter, "International Baccalaureate diploma" means a diploma issued by the International Baccalaureate Organisation.

Sec. 6. As used in this chapter, "loan" refers to an International Baccalaureate diploma higher education loan under this chapter.

Sec. 7. The International Baccalaureate diploma higher education loan program is established to provide loans for undergraduate higher education in Indiana for Indiana residents who receive International Baccalaureate diplomas.

Sec. 8. (a) The commission shall administer this chapter. The powers of the commission under IC 20-12-21 apply to the administration of this chapter, including the power to deny awards under IC 20-12-21-7.6.

(b) The commission may adopt rules under IC 4-22-2 to implement this chapter.

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1 **Sec. 9. The commission shall issue an initial loan to each**
 2 **qualified applicant for a loan.**

3 **Sec. 10. An applicant qualifies for an initial loan by meeting**
 4 **the following requirements:**

5 (1) **The applicant is a resident of Indiana, as defined by the**
 6 **commission.**

7 (2) **The applicant:**

8 (A) **is a graduate from an Indiana public or accredited**
 9 **nonpublic high school; or**

10 (B) **is a student in good standing in an Indiana public or**
 11 **accredited nonpublic high school and will graduate by**
 12 **the end of the academic year in which the application is**
 13 **submitted.**

14 (3) **The applicant:**

15 (A) **holds an International Baccalaureate diploma; or**

16 (B) **is a student in good standing who is enrolled in a**
 17 **program that will:**

18 (i) **be completed by the end of the academic year in**
 19 **which the student is enrolled; and**

20 (ii) **result in the applicant receiving an International**
 21 **Baccalaureate diploma.**

22 (4) **The applicant will use the loan to attend an**
 23 **undergraduate program in an approved institution of higher**
 24 **learning in Indiana.**

25 **Sec. 11. (a) Subject to the availability of funds appropriated**
 26 **for the purpose of loans under this chapter, the amount of an initial**
 27 **or renewal loan is the cost of undergraduate tuition at the**
 28 **approved institution of higher learning of the qualifying student's**
 29 **choice, less any money awarded to the student for the following:**

30 (A) **A higher education award under IC 20-12-21.**

31 (B) **A freedom of choice grant established by**
 32 **IC 20-12-21-15.**

33 (C) **A hoosier scholar award established by**
 34 **IC 20-12-21-20.**

35 (D) **A minority or special education teacher scholarship**
 36 **under IC 20-12-21.7.**

37 (E) **A nursing scholarship under IC 20-12-21.9.**

38 (b) **If money is not available to provide the full loan as**
 39 **established under subsection (a), the commission shall reduce the**
 40 **loan to an amount that may be paid with available money.**

41 **Sec. 12. (a) A person who qualifies for a loan is entitled to a**
 42 **loan for the equivalent of a total of eight (8) semesters or twelve**

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1 (12) quarters of postsecondary school undergraduate education.
 2 However, eligibility does not extend more than ten (10) years after
 3 the beginning of the academic year for which an initial loan is
 4 granted.

- 5 (b) To maintain eligibility a loan recipient is not required to:
 6 (1) attend an institution of higher learning; or
 7 (2) receive a loan;

8 in consecutive semesters or quarters or on a full-time basis.

9 (c) A loan may be renewed only upon application and only
 10 upon the commission finding the following:

11 (1) That the applicant meets the requirements of section 10
 12 of this chapter.

13 (2) That the applicant has successfully completed an
 14 academic year at an approved institution of higher learning
 15 in Indiana during which the applicant maintained a:

16 (A) passing grade point average in the applicant's first
 17 academic year; or

18 (B) "C" grade point average or the equivalent in each
 19 year after the applicant's first academic year.

20 (3) That the applicant is in compliance with subsections (a)
 21 and (b).

22 **Sec. 13. Subject to the following, the commission shall establish**
 23 **the terms and conditions of loans under this chapter:**

24 (1) The interest rate may not exceed the annual rate of
 25 simple interest prescribed for state student loan programs by
 26 federal law.

27 (2) A loan recipient who:

28 (A) graduates from an approved institution of higher
 29 learning in Indiana;

30 (B) is a resident of Indiana for four (4) consecutive years
 31 following graduation from the approved institution of
 32 higher learning in Indiana; and

33 (C) is employed in Indiana for at least forty-two (42)
 34 months of the four consecutive years following
 35 graduation from the approved institution of higher
 36 learning in Indiana;

37 is not required to repay a loan received under this chapter.

38 **Sec. 14. (a) The International Baccalaureate diploma loan fund**
 39 **is established for the purpose of carrying out this chapter. The**
 40 **fund shall be administered by the commission.**

41 (b) The expenses of administering the fund shall be paid from
 42 money in the fund.

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

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

6 (e) Money in the fund is continuously appropriated for the
 7 purposes set forth in this chapter.

8 SECTION 7. IC 21-3-1.7-3.1, AS AMENDED BY
 9 P.L.260-1997(ss), SECTION 77, IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 3.1. (a) As used in this
 11 chapter, "previous year revenue" for calculations with respect to a
 12 school corporation equals:

13 (1) the school corporation's tuition support for regular programs,
 14 including basic tuition support, and excluding:

15 (A) special education grants;

16 (B) vocational education grants;

17 (C) at-risk programs;

18 (D) the enrollment adjustment grant; and

19 (E) for 1999 and thereafter, the academic honors
 20 diploma award **and the International Baccalaureate**
 21 **diploma award;**

22 for the year that precedes the current year; plus

23 (2) the school corporation's tuition support levy for the year that
 24 precedes the current year before the reductions required under
 25 section 5(1), 5(2), and 5(3) of this chapter; plus

26 (3) the school corporation's excise tax revenue for the year that
 27 precedes the current year by two (2) years; minus

28 (4) an amount equal to the reduction in the school corporation's
 29 tuition support under subsection (b) or IC 20-10.1-2-1, or both.

30 (b) A school corporation's previous year revenue shall be reduced

31 if:

32 (1) the school corporation's state tuition support for special or
 33 vocational education was reduced as a result of a complaint
 34 being filed with the department of education after December 31,
 35 1988, because the school program overstated the number of
 36 children enrolled in special or vocational education programs;
 37 and

38 (2) the school corporation's previous year revenue has not been
 39 reduced under this subsection more than one (1) time because of
 40 a given overstatement.

41 The amount of the reduction equals the amount the school corporation
 42 would have received in tuition support for special and vocational

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1 education because of the overstatement.

2 SECTION 8. IC 21-3-1.7-9, AS AMENDED BY
3 P.L.260-1997(ss), SECTION 83, IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. (a) Subject to the
5 amount appropriated by the general assembly for tuition support, the
6 amount that a school corporation is entitled to receive in tuition support
7 for a year is the amount determined in section 8 of this chapter.

8 (b) If the total amount to be distributed as tuition support under
9 this chapter, for enrollment adjustment grants under section 9.5 of this
10 chapter, for at-risk programs under section 9.7 of this chapter, for
11 academic honors diploma awards, **and International Baccalaureate**
12 **diploma awards** under section 9.8 of this chapter, and as special and
13 vocational education grants under IC 21-3-1.8-3 or IC 21-3-10 for a
14 particular year, exceeds:

15 (1) two billion six hundred fourteen million eight hundred
16 thousand dollars (\$2,614,800,000) for 1997;

17 (2) two billion seven hundred seventy-one million six hundred
18 thousand dollars (\$2,771,600,000) in 1998; and

19 (3) two billion nine hundred thirty-nine million two hundred
20 thousand dollars (\$2,939,200,000) in 1999;

21 the amount to be distributed for tuition support under this chapter to
22 each school corporation during each of the last six (6) months of the
23 year shall be reduced by the same dollar amount per ADM (as adjusted
24 by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the
25 excess.

26 SECTION 9. IC 21-3-1.7-9.8, AS ADDED BY P.L.260-1997(ss),
27 SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 1998]: Sec. 9.8. (a) In addition to the distributions under
29 sections 8, 9.5, and 9.7 of this chapter, a school corporation is eligible
30 for an honors diploma award in the amount determined under STEP
31 TWO of the following formula:

32 STEP ONE: Determine the number of the school corporation's
33 eligible pupils who successfully completed an academic honors
34 diploma program in the school year ending in the previous
35 calendar year.

36 STEP TWO: Multiply the STEP ONE amount by eight hundred
37 dollars (\$800).

38 (b) **In addition to the distributions under sections 8, 9.5, and**
39 **9.7 of this chapter, a school corporation is eligible for an**
40 **International Baccalaureate diploma award in the amount**
41 **determined under STEP TWO of the following formula:**

42 **STEP ONE: Determine the number of the school**



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1 corporation's eligible pupils who received an International
 2 Baccalaureate diploma in the school year ending in the
 3 previous calendar year.
 4 **STEP TWO: Multiply the STEP ONE amount by eight**
 5 **hundred dollars (\$800).**
 6 SECTION 10. [EFFECTIVE JULY 1, 1998] (a) There is
 7 appropriated from the state general fund to the International
 8 Baccalaureate diploma loan fund a sufficient amount to pay the
 9 International Baccalaureate diploma higher education loans under
 10 IC 20-12-22.3, as added by this act, for the fiscal year beginning
 11 July 1, 1998, and ending June 30, 1999.
 12 (b) There is appropriated from the state general fund to the
 13 state student assistance commission a sufficient amount for
 14 administering the International Baccalaureate diploma higher
 15 education loans under IC 20-12-22.3, as added by this act, for the
 16 fiscal year beginning July 1, 1998, and ending June 30, 1999.
 17 (c) There is appropriated from the state general fund to the
 18 Indiana department of education a sufficient amount for student
 19 International Baccalaureate examinations under IC 20-10.1-22.3,
 20 as added by this act, and for administering IC 20-12-22.3, as added
 21 by this act, for the fiscal year beginning July 1, 1998, and ending
 22 June 30, 1999.
 23 (d) There is appropriated from the state general fund to the
 24 Indiana department of education a sufficient amount for the
 25 International Baccalaureate diploma award to school corporations
 26 under IC 21-3-1.7-9.8(b), as added by this act, for the fiscal year
 27 beginning July 1, 1998, and ending June 30, 1999.
 28 (e) This SECTION expires July 1, 1999.

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