

# COMMITTEE REPORT

## MR. PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 236, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be amended as follows:

- Delete everything after the enacting clause and insert the following:
- SECTION 1. IC 20-16 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
- ARTICLE 16. ACCOUNTABILITY FOR ACADEMIC PERFORMANCE**
- Chapter 1. Educational Performance Award for Scholars**
- Sec. 1. As used in this chapter, "fund" refers to the student performance incentive fund established under section 3 of this chapter.**
- Sec. 2. As used in this chapter, "grant" refers to a student performance incentive grant from the fund.**
- Sec. 3. (a) The student performance incentive fund is established to provide funds to stimulate and recognize improved student performance in meeting academic standards. The fund is administered by the department.**
- (b) The fund consists of appropriations from the general assembly.**
- (c) Money in the fund at the end of a state fiscal year does not revert to the state general fund.**
- Sec. 4. The statewide amounts available for grants is determined by the general assembly in appropriations beginning during the 2005-2007 biennium. The maximum amount available to a school is determined by referencing the number of full-time certified teaching positions for the school. The department, under the direction of the state superintendent, shall determine the available amounts and distribute the grants earned.**
- Sec. 5. (a) Beginning with the 2005-2006 school year, a school is entitled to a grant if the school meets the following criteria:**
  - (1) For the 2004-2005 school year at least sixty percent (60%) of the students in the school for whom the school is not entitled to receive a special education grant under IC 21-3-10-3 achieved expected student progress assessed**

under IC 20-15.  
(2) For the 2005-2006 school year, at least seventy percent (70%) of the students in the school for whom the school is not entitled to receive a special education grant under IC 21-3-10-3 achieved expected student progress assessed under IC 20-15.

(3) For the 2006-2007 school year, at least ninety percent (90%) of the students in the school for whom the school is not entitled to receive a special education grant under IC 21-3-10-3 achieved expected student progress assessed under IC 20-15.

(b) This subsection applies to a school that does not meet the expected progress levels set forth under subsection (a)(1), (a)(2), and (a)(3). Beginning with the 2005-2006 school year, a school to which this subsection applies is entitled to a grant under this chapter if the students in the school for whom the school is not entitled to receive a special education grant under IC 21-3-10-3 achieved an improvement in student progress assessed under IC 20-15 of not less than five percent (5%) over the student progress assessed during the school year immediately preceding the school year for which the school seeks a grant.

**Chapter 2. Responses to Improve Student Performance**

**Sec. 1. (a) If a school's students:**

- (1) fail to progress at the levels set forth under IC 20-16-1-5;
- or
- (2) demonstrate declining performance on assessments under IC 20-15;

for two (2) consecutive years, the school shall be placed in academic receivership and the department shall take any action that the department determines to be necessary to ensure the school's students will meet the established statewide academic standards.

(b) Actions taken under this section may include any of the following:

- (1) Shifting resources.
- (2) Changing or terminating personnel.
- (3) Establishing a new educational plan.
- (4) Using outside expertise to manage the school.

(c) Personnel changes under subsection (b) must be made in accordance with the legal and contractual obligations in effect at the time of the changes. A conflict between the ability to make personnel changes to improve educational results and a legal or contractual obligation must be reported to the state superintendent, who shall report the conflict to the general assembly.

SECTION 2. IC 21-3-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

**Chapter 12. Education Block Grants**

**Sec. 1. (a) The education block grant fund is established to**

provide school corporations with funding for teaching and learning. The education grant fund is administered by the department.

(b) The fund consists of appropriations from the general assembly.

(c) Money in the education block grant fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 2. (a) A school corporation is entitled to receive a block grant under this chapter to fund any activity related to teaching and learning.

(b) A block grant received under this chapter may be used for any of the following purposes:

- (1) Transportation, including transportation for special or vocational education.
- (2) Accelerated remediation.
- (3) Summer school.
- (4) Adult education.
- (5) Textbook rentals.
- (6) Programs for gifted or talented children.
- (7) Programs to decrease class size in elementary schools.
- (8) Any other purpose the school corporation determines is necessary to improve student educational achievement in the school corporation.

Sec. 3. The general assembly shall adopt a formula by statute to annually distribute block grants from the fund.

SECTION 3. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 1999]: IC 20-1-1-8; IC 20-5-62; IC 20-10.1-9; IC 20-10.1-10.

SECTION 4. [EFFECTIVE JULY 1, 1999] (a) As used in this SECTION, "commission" refers to the education deregulation commission established under subsection (b).

(b) The education deregulation commission is established.

(c) The commission members are appointed as follows:

- (1) The governor and state superintendent of public instruction, who shall act as co-chairpersons of the commission.
- (2) The governor shall make the following appointments:
  - (A) Two (2) individuals, each of whom is a member of the governing body of a school corporation.
  - (B) Two (2) individuals, each of whom is a superintendent of a school corporation.
  - (C) Two (2) individuals, each of whom is currently employed as a teacher.
  - (D) Two (2) individuals, each of whom is a representative of business and industry.

(3) The state superintendent of public instruction shall make the following appointments:

- (A) Two (2) individuals, each of whom is a member of the governing body of a school corporation.
- (B) Two (2) individuals, each of whom is a superintendent of a school corporation.

- III (C) Two (2) individuals, each of whom is currently  
 III employed as a teacher.
- III (D) Two (2) individuals, each of whom is a  
 III representative of business and industry.
- III (4) The president pro tempore of the senate, with the advice  
 III of the minority leader of the senate, shall appoint two (2)  
 III senators, who may not be members of the same political  
 III party.
- III (5) The speaker of the house of representatives, with the  
 III advice of the minority leader of the house of representatives,  
 III shall appoint two (2) representatives, who may not be  
 III members of the same political party.
- III (d) The governor, the state superintendent of public  
 III instruction, the president pro tempore of the senate, and the  
 III speaker of the house of representatives shall make the  
 III appointments required under subsection (d) not later than July 1,  
 III 1999.
- III (e) The commission shall evaluate each statute and rule that is  
 III applicable to kindergarten through grade 12 education. The  
 III commission shall determine whether a statute or rule adds  
 III educational value by supporting the efforts of school corporations  
 III and schools to educate students to meet the applicable academic  
 III standards of IC 20-15.
- III (f) The commission may consider entire statutes and rules or  
 III parts of a statute or rule.
- III (g) Proponents and opponents of the continuation of a statute  
 III or rule may provide written materials to the commission.
- III (h) During the period in which the evaluation occurs, the  
 III commission shall hold at least five (5) public forums in different  
 III locations throughout Indiana at which members of the public may  
 III offer testimony concerning the educational value of statutes and  
 III rules.
- III (i) The affirmative votes of a majority of the voting members  
 III of the commission are required to take action on a measure.
- III (j) Not later than November 1, 2000, the commission shall  
 III complete the evaluation and issue a report of recommendations to  
 III the governor, state superintendent of public instruction, and

- ||| **general assembly.**
- ||| **(k) This SECTION expires December 1, 2000.**
- ||| **SECTION 5. An emergency is declared for this act.**

(Reference is to SB 236 as introduced.)

**and when so amended that said bill be reassigned to the Senate Committee on Education.**

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GARTON                      Chairperson