



Reprinted
February 19, 1999

SENATE BILL No. 481

DIGEST OF SB 481 (Updated February 18, 1999 2:11 pm - DI 71)

Citations Affected: IC 20-5.5; IC 20-7.5.

Synopsis: Charter schools. Allows a sponsor to issue a charter to an organizer to establish a charter school. Defines a "sponsor" as the governing body of a school corporation. Allows an organizer to appeal to a state charter school review panel if a proposal to establish a charter school is rejected and at least one-third of the members of the governing body to which the proposal was submitted was in favor of the proposal. Provides that the decision of the charter school review panel is binding. Sets forth the organization, powers, method of establishment, charter contents, policies, oversight, and restrictions for charter schools. Provides that a decision concerning the establishment of a charter school may not be restrained by a collective bargaining agreement. Allows the employees of a charter school to organize and collectively bargain. Requires 100% of the teachers in a charter school to hold a license to teach in a public school. Provides that if a school
(Continued next page)

Effective: Upon passage.

Lubbers, Weatherwax

January 19, 1999, read first time and referred to Committee on Education.
February 11, 1999, amended, reported favorably — Do Pass.
February 18, 1999, read second time, amended, ordered engrossed.

SB 481—LS 7823/DI 71+



C
O
P
Y

Digest Continued

corporation eliminates a teaching position in a noncharter school because of a charter school, the legal or contractual provisions, if any, otherwise applicable to a teacher continue to apply to that teacher. Allows the conversion of an existing public school to a charter school if at least 51% of the teachers and 51% of the parents approve of the conversion. Makes conforming amendments to related sections.

C
o
p
y



Reprinted
February 19, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

C
O
P
Y

SENATE BILL No. 481

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

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

1 SECTION 1. IC 20-5.5 IS ADDED TO THE INDIANA CODE AS
2 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]:

4 ARTICLE 5.5. CHARTER SCHOOLS

5 Chapter 1. Definitions

6 Sec. 1. The definitions in this chapter apply throughout this
7 article.

8 Sec. 2. "Board" refers to the Indiana state board of education
9 established by IC 20-1-1-1.

10 Sec. 3. "Charter" means a contract between an organizer and
11 a sponsor for the establishment of a charter school.

12 Sec. 4. "Charter school" means a public elementary school or
13 secondary school established under this article that:

- 14 (1) is nonsectarian and nonreligious; and
15 (2) operates under a charter.

SB 481—LS 7823/DI 71+



1 **Sec. 5. "Department"** refers to the department of education
2 established by IC 20-1-1.1-2.

3 **Sec. 6. "Elementary school"** has the meaning set forth in
4 IC 20-10.1-1-15.

5 **Sec. 7. "Governing body"** has the meaning set forth in
6 IC 20-5-1-3(b).

7 **Sec. 8. "Home based instruction"** means instruction that:

8 (1) a parent establishes, organizes, and directs for education
9 of the parent's child; and

10 (2) excuses a child from compulsory school attendance under
11 IC 20-8.1-3-34.

12 **Sec. 9. "Organizer"** refers to a group or an entity that enters
13 into a contract under this article to operate a charter school.

14 **Sec. 10. "Parent"** has the meaning set forth in IC 20-1-1.8-8.

15 **Sec. 11. "Proposal"** refers to a proposal from an organizer to
16 establish a charter school.

17 **Sec. 12. "Public school"** has the meaning set forth in
18 IC 20-10.1-1-2.

19 **Sec. 13. "School corporation"** has the meaning set forth in
20 IC 20-5-1-3(a).

21 **Sec. 14. "Secondary school"** refers to a high school (as defined
22 in IC 20-10.1-1-16).

23 **Sec. 15. "Sponsor"** means a governing body.

24 **Sec. 16. "Teacher"** has the meaning set forth in IC 20-6.1-1-8.

25 **Chapter 2. Description**

26 **Sec. 1. A charter school may be established under this article to**
27 **provide innovative and autonomous programs that do the**
28 **following:**

29 (1) **Serve the different learning styles and needs of public**
30 **school students.**

31 (2) **Offer public school students appropriate and innovative**
32 **choices.**

33 (3) **Afford varied opportunities for professional educators.**

34 (4) **Allow public schools freedom and flexibility in exchange**
35 **for exceptional levels of accountability.**

36 (5) **Provide parents, students, community members, and local**
37 **entities with an expanded opportunity for involvement in the**
38 **public school system.**

39 **Sec. 2. A charter school is subject to all federal and state laws**
40 **and constitutional provisions that prohibit discrimination on the**
41 **basis of the following:**

42 (1) **Disability.**



C
O
P
Y

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

- (2) Race.
- (3) Color.
- (4) Gender.
- (5) National origin.
- (6) Religion.
- (7) Ancestry.

Chapter 3. Establishment

Sec. 1. A sponsor may grant a charter to an organizer to operate a charter school under this article.

Sec. 2. A sponsor may not grant a charter to a for-profit organizer.

Sec. 3. An organizer may submit to the sponsor a proposal to establish a charter school. A proposal must contain, at least the following information:

- (1) Identification of the organizer.
- (2) A description of the organizer's organizational structure and governance plan.
- (3) The following information for the proposed charter school:
 - (A) Name.
 - (B) Purposes.
 - (C) Governance structure.
 - (D) Management structure.
 - (E) Educational mission goals.
 - (F) Curriculum and instructional methods.
 - (G) Methods of pupil assessment.
 - (H) Admission policy and criteria, subject to IC 20-5.5-5.
 - (I) School calendar.
 - (J) Age or grade range of pupils to be enrolled.
 - (K) A description of staff responsibilities.
 - (L) A description and the address of the physical plant.
 - (M) Budget and financial plans.
 - (N) Personnel plan, including methods for selection, retention, and compensation of employees.
 - (O) Transportation plan.
 - (P) Discipline program.
 - (Q) Plan for compliance with any applicable desegregation order.
 - (R) The date when the charter school is expected to:
 - (i) begin school operations; and
 - (ii) have students in attendance at the charter school.
 - (S) The arrangement for providing teachers and other staff

C
O
P
Y



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

with health insurance, retirement benefits, liability insurance, and other benefits.

(4) The manner in which an annual audit of the program operations of the charter school is to be conducted by the sponsor.

Sec. 4. (a) Before issuing a charter, a sponsor that is not the governing body of the school corporation in which the proposed charter school is located must comply with the following:

- (1) Notify the school corporation in which the proposed charter school is located of the pending charter school application.
- (2) Not later than thirty days before the public hearing required under subdivision (4), provide the school corporation identified in subdivision (1) with a copy of the charter school proposal submitted under section 3 of this chapter.
- (3) Give notice under IC 5-3-1-2(b) of the public hearing required under this section.
- (4) Make available to the public copies of the charter school application, or require the organizer to make copies available to the public.
- (5) Hold a public hearing within reasonable geographic proximity to the location of the proposed charter school, in which testimony must be allowed from the organizer, the school corporation identified in subdivision (1), and members of the public.
- (6) Conduct any meeting pertaining to the authorization or denial of a charter school proposal in settings that are open and reasonably available to the public.

(b) A sponsor that is the governing body of the school corporation in which the proposed charter school is located must comply with the following:

- (1) Make available to the public copies of the charter school application, or require the organizer to make copies available to the public.
- (2) Give notice under IC 5-3-1-2(b) of the public hearing required under this section.
- (3) Hold a public hearing within reasonable geographic proximity to the location of the proposed charter school, at which testimony must be allowed from the organizer and members of the public.

Sec. 5. (a) Except as provided in subsection (b), if a governing body grants a charter to establish a charter school, the governing

C
O
P
Y



1 body must provide a noncharter school that students of the same
2 age or grade levels may attend.

3 (b) The department may waive the requirement that a
4 governing body provide a noncharter school under subsection (a)
5 upon the request of the governing body.

6 Sec. 6. The sponsor may revoke the charter of a charter school
7 that does not, by the date specified in the charter:

- 8 (1) begin school operations; and
9 (2) have students in attendance at the charter school.

10 Sec. 7. Before granting a charter under which more than fifty
11 percent (50%) of the students in the school corporation will attend
12 a charter school, a governing body must receive the approval of the
13 department.

14 Sec. 8. (a) The sponsor must notify the department of the
15 following:

- 16 (1) The receipt of a proposal.
17 (2) The acceptance of a proposal.
18 (3) The rejection of a proposal, including the reasons for the
19 rejection, the number of members of the sponsor favoring the
20 proposal, and the number of members of the sponsor not
21 favoring the proposal.

22 (b) The department shall annually do the following:

- 23 (1) Compile the information received under subsection (a)
24 into a report.
25 (2) Submit the report to the general assembly.

26 Sec. 9. If a sponsor rejects a charter school proposal, the
27 organizer may:

- 28 (1) amend the charter school proposal and resubmit the
29 proposal to the same sponsor; or
30 (2) submit a charter school proposal to another sponsor.

31 Sec. 10. A school that has qualified for the Indiana schools
32 academic improvement program under IC 20-1-1-6.3 may revise
33 its qualification plan for submission under this chapter as a charter
34 school proposal.

35 Sec. 11. (a) This section applies if:

- 36 (1) a governing body rejects a proposal; and
37 (2) at least one-third (1/3) of the members of the governing
38 body favor the proposal.

39 (b) The organizer may appeal the decision of the governing body
40 to the charter school review panel created under subsection (c).

41 (c) The charter school review panel is created. The members of
42 the panel are the superintendent of public instruction and two (2)

C
O
P
Y



1 members of the board who are appointed by the superintendent of
2 public instruction.

3 (d) Upon the request of an organizer, the panel shall meet to
4 consider the organizer's proposal and the governing body's reasons
5 for rejecting the proposal. The panel must allow the organizer and
6 governing body to participate in the meeting.

7 (e) Following a meeting under subsection (d), the panel shall
8 issue an opinion to the organizer and the governing body that:

- 9 (1) supports the governing body's rejection of the proposal;
10 (2) recommends that the governing body approve the
11 proposal; or
12 (3) recommends that the organizer amend the proposal and
13 the governing body approve the amended proposal.

14 The panel shall issue the opinion not later than forty-five (45) days
15 after the panel receives the request for review.

16 (f) Not later than forty-five (45) days after:

- 17 (1) receiving a recommendation from the panel to approve a
18 proposal; or
19 (2) receiving an amended plan from the organizer that
20 complies with a recommendation of the panel;

21 the governing body shall reconsider the proposal's rejection. The
22 decision of the charter school review panel is final and binding.

23 **Chapter 4. The Charter**

24 **Sec. 1. A charter must do the following:**

- 25 (1) Be a written instrument.
26 (2) Be executed by a sponsor and an organizer.
27 (3) Confer certain rights, franchises, privileges, and
28 obligations on a charter school.
29 (4) Confirm the status of a charter school as a public school.
30 (5) Be granted for:
31 (A) not less than three (3) years; and
32 (B) a fixed number of years agreed to by the governing
33 body and the organizer.
34 (6) Provide for:
35 (A) a review by the sponsor of the charter school's
36 performance, including the progress of the charter school
37 in achieving the academic goals set forth in the charter, at
38 least one (1) time in each five (5) year period while the
39 charter is in effect; and
40 (B) renewal, if the sponsor and the organizer agree to
41 renew the charter.
42 (7) Specify the grounds for the sponsor to:



C
O
P
Y

- 1 (A) revoke the charter before the end of the term for which
 2 the charter is granted; or
 3 (B) not renew a charter.
- 4 (8) Set forth the methods by which the charter school is held
 5 accountable for achieving the educational mission and goals
 6 of the charter school, including the following:
 7 (A) Evidence of improvement in assessment measures,
 8 attendance rates, and graduation rates (if appropriate),
 9 and increased numbers of academic honors diplomas.
 10 (B) Evidence of progress toward reaching the educational
 11 goals set by the sponsor.
- 12 (9) Describe the method to be used to monitor the charter
 13 school's:
 14 (A) compliance with applicable law; and
 15 (B) performance in meeting targeted educational
 16 performance.
- 17 (10) Specify that the sponsor and the organizer may amend
 18 the charter during the term of the charter by mutual consent
 19 and describe the process for amending the charter.
- 20 (11) Describe specific operating requirements, including all of
 21 the matters set forth in the application for the charter.
- 22 (12) Specify a date when the charter school will:
 23 (A) begin school operations; and
 24 (B) have students in attendance at the charter school.
- 25 (13) Specify that records of a charter school relating to the
 26 school's operation and charter are subject to inspection and
 27 copying to the same extent that records of a public school are
 28 subject to inspection and copying under IC 5-14-3.
- 29 (14) Specify that records provided by the charter school to the
 30 department or sponsor that relate to compliance by the
 31 operator with the terms of the charter or applicable state or
 32 federal laws are subject to inspection and copying in
 33 accordance with IC 5-14-3.
- 34 (15) Specify that the charter school is subject to the
 35 requirements of IC 5-14-1.5.
- 36 **Chapter 5. Student Admissions and Enrollment**
- 37 **Sec. 1. Except as provided in this chapter, a charter school must**
 38 **be open to any student who resides in Indiana.**
- 39 **Sec. 2. Except as provided in this chapter, a charter school may**
 40 **not establish admission policies or limit student admissions on the**
 41 **basis of:**
- 42 (1) intellectual ability;



C
O
P
Y

- 1 (2) a measure of achievement or aptitude; or
 2 (3) athletic ability.

3 **Sec. 3. (a) Except as provided in subsections (b) and (c), a**
 4 **charter school must enroll any eligible student who submits a**
 5 **timely application for enrollment.**

6 (b) This subsection applies if the number of applications for a
 7 program, class, grade level, or building exceeds the capacity of the
 8 program, class, grade level, or building. If a charter school receives
 9 a greater number of applications than there are spaces for
 10 students, each timely applicant must be given an equal chance of
 11 being admitted.

12 (c) A charter school may limit new admissions to the charter
 13 school to:

- 14 (1) ensure that a student who attends the charter school
 15 during a school year may continue to attend the charter
 16 school in subsequent years; and
 17 (2) allow the siblings of a student who attends a charter school
 18 to attend the charter school.

19 **Chapter 6. Employment**

20 **Sec. 1. Individuals who work at a charter school are employees**
 21 **of the charter school or of an entity with which the charter school**
 22 **has contracted to provide services, including instructional services.**

23 **Sec. 2. Individuals shall choose to be teachers at a charter school**
 24 **voluntarily, and a charter school shall choose such individuals to**
 25 **be its teachers voluntarily.**

26 **Sec. 3. Employees of a charter school may organize and bargain**
 27 **collectively under IC 20-7.5.**

28 **Sec. 4. Not less than one hundred percent (100%) of the teachers**
 29 **in a charter school must hold a license to teach in a public school.**

30 **Sec. 5. (a) A charter school shall participate in the following:**

- 31 (1) The Indiana state teachers' retirement fund in accordance
 32 with IC 21-6.1.
 33 (2) The public employees' retirement fund in accordance with
 34 IC 5-10.3.

35 (b) A person who teaches in a charter school is a member of the
 36 Indiana state teachers' retirement fund. Service in a charter school
 37 is creditable service for purposes of IC 21-6.1.

38 (c) A person who:

- 39 (1) is a local school employee of a charter school; and
 40 (2) is not eligible to participate in the Indiana state teachers'
 41 retirement fund;

42 is a member of the public employees' retirement fund.



C
O
P
Y

1 (d) The boards of the Indiana state teachers' retirement fund
2 and the public employees' retirement fund shall implement this
3 section through the organizer of the charter school, subject to and
4 conditioned upon receiving any approvals either board considers
5 appropriate from the Internal Revenue Service and the United
6 States Department of Labor.

7 Sec. 6. The decision by a sponsor whether to grant a charter
8 shall not be subject to restraint by the collective bargaining
9 agreement.

10 Sec. 7. As a school corporation grants a charter to a charter
11 school and individuals choose and are chosen by the charter school
12 to teach in the charter school, the school corporation may make
13 personnel adjustments among its teachers in its noncharter schools
14 it believes are necessary or appropriate to match existing resources
15 with existing needs in its noncharter schools. If, as part of such
16 adjustments, the school corporation eliminates a teaching position
17 within the corporation, the legal or contractual provisions, if any,
18 otherwise applicable to a teacher in one (1) of its noncharter
19 schools whose contract with the school corporation is canceled as
20 a result of the elimination of the position within the school
21 corporation shall continue to apply to that teacher.

22 Sec. 8. The governing body must grant a transfer of not more
23 than five (5) years to a teacher of a noncharter school in the school
24 corporation who wishes to teach and has been accepted to teach at
25 a charter school within the school corporation. During the term of
26 the transfer:

- 27 (1) the teacher's seniority status under law continues as if the
28 teacher were an employee of a noncharter school in the school
29 corporation; and
30 (2) the teacher's years as a charter school employee shall not
31 be considered for purposes of permanent or semipermanent
32 status with the school corporation under IC 20-6.1-4.

33 **Chapter 7. Fiscal Matters**

34 Sec. 1. (a) The organizer is the fiscal agent for the charter
35 school.

36 (b) The organizer has exclusive control of:

- 37 (1) funds received by the charter school; and
38 (2) financial matters of the charter school.

39 (c) The organizer shall maintain separate accountings of all
40 funds received and disbursed by the charter school.

41 Sec. 2. For purposes of computing:

- 42 (1) state tuition support; or



C
O
P
Y

1 **(2) state funding for any purpose;**
2 **a charter school student is counted in the same manner as a student**
3 **of the school corporation where the charter school student resides.**
4 **Sec. 3. (a) This section applies to a charter school that has a**
5 **governing body as sponsor of the school.**
6 **(b) The governing body shall distribute the following to the**
7 **organizer:**
8 **(1) A proportionate share of tuition support and any other**
9 **funding received from the state for the students enrolled in**
10 **the charter school.**
11 **(2) A proportionate share of state and federal funds received**
12 **for students with disabilities or staff services for students with**
13 **disabilities for the students with disabilities enrolled in the**
14 **charter school.**
15 **(3) A proportionate share of funds received under federal or**
16 **state categorical aid programs for students who are eligible**
17 **for the federal or state aid enrolled in the charter school.**
18 **(4) A proportionate share of local support for the students**
19 **enrolled in the charter school.**
20 **Sec. 4. (a) This section applies to a charter school that has a**
21 **sponsor that is not the governing body of the school corporation in**
22 **which the charter school is located.**
23 **(b) The department shall distribute the following to the**
24 **organizer:**
25 **(1) Tuition support and other state funding for any purpose**
26 **for students in the charter school.**
27 **(2) A proportionate share of state and federal funds received**
28 **for students with disabilities or staff services for students with**
29 **disabilities for the students with disabilities enrolled in the**
30 **charter school.**
31 **(3) A proportionate share of funds received under federal or**
32 **state categorical aid programs for students who are eligible**
33 **for the federal or state aid enrolled in the charter school.**
34 **(c) Not later than the date established by the department for**
35 **determining average daily membership under IC 21-3-1.6-1.1(d),**
36 **the organizer shall submit to the governing body of the school**
37 **corporation in which the charter school is located a report of the**
38 **total number of students enrolled in the charter school. Upon**
39 **receipt of the report, the governing body shall distribute to the**
40 **organizer a proportionate share of local support for the students**
41 **enrolled in the charter school.**
42 **Sec. 5. Services that a school corporation provides to a charter**

C
O
P
Y



1 school, including transportation, may be provided at not more than
2 one hundred and three percent (103%) of the actual cost of the
3 services.

4 Sec. 6. An organizer may apply for and accept for a charter
5 school:

- 6 (1) independent financial grants; or
- 7 (2) funds from public or private sources other than the
8 department.

9 Chapter 8. Powers and Exemptions

10 Sec. 1. A charter school may do the following:

- 11 (1) Sue and be sued in its own name.
- 12 (2) For educational purposes, acquire real and personal
13 property or an interest in real and personal property by
14 purchase, gift, grant, devise, or bequest.
- 15 (3) Convey property.
- 16 (4) Enter into contracts in its own name, including contracts
17 for services.

18 Sec. 2. A charter school may not do the following:

- 19 (1) Operate at a site or for grades other than as specified in
20 the charter.
- 21 (2) Charge tuition to any student residing within the school
22 corporation's geographic boundaries. However, a charter
23 school may charge tuition for:
 - 24 (A) a preschool program, unless charging tuition for the
25 preschool program is barred under federal law; or
 - 26 (B) a latch key program;
- 27 if the charter school provides those programs.
- 28 (3) Except for a foreign exchange student who is not a United
29 States citizen, enroll a pupil who is not a resident of Indiana.
- 30 (4) Be located in a private residence.
- 31 (5) Provide home based instruction.

32 Sec. 3. For each charter school established under this article, the
33 charter school and the organizer are accountable to the sponsor for
34 ensuring compliance with:

- 35 (1) applicable federal and state laws;
- 36 (2) the charter; and
- 37 (3) the Constitution of the State of Indiana.

38 Sec. 4. Except as specifically provided in this article and the
39 statutes listed in section 5 of this chapter, the following do not
40 apply to a charter school:

- 41 (1) Any Indiana statute applicable to a governing body or
42 school corporation.

C
O
P
Y



- 1 (2) A rule or guideline adopted by the Indiana state board of
- 2 education or the Indiana professional standards board
- 3 (established by IC 20-1-1.4-2).
- 4 (3) A local regulation or policy adopted by a school
- 5 corporation unless specifically incorporated in the charter.
- 6 **Sec. 5. The following statutes and rules and guidelines adopted**
- 7 **under the following statutes apply to a charter school:**
- 8 (1) IC 20-1-1.5 (unified accounting system).
- 9 (2) IC 20-1-6 (special education).
- 10 (3) IC 20-5-2-3 (subject to laws requiring regulation by state
- 11 and federal agencies).
- 12 (4) IC 20-6.1-4-15 (void teacher contract when two (2)
- 13 contracts are signed).
- 14 (5) IC 20-6.1-6-11 (nondiscrimination for teacher marital
- 15 status).
- 16 (6) IC 20-6.1-6-13 (teacher freedom of association).
- 17 (7) IC 20-6.1-6-15 (school counselor immunity).
- 18 (8) IC 20-8.1-3 (compulsory education).
- 19 (9) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5
- 20 (student due process and judicial review).
- 21 (10) IC 20-8.1-7 and IC 20-8.1-8 (health and safety measures).
- 22 (11) IC 20-8.1-9-3 (exemption from school fees for eligible
- 23 families and fee reimbursement).
- 24 (12) IC 20-8.1-9-5 (notice to parents concerning financial
- 25 assistance).
- 26 (13) IC 20-8.1-12 (reporting of student violations of law).
- 27 (14) IC 20-10.1-2-4 and IC 20-10.1-2-6 (patriotic
- 28 commemorative observances).
- 29 (15) IC 20-10.1-16, IC 20-10.1-17, or any other statute, rule,
- 30 or guideline related to standardized testing (assessment
- 31 programs, including remediation under the assessment
- 32 programs).
- 33 (16) IC 20-10.1-22.4 (parental access to education records).
- 34 (17) IC 5-11-1-9 (requiring audit by state board of accounts).

Chapter 9. Oversight and Revocation

35
36 **Sec. 1. An organizer that has established a charter school shall**
37 **submit an annual report to the department for informational and**
38 **research purposes.**

39 **Sec. 2. An annual report under this chapter must contain the**
40 **following information for a charter school:**

- 41 (1) Results of all standardized testing.
- 42 (2) A description of the educational methods and teaching



C
O
P
Y

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

- methods employed.
- (3) Daily attendance records.
- (4) Graduation statistics.
- (5) Student enrollment data, including the following:
 - (A) The number of students enrolled.
 - (B) The number of students expelled.
 - (C) The number of students who discontinued attendance at the charter school and the reasons for the discontinuation.

Sec. 3. The sponsor shall oversee a charter school's compliance with:

- (1) the charter; and
- (2) all applicable law.

Sec. 4. Notwithstanding the provisions of the charter, a sponsor that grants a charter may revoke the charter at any time before the expiration of the term of the charter if the sponsor determines that at least one (1) of the following occurs:

- (1) The organizer fails to comply with the conditions established in the charter.
- (2) The charter school established by the organizer fails to meet the educational goals set forth in the charter.
- (3) The organizer fails to comply with all applicable laws.
- (4) The organizer fails to meet generally accepted government accounting principles.
- (5) One (1) or more grounds for revocation exist as specified in the charter.

Sec. 5. A charter school shall report the following to the sponsor:

- (1) Attendance records.
- (2) Student performance data.
- (3) Financial information.
- (4) Any information necessary to comply with state and federal government requirements.
- (5) Any other information specified in the charter.

Sec. 6. The organizer of a charter school shall publish an annual performance report that provides the information required under IC 20-1-21-8 in the same manner that a school corporation publishes an annual report under IC 20-1-21.

Chapter 10. Student Transfers From Charter Schools

Sec. 1. A public noncharter school that receives a transfer student from a charter school may not discriminate against the student in any way, including placing the student:

C
O
P
Y



- 1 **(1) in an inappropriate age group according to the student's**
- 2 **ability;**
- 3 **(2) below the student's abilities; or**
- 4 **(3) in a class where the student has already mastered the**
- 5 **subject matter.**

6 **Chapter 11. Conversion of Existing Schools Into Charter**
 7 **Schools**

8 **Sec. 1. An existing public elementary or secondary school may**
 9 **be converted into a charter school if the following conditions apply:**

- 10 **(1) At least fifty-one percent (51%) of the teachers at the**
- 11 **school have signed a petition requesting the conversion.**
- 12 **(2) At least fifty-one percent (51%) of the parents of students**
- 13 **at the school have signed a petition requesting the conversion.**

14 **Sec. 2. If the conditions of section 1 of this chapter are met, the**
 15 **teachers and parents may appoint a committee to act as organizers**
 16 **for the charter school.**

17 **Sec. 3. The organizers shall submit a proposal under IC 20-5.5-3**
 18 **to convert an existing school to a charter school.**

19 SECTION 2. IC 20-7.5-1-2 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this
 21 chapter:

22 (a) "School corporation" means any local public school corporation
 23 established under Indiana law and, in the case of public vocational
 24 schools or schools for children with disabilities established or
 25 maintained by two (2) or more school corporations, shall refer to such
 26 schools.

27 (b) "Governing body" ~~shall mean:~~ **means:**
 28 **(1) the board or commission charged by law with the**
 29 **responsibility of administering the affairs of the school**
 30 **corporation; or**
 31 **(2) the body that administers a charter school established**
 32 **under IC 20-5.5.**

33 (c) "School employer" means:
 34 **(1) the governing body of each:**
 35 **(A) school corporation; or**
 36 **(B) charter school established under IC 20-5.5; and**
 37 **(2) any person or persons authorized to act for the governing body**
 38 **of the school employer in dealing with its employees.**

39 (d) "Superintendent" shall mean:
 40 **(1) the chief administrative officer of any:**
 41 **(A) school corporation; or**
 42 **(B) charter school established under IC 20-5.5; or**

C
O
P
Y



- 1 (2) any person or persons designated by the officer or by the
2 governing body to act in the officer's behalf in dealing with school
3 employees.
- 4 (e) "School employee" means any full time certificated person in the
5 employment of the school employer. A school employee shall be
6 considered full time even though the employee does not work during
7 school vacation periods, and accordingly works less than a full year.
8 There shall be excluded from the meaning of school employee
9 supervisors, confidential employees, employees performing security
10 work and noncertificated employees.
- 11 (f) "Certificated employee" means a person:
- 12 (1) whose contract with the school corporation requires that ~~he~~
13 **the person** hold a license or permit from the state board of
14 education or a commission thereof as provided in IC 20-6.1; **or**
15 **(2) employed as a teacher by a charter school established**
16 **under IC 20-5.5.**
- 17 (g) "Noncertificated employee" means any school employee whose
18 employment is not dependent upon the holding of a license or permit
19 as provided in IC 20-6.1.
- 20 (h) "Supervisor" means any individual who has:
- 21 (1) authority, acting for the school corporation, to hire, transfer,
22 suspend, lay off, recall, promote, discharge, assign, reward, or
23 discipline school employees;
- 24 (2) responsibility to direct school employees and adjust their
25 grievances; or
- 26 (3) responsibility to effectively recommend the action described
27 in ~~subsections~~ **subdivision** (1) through (2);
- 28 that is not of a merely routine or clerical nature but requires the use of
29 independent judgment. The term includes superintendents, assistant
30 superintendents, business managers and supervisors, directors with
31 school corporationwide responsibilities, principals and vice principals,
32 and department heads who have responsibility for evaluating teachers.
- 33 (i) "Confidential employee" means a school employee whose
34 unrestricted access to confidential personnel files or whose functional
35 responsibilities or knowledge in connection with the issues involved in
36 dealings between the school corporation and its employees would make
37 the confidential employee's membership in a school employee
38 organization incompatible with the employee's official duties.
- 39 (j) "Employees performing security work" means any school
40 employee whose primary responsibility is the protection of personal
41 and real property owned or leased by the school corporation or who
42 performs police or quasipolice powers.



C
O
P
Y

1 (k) "School employee organization" means any organization which
2 has school employees as members and one (1) of whose primary
3 purposes is representing school employees in dealing with their school
4 employer, and includes any person or persons authorized to act on
5 behalf of such organizations.

6 (l) "Exclusive representative" means the school employee
7 organization which has been certified for the purposes of this chapter
8 by the board or recognized by a school employer as the exclusive
9 representative of the employees in an appropriate unit as provided in
10 section 10 of this chapter, or the person or persons duly authorized to
11 act on behalf of such representative.

12 (m) "Board" means the Indiana education employment relations
13 board provided by this chapter.

14 (n) "Bargain collectively" means the performance of the mutual
15 obligation of the school employer and the exclusive representative to
16 meet at reasonable times to negotiate in good faith with respect to items
17 enumerated in section 4 of this chapter and to execute a written
18 contract incorporating any agreement relating to such matters. Such
19 obligation shall not include the final approval of any contract
20 concerning these or any other items. Agreements reached through
21 collective bargaining are binding as a contract only if ratified by the
22 governing body of the school corporation and the exclusive
23 representative. The obligation to bargain collectively does not require
24 the school employer or the exclusive representative to agree to a
25 proposal of the other or to make a concession to the other.

26 (o) "Discuss" means the performance of the mutual obligation of the
27 school corporation through its superintendent and the exclusive
28 representative to meet at reasonable times to discuss, to provide
29 meaningful input, to exchange points of view, with respect to items
30 enumerated in section 5 of this chapter. This obligation shall not,
31 however, require either party to enter into a contract, to agree to a
32 proposal, or to require the making of a concession. A failure to reach
33 an agreement on any matter of discussion shall not require the use of
34 any part of the impasse procedure, as provided in section 13 of this
35 chapter. Neither the obligation to bargain collectively nor to discuss
36 any matter shall prevent any school employee from petitioning the
37 school employer, the governing body, or the superintendent for a
38 redress of the employee's grievances either individually or through the
39 exclusive representative, nor shall either such obligation prevent the
40 school employer or the superintendent from conferring with any
41 citizen, taxpayer, student, school employee, or other person considering
42 the operation of the schools and the school corporation.

C
O
P
Y

1 (p) "Strike" means concerted failure to report for duty, willful
2 absence from one's position, stoppage of work, or abstinence in whole
3 or in part from the full, faithful, and proper performance of the duties
4 of employment, without the lawful approval of the school employer, or
5 in any concerted manner interfering with the operation of the school
6 employer for any purpose.

7 (q) "Deficit financing" with respect to any budget year shall mean
8 expenditures in excess of money legally available to the employer.

9 **SECTION 3. An emergency is declared for this act.**

C
o
p
y



SENATE MOTION

Mr. President: I move that Senator Weatherwax be added as coauthor of Senate Bill 481.

LUBBERS

C
o
p
y



COMMITTEE REPORT

Mr. President: The Senate Committee on Education, to which was referred Senate Bill No. 481, 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:

Page 2, line 25, delete "an" and insert "**a state educational**".

Page 2, line 25, delete "of higher learning" and insert "**(as defined in IC 20-12-0.5-1)**".

Page 2, line 27, delete "an individual who is:" and insert "**a private college or university with an accredited school of education if the private college or university has received the approval of the board to act as a sponsor.**".

Page 2, delete lines 28 through 30.

Page 3, delete line 36.

Page 3, line 37, delete "(K)" and insert "(J)".

Page 3, line 38, delete "(L)" and insert "(K)".

Page 3, line 39, delete "(M)" and insert "(L)".

Page 3, line 40, delete "(N)" and insert "(M)".

Page 3, line 41, delete "(O)" and insert "(N)".

Page 4, line 1, delete "(P)" and insert "(O)".

Page 4, line 2, delete "(Q)" and insert "(P)".

Page 4, line 3, delete "(R)" and insert "(Q)".

Page 4, line 5, delete "(S)" and insert "(R)".

Page 4, line 8, delete "(T)" and insert "(S)".

Page 4, line 13, delete "governing body" and insert "**sponsor**".

Page 4, between lines 23 and 24, begin a new line block indented and insert:

"(3) Give notice under IC 5-3-1-2(b) of the public hearing required under this section."

Page 4, line 24, delete "(3)" and insert "(4)".

Page 4, line 27, delete "(4)" and insert "(5)".

Page 4, line 32, delete "(5)" and insert "(6)".

Page 4, between lines 40 and 41, begin a new line block indented and insert:

"(2) Give notice under IC 5-3-1-2(b) of the public hearing required under this section."

Page 4, line 41, delete "(2)" and insert "(3)".

Page 5, between lines 34 and 35, begin a new paragraph and insert:

"Sec. 10. A school that has qualified for the Indiana schools academic improvement program under IC 20-1-1-6.3 may revise its qualification plan for submission under this chapter as a charter

C
O
P
Y



school proposal."

Page 6, line 4, after "for" insert ":

- (A) a review by the sponsor of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect; and
(B)".

Page 7, line 9, delete "subsection (b)" and insert "subsections (b) and (c)".

Page 7, delete lines 18 through 20, begin a new paragraph and insert:

"(c) A charter school may limit new admissions to the charter school to:

- (1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; and
(2) allow the siblings of a student who attends a charter school to attend the charter school."

Page 7, line 33, delete "seventy-five percent (75%)" and insert "eighty percent (80%)".

Page 7, between lines 35 and 36, begin a new line block indented and insert:

- "(3) A teacher who teaches in a core curriculum area of language arts, mathematics, science, or social studies must hold a license to teach in a public school."

Page 7, line 36, delete "(3)" and insert "(4)".

Page 7, line 36, delete "twenty-five percent (25%)" and insert "twenty percent (20%)".

Page 7, line 40, delete "and that are either:" and insert ".".

Page 7, delete lines 41 through 42.

Page 8, delete line 1.

Page 8, line 2, delete "(4)" and insert "(5)".

Page 8, line 2, delete "(3)" and insert "(4)".

Page 8, line 7, delete "(5)" and insert "(6)".

Page 8, line 34, delete "school corporation" and insert "sponsor".

Page 9, delete lines 31 through 42, begin a new paragraph and insert:

"Sec. 3. (a) This section applies to a charter school that has a governing body as sponsor of the school.

(b) The governing body shall distribute the following to the organizer:



(1) A proportionate share of tuition support and any other funding received from the state for the students enrolled in the charter school.

(2) A proportionate share of state and federal funds received for students with disabilities or staff services for students with disabilities for the students with disabilities enrolled in the charter school.

(3) A proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state aid enrolled in the charter school.

(4) A proportionate share of local support for the students enrolled in the charter school.

Sec. 4. (a) This section applies to a charter school that has a sponsor that is not the governing body of the school corporation in which the charter school is located.

(b) The department shall distribute the following to the organizer:

(1) Tuition support and other state funding for any purpose for students in the charter school.

(2) A proportionate share of state and federal funds received for students with disabilities or staff services for students with disabilities for the students with disabilities enrolled in the charter school.

(3) A proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state aid enrolled in the charter school.

(c) Not later than the date established by the department for determining average daily membership under IC 21-3-1.6-1.1(d), the organizer shall submit to the governing body of the school corporation in which the charter school is located a report of the total number of students enrolled in the charter school. Upon receipt of the report, the governing body shall distribute to the organizer a proportionate share of local support for the students enrolled in the charter school."

Page 10, delete lines 1 through 2.

Page 10, line 3, delete "6." and insert "5."

Page 10, line 4, delete "must" and insert "may".

Page 10, line 7, delete "7." and insert "6."

Page 11, between lines 21 and 22, begin a new line block indented and insert:

"(9) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5 (student due process and judicial review)."



C
O
P
Y

Page 11, line 22, delete "(9)" and insert "**(10)**".

Page 11, line 23, delete "(10)" and insert "**(11)**".

Page 11, line 25, delete "(11)" and insert "**(12)**".

Page 11, line 27, delete "(12)" and insert "**(13)**".

Page 11, line 28, delete "(13)" and insert "**(14)**".

Page 11, line 30, delete "(14)" and insert "**(15)**".

Page 11, line 34, delete "(15)" and insert "**(16)**".

Page 11, line 35, delete "(16)" and insert "**(17)**".

Page 12, between lines 35 and 36, begin a new paragraph and insert:

"Sec. 6. The organizer of a charter school shall publish an annual performance report that provides the information required under IC 20-1-21-8 in the same manner that a school corporation publishes an annual report under IC 20-1-21."

Page 13, line 7, delete "fifty percent (50%)" and insert "**fifty-one percent (51%)**".

Page 13, line 9, delete "fifty percent (50%)" and insert "**fifty-one percent (51%)**".

and when so amended that said bill do pass.

(Reference is to SB 481 as introduced.)

WEATHERWAX, Chairperson

Committee Vote: Yeas 7, Nays 4.

C
O
P
Y



SENATE MOTION

Mr. President: I move that Senate Bill 481 be AMENDED to read as follows:

Page 2, line 23, delete ":" and insert "**a governing body.**".

Page 2, delete lines 24 through 30.

(Reference is to SB 481 as printed February 12, 1999.)

BOWSER

SENATE MOTION

Mr. President: I move that Senate Bill 481 be AMENDED to read as follows:

Page 8, delete lines 5 through 30, begin a new paragraph and insert:

"Sec. 4. Not less than one hundred percent (100%) of the teachers in a charter school must hold a license to teach in a public school."

(Reference is to Senate Bill 481 as printed February 12, 1999.)

BREAUX

SENATE MOTION

Mr. President: I move that Senate Bill 481 be AMENDED to read as follows:

Page 5, after line 41 and before line 42, begin a new paragraph and insert:

"Sec. 11. (a) This section applies if:

- (1) a governing body rejects a proposal; and**
- (2) at least one-third (1/3) of the members of the governing body favor the proposal.**

(b) The organizer may appeal the decision of the governing body to the charter school review panel created under subsection (c).

(c) The charter school review panel is created. The members of the panel are the superintendent of public instruction and two (2) members of the board who are appointed by the superintendent of public instruction.

(d) Upon the request of an organizer, the panel shall meet to consider the organizer's proposal and the governing body's reasons for rejecting the proposal. The panel must allow the organizer and



C
O
P
Y

governing body to participate in the meeting.

(e) Following a meeting under subsection (d), the panel shall issue an opinion to the organizer and the governing body that:

- (1) supports the governing body's rejection of the proposal;**
- (2) recommends that the governing body approve the proposal; or**
- (3) recommends that the organizer amend the proposal and the governing body approve the amended proposal.**

The panel shall issue the opinion not later than forty-five (45) days after the panel receives the request for review.

(f) Not later than forty-five (45) days after:

- (1) receiving a recommendation from the panel to approve a proposal; or**
- (2) receiving an amended plan from the organizer that complies with a recommendation of the panel;**

the governing body shall reconsider the proposal's rejection. The decision of the charter school review panel is final and binding."

(Reference is to SB 481 as reprinted February 12, 1999.)

SIPES

C
O
P
Y

