



January 28, 2000

# HOUSE BILL No. 1317

DIGEST OF HB 1317 (Updated January 26, 2000 6:38 PM - DI 22)

**Citations Affected:** IC 20-5; IC 20-8.1; IC 21-3.

**Synopsis:** Education programs for expelled students. Requires a school corporation to provide an educational program for students who receive expulsions. Provides that a student's education program may include an assignment to attend various kinds of programs, including an educational program that the school corporation designs. Provides a funding grant administered by the department of education, establishes the amount of the grant as equal to the amount provided per pupil under current law for alternative education grants, and obtains funding from money appropriated under current law for alternative education grants. Provides that an expelled student's absence from the student's educational program is a violation of the compulsory school attendance laws. Provides for the payment of transfer tuition for transfer students who are expelled. Includes in the ADM of a school corporation those expelled students who receive educational services.

**Effective:** July 1, 2000.

## Liggett

January 11, 2000, read first time and referred to Committee on Education.  
January 27, 2000, amended, reported — Do Pass.

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January 28, 2000

Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

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## HOUSE BILL No. 1317



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 20-5-2-1.2 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 1.2. (a) Each school  
 3 corporation shall conduct an educational program for all children who  
 4 reside within the school corporation in kindergarten and in grades 1  
 5 through 12, ~~During the 1990-91 school year, each school corporation~~  
 6 ~~may provide each preschool child with a disability with an appropriate~~  
 7 ~~special education as required under IC 20-1-6-14.1 using local or~~  
 8 ~~available federal funds. Beginning with the 1991-92 school year,~~  
 9 **including students receiving an expulsion under IC 20-8.1-5.1.** Each  
 10 school corporation shall provide each preschool child with a disability  
 11 with an appropriate special education as required under IC 20-1-6-14.1  
 12 only if the general assembly appropriates state funds for preschool  
 13 special education.  
 14 (b) Each school corporation may:  
 15 (1) conduct an educational program for adults and children over  
 16 fourteen (14) years of age not attending a program under  
 17 subsection (a);

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- 1 (2) provide instruction in vocational, industrial, or manual
- 2 training;
- 3 (3) provide libraries for the schools of the school corporation;
- 4 (4) provide public libraries open and free for the use and benefit
- 5 of the residents and taxpayers of the school corporation where
- 6 permitted by law;
- 7 (5) provide vacation school and recreational programs;
- 8 (6) conduct other educational or other activities as are permitted
- 9 or required to be performed by law by any school corporation; and
- 10 (7) provide a school age child care program that operates during
- 11 periods when school is in session for students who are enrolled in
- 12 a half-day kindergarten program.

13 (c) Each school corporation shall develop a written policy that  
 14 provides for:

- 15 (1) the implementation of a school age child care program for
- 16 children who attend kindergarten through grade 6 that, at a
- 17 minimum, operates after the school day and may include periods
- 18 of time before school is in session or periods when school is not
- 19 otherwise in session (commonly referred to as latch key
- 20 programs) and is offered by the school corporation; or
- 21 (2) the availability of the school corporation's buildings or parts
- 22 of the school corporation's buildings to conduct the types of
- 23 programs described in subdivision (1) by nonprofit organizations
- 24 or for-profit organizations.

25 (d) The written policy required under subsection (c) must address  
 26 compliance with certain standards for reasonable care for children  
 27 served under a child care program offered under this subsection,  
 28 including:

- 29 (1) requiring the offering entity to acquire a particular amount of
- 30 liability insurance; and
- 31 (2) establishing maximum adult to child ratios governing the
- 32 overall supervision of the children being served.

33 If a school corporation implements the school corporation's own child  
 34 care program or enters into a contract to provide these programs, the  
 35 school corporation may not assess a fee for the use of the building.  
 36 However, the school corporation may assess a fee to reimburse the  
 37 school corporation for providing security, maintenance, utilities, school  
 38 personnel, or other added costs directly attributable to the use of the  
 39 buildings for the programs. In addition, if a school corporation offers  
 40 the school corporation's own child care program, the school corporation  
 41 may assess a fee to cover the costs attributable to implementing the  
 42 program.

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1 (e) The powers under this section shall be construed as purposes as  
2 well as powers.

3 SECTION 2. IC 20-8.1-1-10 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 10. (a) As used in this  
5 article, the term "expulsion" means a disciplinary or other action  
6 whereby a student **is separated from attending the student's**  
7 **assigned school program for:**

8 (1) ~~is separated from school attendance~~ for a period in excess of  
9 ten (10) school days;

10 (2) ~~is separated from school attendance~~ for the balance of the  
11 current semester or current year unless a student is permitted to  
12 complete required examinations in order to receive credit for  
13 courses taken in the current semester or current year; or

14 (3) ~~is separated from school attendance~~ for the period prescribed  
15 under IC 20-8.1-5.1-10. ~~which may include an assignment to~~  
16 ~~attend an alternative school; an alternative educational program;~~  
17 ~~or a homebound educational program.~~

18 (b) The term does not include situations when a student is:

19 (1) disciplined under IC 20-8.1-5.1-18;

20 (2) removed from school in accordance with IC 20-8.1-7-8; or

21 (3) removed from school for failure to comply with the  
22 immunization requirements of IC 20-8.1-7-10.1.

23 SECTION 3. IC 20-8.1-3-2 IS AMENDED TO READ AS  
24 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 2. This chapter applies  
25 to each situation which involves any of the following:

26 (1) A person less than eighteen (18) years of age who is domiciled  
27 in Indiana.

28 (2) A person less than eighteen (18) years of age who is not  
29 domiciled in Indiana and who intends to remain in Indiana for a  
30 period of time as established by rule of the Indiana state board of  
31 education.

32 (3) A student:

33 (A) who is less than eighteen (18) years of age; **and**

34 (B) whose behavior has resulted in an expulsion from school.

35 **and**

36 ~~(C) who is assigned to attend an alternative school or an~~  
37 ~~alternative educational program.~~

38 SECTION 4. IC 20-8.1-5.1-3.5 IS ADDED TO THE INDIANA  
39 CODE AS A NEW SECTION TO READ AS FOLLOWS  
40 [EFFECTIVE JULY 1, 2000]: Sec. 3.5. (a) **This section does not**  
41 **apply to a student who is expelled under section 11 of this chapter.**

42 (b) A school corporation shall provide an educational program

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1 for a student who receives an expulsion under this chapter. The  
 2 student's educational program may include assignment to attend  
 3 the following:

- 4 (1) An alternative school.  
 5 (2) An alternative educational program.  
 6 (3) A homebound educational program.  
 7 (4) A correspondence course.  
 8 (5) A cooperative program with another school corporation.  
 9 (6) A program under the supervision of the judicial system.  
 10 (7) An educational program that the school corporation  
 11 designs.

12 (c) A grant program is established to assist in the funding of  
 13 educational programs for expelled students. The department of  
 14 education shall:

- 15 (1) distribute grants under this section at the time that the  
 16 department distributes alternative education program grants  
 17 under IC 21-3-11; and  
 18 (2) provide grants from money appropriated for alternative  
 19 education program grants under IC 21-3-11.

20 The amount of the grant to each school corporation shall equal the  
 21 number of expelled students receiving educational services from  
 22 the school corporation multiplied by the per pupil amount  
 23 provided by the alternative education program grant under  
 24 IC 21-3-11. However, a student who is counted for purposes of  
 25 receiving an alternative education grant may not count for  
 26 purposes of determining the amount of a grant under this section.

27 (d) Attendance at an educational program assigned under this  
 28 section satisfies the compulsory school attendance requirements of  
 29 IC 20-8.1-3.

30 SECTION 5. IC 20-8.1-5.1-24 IS AMENDED TO READ AS  
 31 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 24. (a) If a student is  
 32 suspended or expelled from a school or from any educational function  
 33 under this chapter, the student's absence from school because of the  
 34 suspension or expulsion is not a violation of IC 20-8.1-3 or any other  
 35 statute relating to compulsory school attendance.

36 (b) If a student is expelled from a school or from any  
 37 educational function under this chapter, the student's absence from  
 38 the educational program to which the student is assigned because  
 39 of the expulsion is a violation of IC 20-8.1-3 or any other statute  
 40 relating to compulsory school attendance.

41 SECTION 6. IC 20-8.1-6.1-8 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 8. (a) As used in this



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1 section, the following terms have the following meanings:

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

9 (2) "ADM" means the following:

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

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

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

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

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

22 However, a kindergarten student shall be counted under clauses  
23 (A) and (B) as one-half (1/2) a student.

24 (4) "Special equipment" means equipment that during a school  
25 year:

26 (A) is used only when a child with disabilities is attending  
27 school;

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

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

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

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

38 (b) Each transferee corporation is entitled to receive for each school  
39 year on account of each transferred student, except a student  
40 transferred under section 3 of this chapter, transfer tuition from the  
41 transferor corporation or the state as provided in this chapter. Transfer  
42 tuition equals the amount determined under STEP THREE of the

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- 1 following formula:
- 2 STEP ONE: Allocate to each transfer student the capital
- 3 expenditures for any special equipment used by the transfer
- 4 student and a proportionate share of the operating costs incurred
- 5 by the transferee school for the class of school where the transfer
- 6 student is enrolled.
- 7 STEP TWO: If the transferee school included the transfer student
- 8 in the transferee school's ADM for a school year, allocate to the
- 9 transfer student a proportionate share of the following general
- 10 fund revenues of the transferee school for, except as provided in
- 11 clause (C), the calendar year in which the school year ends:
- 12 (A) The following state distributions that are computed in any
- 13 part using ADM or other pupil count in which the student is
- 14 included:
- 15 (i) Primetime grant under IC 21-1-30.
- 16 (ii) Tuition support for basic programs and at-risk weights
- 17 under IC 21-3-1.7-8 (before January 1, 1996) and only for
- 18 basic programs (after December 31, 1995).
- 19 (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
- 20 (iv) At-risk grant under IC 21-3-1.7-9.7.
- 21 (v) Academic honors diploma award under IC 21-3-1.7-9.8.
- 22 (vi) Vocational education grant under IC 21-3-1.8-3.
- 23 (vii) Special education grant under IC 21-3-1.8 (repealed
- 24 January 1, 1996) or IC 21-3-10.
- 25 (viii) The portion of the ADA flat grant that is available for
- 26 the payment of general operating expenses under
- 27 IC 21-3-4.5-2(b)(1).
- 28 (B) For school years beginning after June 30, 1997, property
- 29 tax levies.
- 30 (C) For school years beginning after June 30, 1997, excise tax
- 31 revenue (as defined in IC 21-3-1.7-2) received for deposit in
- 32 the calendar year in which the school year begins.
- 33 (D) For school years beginning after June 30, 1997, allocations
- 34 to the transferee school under IC 6-3.5.
- 35 STEP THREE: Determine the greater of:
- 36 (A) zero (0); or
- 37 (B) the result of subtracting the STEP TWO amount from the
- 38 STEP ONE amount.
- 39 If a child is placed in an institution or facility in Indiana under a court
- 40 order, the institution or facility shall charge the county office of the
- 41 county of the student's legal settlement under IC 12-19-7 for the use of
- 42 the space within the institution or facility (commonly called capital

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1 costs) that is used to provide educational services to the child based  
2 upon a prorated per student cost.

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

- 9 (1) capital outlay;  
10 (2) debt service;  
11 (3) costs of transportation;  
12 (4) salaries of board members;  
13 (5) contracted service for legal expenses; and  
14 (6) any expenditure which is made out of the general fund from  
15 extracurricular account receipts;

16 for the school year.

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

- 19 (1) the cost of the special equipment; divided by  
20 (2) the product of:  
21 (A) the useful life of the special equipment, as determined  
22 under the rules adopted by the Indiana state board of  
23 education; multiplied by  
24 (B) the number of students using the special equipment during  
25 at least part of the school year.

26 (e) When an item of expense or cost described in subsection (c)  
27 cannot be allocated to a class of school, it shall be prorated to all  
28 classes of schools on the basis of the pupil enrollment of each class in  
29 the transferee corporation compared to the total pupil enrollment in the  
30 school corporation.

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

- 33 (1) the transferee school corporation's operating costs for the class  
34 of school in which the transfer student is enrolled; by  
35 (2) the pupil enrollment of the class of school in which the  
36 transfer student is enrolled.

37 When a transferred student is enrolled in a transferee corporation for  
38 less than the full school year of pupil attendance, the transfer tuition  
39 shall be calculated by the portion of the school year for which the  
40 transferred student is enrolled. A school year of pupil attendance  
41 consists of the number of days school is in session for pupil attendance.  
42 A student, regardless of the student's attendance, is enrolled in a



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1 transferee school unless the student is no longer entitled to be  
 2 transferred because of a change of residence ~~the student has been~~  
 3 ~~excluded or expelled from school for the balance of the school year or~~  
 4 ~~for an indefinite period~~; or the student has been confirmed to have  
 5 withdrawn from school. The transferor and the transferee corporation  
 6 may enter into written agreements concerning the amount of transfer  
 7 tuition due in any school year. Where an agreement cannot be reached,  
 8 the amount shall be determined by the Indiana state board of education,  
 9 and costs may be established, when in dispute, by the state board of  
 10 accounts.

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

13 (1) the total amount of revenues received; by

14 (2) the ADM of the transferee school for the school year that ends  
 15 in the calendar year in which the revenues are received.

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

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

30 (i) If the school corporation can meet the requirements of  
 31 IC 21-1-30-5, it may negotiate transfer tuition agreements with a  
 32 neighboring school corporation that can accommodate additional  
 33 students. Agreements under this section may be for one (1) year or  
 34 longer and may fix a method for determining the amount of transfer  
 35 tuition or time of payment that is different from the method, amount,  
 36 or time of payment that is provided in this section or section 9 of this  
 37 chapter. A school corporation may not transfer a student under this  
 38 section without the prior approval of the child's parent or guardian.

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



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1 SECTION 7. IC 20-8.1-6.5-3 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. ~~Transfer Tuition:~~ (a)

3 The transferee corporation shall be entitled to receive from the  
 4 transferor corporation transfer tuition for each transferred student for  
 5 each school year calculated in two (2) parts: operating cost and capital  
 6 cost. These shall be allocated on a per student basis separately for each  
 7 class of school.

8 (b) The operating cost for each class of school shall be based on the  
 9 total expenditures of the transferee corporation for such class from its  
 10 general fund expenditures as set out on the classified budget forms  
 11 prescribed by the state board of accounts, excluding from such  
 12 calculation capital outlay, debt service, costs of transportation, salaries  
 13 of board members, contracted service for legal expenses and any  
 14 expenditure which is made out of the general fund from extracurricular  
 15 account receipts, for the school year.

16 (c) The capital cost for each class of school shall consist of the  
 17 lesser of the following two (2) alternatives: Alternative one shall be  
 18 based on an amount equal to five percent (5%) of the cost of transferee  
 19 corporation's physical plant, equipment and all appurtenances thereto  
 20 (including but not limited to buildings, additions and remodeling  
 21 thereof, except ordinary maintenance, on-site and off-site  
 22 improvements such as walks, sewers, waterlines, drives, and  
 23 playgrounds) theretofore paid or obligated to be paid in the future out  
 24 of the general fund, capital projects fund, or debt service fund,  
 25 including but not limited to principal and interest and lease rental  
 26 payments (or out of funds which were legal predecessors to these  
 27 funds). Where any item of physical plant, equipment appurtenances, or  
 28 portion thereof is more than twenty (20) years old at the beginning of  
 29 the school year, the capital cost thereof shall be disregarded in making  
 30 such computation. Alternate two shall be based on the amount  
 31 budgeted from the general fund for capital outlay for physical plant,  
 32 equipment and appurtenances and the amounts levied for the debt  
 33 service fund and the capital projects fund, for the calendar year in  
 34 which the school year ends.

35 (d) Where an item of expense or cost cannot be allocated to a class  
 36 of school, it shall be prorated to all classes of schools on the basis of  
 37 the ADM of each class in the transferee corporation compared to the  
 38 total ADM therein.

39 (e) The transfer tuition for each student transferred for each school  
 40 year shall be calculated by dividing the transferee school corporation's  
 41 total operating costs and the total capital costs for the class of school  
 42 in which the student is enrolled by the ADM of students therein. Where



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1 a transferred student is enrolled in a transferee corporation for less than  
 2 the full school year the transfer tuition shall be calculated by the  
 3 proportion of such school year for which the transferred student is  
 4 enrolled. A school year for this purpose shall consist of the number of  
 5 days school is in session for pupil attendance. A student shall be  
 6 enrolled in a transferee school, whether or not ~~he~~ **the student** is in  
 7 attendance, unless ~~his~~ **the student's** residence is outside the area of  
 8 students transferred to the transferee corporation or ~~he has been~~  
 9 ~~excluded or expelled from school~~ or **the student** has been confirmed  
 10 as a school dropout. The transferor and transferee corporations may  
 11 enter into written agreements concerning the amount of transfer tuition.  
 12 Where an agreement cannot be reached the amount shall be determined  
 13 by the superintendent of public instruction, with costs to be established,  
 14 where in dispute, by the state board of accounts.

15 (f) The transferor corporation shall also pay the transferee  
 16 corporation, when billed, the amount of book rental due from  
 17 transferred students who are unable to pay the amount thereof. The  
 18 transferor corporation shall be entitled to collect the amount of such  
 19 book rental from the appropriate township trustee, from its own funds,  
 20 or from any other source, in the amounts and manner provided by  
 21 applicable law.

22 SECTION 8. IC 21-3-1.6-1.1 IS AMENDED TO READ AS  
 23 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 1.1. As used in this  
 24 chapter:

25 (a) "School corporation" means any local public school corporation  
 26 established under Indiana law.

27 (b) "School year" means a year beginning July 1 and ending the next  
 28 succeeding June 30.

29 (c) "State distribution" due a school corporation means the amount  
 30 of state funds to be distributed to a school corporation in any calendar  
 31 year under this chapter.

32 (d) "Average daily membership" or "ADM" of a school corporation  
 33 means the number of eligible pupils enrolled in the school corporation  
 34 or in a transferee corporation on a day to be fixed annually by the  
 35 Indiana state board of education. Such day shall fall within the first  
 36 thirty (30) days of the school term. If, however, extreme patterns of  
 37 student in-migration, illness, natural disaster, or other unusual  
 38 conditions in a particular school corporation's enrollment on the  
 39 particular day thus fixed, cause the enrollment to be unrepresentative  
 40 of the school corporation's enrollment throughout a school year, the  
 41 Indiana state board of education may designate another day for  
 42 determining the school corporation's enrollment. The Indiana state

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1 board of education shall monitor changes, which occur after the fall  
 2 count, in the number of students enrolled in programs for children with  
 3 disabilities and shall, before December 2 of that same year, make an  
 4 adjusted count of students enrolled in programs for children with  
 5 disabilities. The superintendent of public instruction shall certify the  
 6 adjusted count to the budget committee before February 5 of the  
 7 following year. In determining the ADM, each kindergarten pupil shall  
 8 be counted as one-half (1/2) pupil. Where a school corporation  
 9 commences kindergarten in a school year, the ADM of the current and  
 10 prior calendar years shall be adjusted to reflect the enrollment of the  
 11 kindergarten pupils. "Current ADM" of a school corporation used in  
 12 computing its state distribution in a calendar year means the ADM of  
 13 the school year ending in the calendar year. "ADM of the previous  
 14 year" or "ADM of the prior year" of a school corporation used in  
 15 computing its state distribution in a calendar year means the ADM of  
 16 the school corporation for the school year ending in the preceding  
 17 calendar year.

18 (e) "Additional count" of a school corporation, or comparable  
 19 language, means the aggregate of the additional counts of the school  
 20 corporation for certain pupils as set out in section 3 of this chapter and  
 21 as determined at the times for calculating ADM. "Current additional  
 22 count" means the additional count of the school corporation for the  
 23 school year ending in the calendar year. "Prior year additional count"  
 24 of a school corporation used in computing its state distribution in a  
 25 calendar year means the additional count of the school corporation for  
 26 the school year ending in the preceding calendar year.

27 (f) "Adjusted assessed valuation" of any school corporation used in  
 28 computing state distribution for a calendar year means the assessed  
 29 valuation in the school corporation, adjusted as provided in  
 30 IC 6-1.1-34. The amount of the valuation shall also be adjusted  
 31 downward by the state board of tax commissioners to the extent it  
 32 consists of real or personal property owned by a railroad or other  
 33 corporation under the jurisdiction of a federal court under the federal  
 34 bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation  
 35 being involved in a bankruptcy proceeding the corporation is  
 36 delinquent in payment of its Indiana real and personal property taxes  
 37 for the year to which the valuation applies. If the railroad or other  
 38 corporation in some subsequent calendar year makes payment of the  
 39 delinquent taxes, then the state superintendent of public instruction  
 40 shall prescribe adjustments in the distributions of state funds pursuant  
 41 to this chapter as are thereafter to become due to a school corporation  
 42 affected by the delinquency as will ensure that the school corporation



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1 will not have been unjustly enriched under the provisions of  
2 P.L.382-1987(ss).

3 (g) "General fund" means a school corporation fund established  
4 under IC 21-2-11-2.

5 (h) "Teacher" means every person who is required as a condition of  
6 employment by a school corporation to hold a teacher's license issued  
7 or recognized by the state, except substitutes and any person paid  
8 entirely from federal funds.

9 (i) "Teacher ratio" of a school corporation used in computing state  
10 distribution in any calendar year means the ratio assigned to the school  
11 corporation pursuant to section 2 of this chapter.

12 (j) "Eligible pupil" means a pupil enrolled in a school corporation,  
13 **including a pupil who has received an expulsion under**  
14 **IC 20-8.1-5.1 and is receiving educational services under**  
15 **IC 20-8.1-5.1-3.5, if:**

16 (1) the school corporation has the responsibility to educate the  
17 pupil in its public schools without the payment of tuition;

18 (2) subject to subdivision (5), the school corporation has the  
19 responsibility to pay transfer tuition under IC 20-8.1-6.1, because  
20 the pupil is transferred for education to another school  
21 corporation (the "transferee corporation");

22 (3) the pupil is enrolled in a school corporation as a transfer  
23 student under IC 20-8.1-6.1-3 or entitled to be counted for ADM  
24 or additional count purposes as a resident of the school  
25 corporation when attending its schools under any other applicable  
26 law or regulation;

27 (4) the state is responsible for the payment of transfer tuition to  
28 the school corporation for the pupil under IC 20-8.1-6.1; or

29 (5) all of the following apply:

30 (A) The school corporation is a transferee corporation.

31 (B) The pupil does not qualify as a qualified pupil in the  
32 transferee corporation under subdivision (3) or (4).

33 (C) The transferee corporation's attendance area includes a  
34 state licensed private or public health care facility, child care  
35 facility, or foster family home where the pupil was placed:

36 (i) by or with the consent of the division of family and  
37 children;

38 (ii) by a court order; or

39 (iii) by a child placing agency licensed by the division of  
40 family and children.

41 (k) "General fund budget" of a school corporation means the amount  
42 of the budget approved for a given year by the state board of tax

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1 commissioners and used by the state board of tax commissioners in  
2 certifying a school corporation's general fund tax levy and tax rate for  
3 the school corporation's general fund as provided for in IC 21-2-11.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1317, 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, line 9, delete "a suspension or"

Page 3, delete lines 23 through 33.

Re-number all SECTIONS consecutively

Page 4, line 12, delete "a suspension or".

Page 4, between lines 17 and 18, begin a new line block indented and insert:

**"(4) A correspondence course.**

**(5) A cooperative program with another school corporation.**

**(6) A program under the supervision of the judicial system."**

Page 4, line 18, delete "(4)" and insert "(7)".

Page 4, between lines 19 and 20, begin a new paragraph and insert:

**"(c) A grant program is established to assist in the funding of educational programs for expelled students. The department of education shall:**

**(1) distribute grants under this section at the time that the department distributes alternative education program grants under IC 21-3-11; and**

**(2) provide grants from money appropriated for alternative education program grants under IC 21-3-11.**

**The amount of the grant to each school corporation shall equal the number of expelled students receiving educational services from the school corporation multiplied by the per pupil amount provided by the alternative education program grant under IC 21-3-11. However, a student who is counted for purposes of receiving an alternative education grant may not count for purposes of determining the amount of a grant under this section."**

Page 4, line 20, delete "(c)" and insert "(d)".

Page 4, line 24, after "24." insert "(a)".

Page 4, line 25, strike "or expelled".

Page 4, line 26, reset in roman "school".

Page 4, line 26, delete "the educational".

Page 4, line 27, delete "program to which the student is assigned".

Page 4, line 28, reset in roman "not".

Page 4, between lines 29 and 30, begin a new paragraph and insert:

**"(b) If a student is expelled from a school or from any educational function under this chapter, the student's absence from the educational program to which the student is assigned because**

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**of the expulsion is a violation of IC 20-8.1-3 or any other statute relating to compulsory school attendance."**

Page 12, line 2, delete "a suspension or".

and when so amended that said bill do pass.

(Reference is to HB 1317 as introduced.)

PORTER, Chair

Committee Vote: yeas 12, nays 0.

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