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# HOUSE BILL No. 1223

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 20-1; IC 20-3.1; IC 20-5-62; IC 20-6.1-9-3; IC 20-8.1-3-17.5; IC 20-10.1; IC 20-10.2

**Synopsis:** Repeals ISTEP examination. Repeals the statewide assessment testing program (ISTEP). Makes conforming amendments to related statutes.

**Effective:** July 1, 2000; July 1, 2001.

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## Moses, Kersey

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January 10, 2000, read first time and referred to Committee on Education.

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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. 1223



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 20-1-1-6 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2000]: Sec. 6. (a) In addition to any other  
3 powers and duties prescribed by law, the Indiana state board of  
4 education shall adopt rules under IC 4-22-2 concerning but not limited  
5 to the following matters:

6 (1) The designation and employment of the employees and  
7 consultants necessary for the department. The board shall fix the  
8 compensation of employees of the department, subject to the  
9 approval of the budget committee and the governor as provided  
10 for by IC 4-12-2.

11 (2) The establishment and maintenance of standards and  
12 guidelines, other than building, space, and site requirements, for  
13 media centers, libraries, instructional materials centers, or any  
14 other area or system of areas in the school where a full range of  
15 information sources, associated equipment, and services from  
16 professional media staff are accessible to the school community.  
17 With regard to library automation systems, the state board may



- 1 only adopt rules that meet the standards established by the state  
 2 library board for library automation systems under  
 3 IC 4-23-7.1-11(b).
- 4 (3) The establishment and maintenance of standards for pupil  
 5 personnel and guidance services.
- 6 (4) The establishment and maintenance of minimum standards for  
 7 driver education programs (including classroom instruction and  
 8 practice driving) and equipment. Beginning with classroom  
 9 instruction for the 1993-1994 school year, classroom instruction  
 10 standards established under this subdivision must include  
 11 instruction about:
- 12 (A) railroad-highway grade crossing safety; and  
 13 (B) the procedure for participation in the human organ donor  
 14 program.
- 15 (5) The inspection of all public schools of the state for the  
 16 purpose of determining the condition of the schools. The board  
 17 shall establish standards governing the accreditation of public  
 18 schools. Observance of:
- 19 (A) IC 20-1-1.2;  
 20 (B) IC 20-6.1-3-2;  
 21 (C) IC 20-6.1-4-4 through IC 20-6.1-4-8;  
 22 (D) IC 20-6.1-5-4;  
 23 (E) IC 20-6.1-5-5;  
 24 (F) IC 20-6.1-8; **and**  
 25 (G) IC 20-6.1-9; **and**  
 26 ~~(H) IC 20-10.1-16 and IC 20-10.1-17;~~
- 27 is a prerequisite to the accreditation of a school. It shall be the  
 28 duty of local public school officials to make such reports as shall  
 29 be required of them and to otherwise cooperate with the board  
 30 regarding required inspections. Nonpublic schools may also  
 31 request the inspection for classification purposes should they  
 32 desire it. Compliance with the building and site guidelines  
 33 adopted by the Indiana state board of education is not a  
 34 prerequisite of accreditation.
- 35 (6) Subject to subsections (b) and (c), the adoption and approval  
 36 of textbooks under IC 20-10.1-9.
- 37 (7) The distribution of funds and revenues appropriated for the  
 38 support of schools in the state.
- 39 (8) The board may not establish an accreditation system for  
 40 nonpublic schools that is less stringent than the accreditation  
 41 system for public schools.
- 42 (9) A separate system for recognizing nonpublic schools under

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1 IC 20-1-1-6.2. Recognition of nonpublic schools under this  
 2 subdivision constitutes the system of regulatory standards that  
 3 apply to nonpublic schools that seek to qualify for the system of  
 4 recognition.

5 (b) The advisory committee on textbook adoption may initiate rules  
 6 and hold public hearings under IC 4-22-2 on rules concerning the  
 7 adoption of textbooks. The advisory committee shall send a proposed  
 8 rule on which public hearings have been held to the board. The board  
 9 may adopt or reject a rule initiated by the advisory committee. If the  
 10 advisory committee holds hearings on a proposed rule, the board is not  
 11 required to hold hearings.

12 (c) Every rule initiated by the board concerning textbook adoption  
 13 shall be sent to the advisory committee on textbook adoption. Upon  
 14 receipt of a rule initiated by the board, an advisory committee may hold  
 15 public hearings on the rule. Whenever an advisory committee holds a  
 16 public hearing on a rule initiated by the board, it shall send the  
 17 proposed rule and a recommendation to the board within ninety (90)  
 18 days after it receives the rule from the board. If the advisory committee  
 19 fails to hold a hearing or to return the proposed rule with a  
 20 recommendation to the board within the ninety (90) day period, the  
 21 board may hold public hearings on the proposed rule and proceed  
 22 under IC 4-22-2 or may discontinue the proceedings. Whenever the  
 23 advisory committee holds hearings on a proposed rule, the board is not  
 24 required to do so.

25 (d) Before final adoption of any rule, the board shall make a finding  
 26 on the estimated fiscal impact that the rule will have on local school  
 27 corporations.

28 SECTION 2. IC 20-1-1-6.5, AS ADDED BY P.L.221-1999,  
 29 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2000]: Sec. 6.5. (a) As used in this section, "board" refers to  
 31 the state board of education established under section 1 of this chapter.

32 (b) As used in this section, "department" refers to the department of  
 33 education established under IC 20-1-1.1-2.

34 (c) As used in this section, "governing body" has the meaning set  
 35 forth in IC 20-10.1-1-5.

36 (d) As used in this section, "plan" refers to an Indiana school  
 37 academic plan established under section 6.3 of this chapter.

38 (e) As used in this section, "program" refers to a professional  
 39 development program.

40 (f) As used in this section, "superintendent" has the meaning set  
 41 forth in IC 20-10.1-1-6.

42 (g) A school shall develop a program as a component of a plan



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- 1 established by the school.
- 2 (h) The following apply to a program developed under this section:
- 3 (1) The program must emphasize improvement of student
- 4 learning and performance.
- 5 (2) The program must be developed by the committee that
- 6 develops the school's strategic and continuous improvement and
- 7 achievement plan under IC 20-10.2-3-1.
- 8 (3) The program must be integrated with the school's strategic and
- 9 continuous improvement and achievement plan developed under
- 10 IC 20-10.2-3.
- 11 (i) A school committee shall submit the school's program to the
- 12 superintendent for the superintendent's review. The superintendent:
- 13 (1) shall review the plan to ensure that the program aligns with
- 14 the school corporation's objectives, goals, and expectations;
- 15 (2) may make written recommendations of modifications to the
- 16 program to ensure alignment; and
- 17 (3) shall return the program and any recommendations to the
- 18 school committee.
- 19 (j) A school committee may modify the program to comply with
- 20 recommendations made by the superintendent under subsection (i).
- 21 (k) A school committee shall submit the program as part of its plan
- 22 to the governing body. The governing body shall:
- 23 (1) approve or reject the program as part of the plan; and
- 24 (2) submit the program to the board as part of the plan for the
- 25 school.
- 26 (l) The board may approve a school's program only if the program
- 27 meets the board's core principles for professional development and the
- 28 following additional criteria:
- 29 (1) To ensure high quality professional development, the
- 30 program:
- 31 (A) is school based and collaboratively designed, and
- 32 encourages participants to work collaboratively;
- 33 (B) has a primary focus on state and local academic standards,
- 34 including a focus on Core 40 subject areas;
- 35 (C) enables teachers to improve expertise in subject
- 36 knowledge and teaching strategies, uses of technologies, and
- 37 other essential elements in teaching to high standards;
- 38 (D) furthers the alignment of standards **and** curriculum; **and**
- 39 **assessments**; and
- 40 (E) includes measurement activities to ensure the transfer of
- 41 new knowledge and skills to classroom instruction.
- 42 (2) A variety of resources, including needs assessments, an

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1 analysis of data regarding student learning needs, professional  
 2 literature, research, and school improvement programs, are used  
 3 in developing the program.

4 (3) The program supports professional development for all  
 5 stakeholders.

6 (4) The program includes ongoing professional growth  
 7 experiences that provide adequate time and job embedded  
 8 opportunities to support school improvement and student  
 9 learning, including flexible time for professional development  
 10 that provides professional development opportunities before,  
 11 during, and after the regular school day and school year.

12 (5) Under the program, teacher time for professional development  
 13 sustains instructional coherence, participant involvement, and  
 14 continuity for students.

15 (6) The program includes effective, research based strategies to  
 16 support ongoing developmental activities.

17 (7) The program supports experiences to increase the effective  
 18 use of technology to improve teaching and learning.

19 (8) The program encourages diverse techniques, including  
 20 inquiry, reflection, action research, networking, study groups,  
 21 coaching, and evaluation.

22 (9) The program includes a means for evaluating the effectiveness  
 23 of the program and activities under the program.

24 (m) The board shall approve an evaluation system for professional  
 25 development based on recommendations from the department and the  
 26 professional standards board. The department shall develop a means  
 27 for measuring successful programs and activities in which schools  
 28 participate. The measurements must include the following:

29 (1) A mechanism to identify and develop strategies to collect  
 30 multiple forms of data that reflect the achievement of expectations  
 31 for all students. The data may include the results of ~~ISTEP tests~~  
 32 ~~under IC 20-10.1-16~~, local tests, classroom work, and teacher and  
 33 administrator observations.

34 (2) A procedure for using collected data to make decisions.

35 (3) A method of evaluation in terms of educator's practice and  
 36 student learning, including standards for effective teaching and  
 37 effective professional development.

38 (n) A school qualifies for a grant from the department when the  
 39 school's program, developed and submitted under this section, is  
 40 approved by the board upon recommendation of the department. For  
 41 purposes of determining whether a school qualifies for a grant under  
 42 this chapter, the department shall:



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- 1 (1) review;  
 2 (2) suggest changes to; and  
 3 (3) recommend approval or rejection of;  
 4 a school's program.

5 (o) A school must use a grant received under this chapter to  
 6 implement all or part of the school's program by funding activities that  
 7 may include the following:

- 8 (1) Partnership programs with other entities, including  
 9 professional development schools.  
 10 (2) Teacher leadership academies, research teams, and study  
 11 groups.  
 12 (3) Workshops, seminars, and site visits.  
 13 (4) Cooperative programs with other school corporations.  
 14 (5) National board certification for teachers.

15 (p) A school may contract with private or public sector providers to  
 16 provide professional development activities under this section.

17 (q) A grant received under this section:

- 18 (1) shall be expended only for the conduct of activities specified  
 19 in the program; and  
 20 (2) shall be coordinated with other professional development  
 21 programs and expenditures of the school and school corporation.

22 (r) A school shall report to the department concerning the use of  
 23 grants received under this chapter. A school that fails to make a report  
 24 under this section is not eligible for a subsequent grant.

25 SECTION 3. IC 20-1-1.2-11, AS AMENDED BY P.L.221-1999,  
 26 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JULY 1, 2000]: Sec. 11. (a) During its onsite evaluation, a review panel  
 28 shall review the following for a school:

- 29 (1) Teaching practices and administrative leadership in  
 30 instruction.  
 31 (2) Parental and community involvement.  
 32 (3) Implementation of ~~the ISTEP remediation program under~~  
 33 ~~IC 20-10.1-17~~ and the educational opportunity program for at-risk  
 34 children.  
 35 (4) The homework policy.

36 (b) In addition to its review under subsection (a), the review panel  
 37 shall verify compliance with the legal standards for accreditation set  
 38 out in section 7 of this chapter.

39 SECTION 4. IC 20-1-21-7 (CURRENT VERSION) IS AMENDED  
 40 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 7. A  
 41 report must contain the following:

- 42 (1) The benchmarks listed in section 9 of this chapter for each of

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- 1 the preceding three (3) years.  
 2 (2) Additional components determined under section 8(4) of this  
 3 chapter.  
 4 (3) A comparison of the benchmarks described in section 9(1)  
 5 through ~~9(3)~~ **9(2)** of this chapter to performance based  
 6 accreditation goals developed under IC 20-1-1.2.  
 7 (4) Additional information or explanation that the governing body  
 8 wishes to include.

9 SECTION 5. IC 20-1-21-7, AS AMENDED BY P.L.221-1999,  
 10 SECTION 10 (DELAYED VERSION), IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. A report must  
 12 contain the following:

- 13 (1) The benchmarks and indicators of performance listed in  
 14 section 9 of this chapter for each of the preceding three (3) years.  
 15 (2) Additional components determined under section 8(4) of this  
 16 chapter.  
 17 (3) A comparison of the benchmarks described in section 9(1)  
 18 through ~~9(3)~~ **9(2)** of this chapter to performance based  
 19 accreditation goals developed under IC 20-1-1.2.  
 20 (4) Additional information or explanation that the governing body  
 21 wishes to include, including results of assessments of students  
 22 ~~under programs other than the ISTEP program~~ that a school  
 23 corporation uses to determine if students are meeting or  
 24 exceeding academic standards. ~~in grades that are not tested under~~  
 25 ~~the ISTEP program.~~

26 SECTION 6. IC 20-1-21-9 (CURRENT VERSION) IS AMENDED  
 27 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 9. The  
 28 report must include the following benchmarks:

- 29 (1) Graduation rate.  
 30 (2) Attendance rate.  
 31 ~~(3) The following test scores, including the number and~~  
 32 ~~percentage of students meeting academic standards:~~  
 33 ~~(A) ISTEP test scores.~~  
 34 ~~(B) Scores for assessments under IC 20-10.1-16-15, if~~  
 35 ~~appropriate.~~  
 36 ~~(C) For a freeway school, scores on a locally adopted~~  
 37 ~~assessment program, if appropriate.~~  
 38 ~~(4) (3) Actual class size.~~  
 39 ~~(5) (4) The number and percentage of students in the following~~  
 40 ~~groups or programs:~~  
 41 ~~(A) At risk.~~  
 42 ~~(B) Vocational education.~~



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- 1 (C) Special education.  
 2 (D) Gifted or talented.  
 3 (E) Remediation and preventive remediation.  
 4 ~~(6)~~ **(5)** Advanced placement, including the following:  
 5 (A) For advanced placement tests, the number and percentage  
 6 of students:  
 7 (i) scoring three (3), four (4), and (5); or  
 8 (ii) participating.  
 9 (B) For the Scholastic Aptitude Test,  
 10 (i) test scores; and  
 11 (ii) the number and percentage of students participating.  
 12 ~~(7)~~ **(6)** Course completion, including the number and percentage  
 13 of students completing the following programs:  
 14 (A) Academic honors diploma.  
 15 (B) Core 40 curriculum.  
 16 (C) Vocational programs.  
 17 ~~(8)~~ **(7)** The percentage of graduates who pursue higher education.  
 18 ~~(9)~~ **(8)** School safety, including the number and percentage of  
 19 students receiving suspension or expulsion for the possession of  
 20 alcohol, drugs, or weapons.  
 21 ~~(10)~~ **(9)** Financial information relevant to performance.  
 22 SECTION 7. IC 20-1-21-9, AS AMENDED BY P.L.221-1999,  
 23 SECTION 12 (DELAYED VERSION), IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 9. The report must  
 25 include the following benchmarks or indicators of performance:  
 26 (1) Graduation rate.  
 27 (2) Attendance rate.  
 28 ~~(3)~~ **(3)** The following test scores, including the number and  
 29 percentage of students meeting academic standards:  
 30 (A) ~~ISTEP test scores.~~  
 31 (B) ~~Scores for assessments under IC 20-10.1-16-15, if~~  
 32 ~~appropriate.~~  
 33 (C) ~~For a freeway school, scores on a locally adopted~~  
 34 ~~assessment program, if appropriate.~~  
 35 ~~(4)~~ **(3)** Actual class size.  
 36 ~~(5)~~ **(4)** The number and percentage of students in the following  
 37 groups or programs:  
 38 (A) At risk.  
 39 (B) Vocational education.  
 40 (C) Special education.  
 41 (D) Gifted or talented.  
 42 (E) Remediation and preventive remediation.

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- 1           ~~(6)~~ **(5)** Advanced placement, including the following:  
 2           (A) For advanced placement tests, the number and percentage  
 3           of students:  
 4           (i) scoring three (3), four (4), and five (5); and  
 5           (ii) participating.  
 6           (B) For the Scholastic Aptitude Test:  
 7           (i) test scores; and  
 8           (ii) the number and percentage of students participating.
- 9           ~~(7)~~ **(6)** Course completion, including the number and percentage  
 10          of students completing the following programs:  
 11          (A) Academic honors diploma.  
 12          (B) Core 40 curriculum.  
 13          (C) Vocational programs.
- 14          ~~(8)~~ **(7)** The percentage of graduates who pursue higher education.  
 15          ~~(9)~~ **(8)** School safety, including the number and percentage of  
 16          students receiving suspension or expulsion for the possession of  
 17          alcohol, drugs, or weapons.
- 18          ~~(10)~~ **(9)** Financial information and various school cost factors  
 19          relevant to performance.  
 20          ~~(11)~~ **(10)** Technology accessibility and use of technology in  
 21          instruction.  
 22          ~~(12)~~ **(11)** Staff professional development, including the type and  
 23          extent of opportunities available.  
 24          ~~(13)~~ **(12)** Student mobility rates.  
 25          ~~(14)~~ **(13)** Number and types of partnerships with the community,  
 26          business, or higher education.  
 27          ~~(15)~~ **(14)** Teacher licensing, certification, and preparation,  
 28          including the number of teachers with national board certification.  
 29          ~~(16)~~ **(15)** The percentage of grade 3 students reading at or above  
 30          grade 3 level.  
 31          ~~(17)~~ **A comparison of ISTEP scores and the dropout rate:**  
 32          ~~(18)~~ **(16)** Other indicators of performance as recommended by the  
 33          education roundtable (IC 20-1-20.5-3).
- 34          SECTION 8. IC 20-3.1-3-1 IS AMENDED TO READ AS  
 35          FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 1. The following school  
 36          city conditions and needs are found to exist on January 1, 1995:  
 37          (1) Education in the school city presents unique challenges.  
 38          (2) Student achievement in the school city on statewide tests  
 39          consistently has been significantly below:  
 40          (A) the state average; and  
 41          (B) achievement attained in school corporations adjacent to  
 42          the school city.

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- 1 (3) The need for remediation of students in the school city  
 2 consistently has been significantly higher than:  
 3 (A) the state average; and  
 4 (B) remediation levels in school corporations adjacent to the  
 5 school city.
- 6 (4) Graduation rates in the school city consistently have been  
 7 significantly below:  
 8 (A) the state average; and  
 9 (B) graduation rates in school corporations adjacent to the  
 10 school city.
- 11 (5) Student attendance rates in the school city consistently have  
 12 been below:  
 13 (A) the state average; and  
 14 (B) student attendance rates in school corporations adjacent to  
 15 the school city.
- 16 (6) There are individual schools in the school city whose students  
 17 are achieving. However, overall student achievement in the  
 18 school city is unsatisfactory.
- 19 (7) Improving education in the school city requires unique  
 20 legislative intervention.
- 21 (8) Educator-driven school level control of efforts to improve  
 22 student achievement in their schools and a program of  
 23 performance awards in the school city will encourage the  
 24 development and use of:  
 25 (A) innovative teaching methods;  
 26 (B) improved opportunities for teacher professional  
 27 development;  
 28 (C) programs achieving greater levels of parental involvement;  
 29 (D) more efficient administrative efforts; and  
 30 (E) improved student achievement.
- 31 (9) Greater accountability among educators in their schools,  
 32 including:  
 33 (A) evaluations based on student achievement measures and  
 34 administrative efficiency criteria; and  
 35 (B) annual reports to the public regarding student achievement  
 36 information and administrative performance measures;  
 37 will encourage the development and use of creative and  
 38 innovative educational methods and improve student  
 39 achievement.
- 40 (10) Providing a range of remediation opportunities to students in  
 41 the school city ~~who fail to meet state achievement standards or~~  
 42 who are determined to be at risk of academic failure by the board

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will enhance the educational opportunities available to students and improve student performance.

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

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

SECTION 9. IC 20-3.1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 2. The board shall ~~use~~ **state develop local** achievement standards to identify students in need of summer remediation services.

SECTION 10. IC 20-3.1-7-2, AS AMENDED BY P.L.8-1999, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 2. The plan developed and implemented under this chapter must do the following:

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

(2) Establish performance objectives for educators and students in each school within the school city.

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

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

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

that are consistent with general guidelines established by the board.

(4) Require annual reports identifying the progress of student achievement for each school as described in IC 20-1-21-9 and IC 20-1-21-9.5.

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

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

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

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- 1 (A) fail to meet **state local** achievement standards; or
- 2 (B) are at risk of academic failure.
- 3 (8) Require action to raise the level of performance of a school if
- 4 the school's students fail to achieve expected performance levels
- 5 or performance objectives established for the school.

6 SECTION 11. IC 20-3.1-8-1 IS AMENDED TO READ AS  
 7 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 1. The board shall  
 8 establish annual performance objectives for each school, including the  
 9 following:

- 10 (1) For students:
  - 11 (A) improvement in scores on **statewide local** assessment tests
  - 12 and **local** assessment programs;
  - 13 (B) improvement in attendance rates; and
  - 14 (C) improvement in progress toward graduation.
- 15 (2) For teachers:
  - 16 (A) improvement in student scores on **local** assessment tests
  - 17 and **local** assessment programs;
  - 18 (B) improvement in the number and percentage of students
  - 19 achieving **state achievement standards** and, if applicable,
  - 20 performance levels set by the board, on **local** assessment tests;
  - 21 (C) improvement in student progress toward graduation;
  - 22 (D) improvement in student attendance rates for the school
  - 23 year;
  - 24 (E) improvement in individual teacher attendance rates;
  - 25 (F) improvement in communication with parents and parental
  - 26 involvement in classroom and extracurricular activities; and
  - 27 (G) other objectives developed by the board.
- 28 (3) For the school and the school administrators:
  - 29 (A) improvement in student scores on **local** assessment tests,
  - 30 aggregated by class and grade;
  - 31 (B) improvement in the number and percentage of students
  - 32 achieving **state achievement standards** and, if applicable,
  - 33 performance levels set by the board, on **local** assessment tests,
  - 34 aggregated by class and grade;
  - 35 (C) improvement in student graduation rates and in progress
  - 36 toward graduation;
  - 37 (D) improvement in student attendance rates;
  - 38 (E) management of general fund expenditures per student and
  - 39 total expenditures per student;
  - 40 (F) improvement in teacher attendance rates; and
  - 41 (G) other objectives developed by the board.

42 SECTION 12. IC 20-3.1-13-1 IS AMENDED TO READ AS

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1           FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 1. (a) The school  
2           city must provide summer remediation services to each student in  
3           a designated grade level who does not meet **state local** achievement  
4           standards.

5           (b) The school city may provide summer remediation services to  
6           students of any other grade level who are determined by the school city  
7           to be at risk of academic failure.

8           SECTION 13. IC 20-5-62-5 IS AMENDED TO READ AS  
9           FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 5. Notwithstanding any  
10          other law, the operation of the following is suspended for a freeway  
11          school corporation or a freeway school if the governing body of the  
12          school corporation elects to have the specific statute or rule suspended  
13          in the contract:

14          (1) The following statutes and rules concerning curriculum and  
15          instructional time:

16                 IC 20-10.1-2-2

17                 IC 20-10.1-4-6

18                 IC 20-10.1-4-7

19                 IC 20-10.1-4-9.1

20                 511 IAC 6-7-6

21                 511 IAC 6.1-3-4

22                 511 IAC 6.1-5-0.5

23                 511 IAC 6.1-5-1

24                 511 IAC 6.1-5-2.5

25                 511 IAC 6.1-5-3.5

26                 511 IAC 6.1-5-4

27          (2) The following rules concerning pupil/teacher ratios:

28                 511 IAC 6-2-1(b)(2)

29                 511 IAC 6.1-4-1

30          (3) The following statutes and rules concerning textbooks:

31                 IC 20-10.1-9-1

32                 IC 20-10.1-9-18

33                 IC 20-10.1-9-21

34                 IC 20-10.1-9-23

35                 IC 20-10.1-9-27

36                 IC 20-10.1-10-1

37                 IC 20-10.1-10-2

38                 511 IAC 6.1-5-5

39          (4) 511 IAC 6-7, concerning graduation requirements.

40          (5) 511 IAC 6-2-1(c)(4), concerning pupil/principal ratios.

41          (6) 511 IAC 2-2, concerning school construction and remodeling.

42          (7) IC 20-1-1.2, concerning the performance-based accreditation

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system.  
(8) IC 20-10.1-16, concerning the ISTEP program established under IC 20-10.1-16-8, if an alternative locally adopted norm and criterion referenced assessment program is adopted under section 6(7) of this chapter.

SECTION 14. IC 20-5-62-6, AS AMENDED BY P.L.77-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 6. Except as provided in this chapter and notwithstanding any other law, a freeway school corporation or a freeway school may do the following during the contract period:

- (1) Disregard the observance of any statute or rule that is listed in the contract.
- (2) Lease school transportation equipment to others for nonschool use when the equipment is not in use for a school corporation purpose, if the lessee has not received a bid from a private entity to provide transportation equipment or services for the same purpose.
- (3) Replace the budget and accounting system that is required by law with a budget or accounting system that is frequently used in the private business community. The state board of accounts may not go beyond the requirements imposed upon the state board of accounts by statute in reviewing the budget and accounting system used by a freeway school corporation or a freeway school.
- (4) Establish a professional development and technology fund to be used for:
  - (A) professional development; or
  - (B) technology, including video distance learning.

However, any money deposited in the professional development and technology fund for technology purposes must be transferred to the school technology fund established under IC 21-2-18.

(5) Subject to subdivision (4), transfer funds obtained from sources other than state or local government taxation among any accounts of the school corporation, including a professional development and technology fund established under subdivision (4).

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

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

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for the general fund and the school transportation fund before a transfer occurs under this subdivision.

(B) This subdivision does not allow a school corporation to transfer to any other fund money from the:

- (i) capital projects fund (established under IC 21-2-15); or
- (ii) debt service fund (established under IC 21-2-4).

(7) Establish a locally adopted assessment program to replace the assessment of students under the ISTEP program established under IC 20-10.1-16-8; subject to the following:

- (A) A locally adopted assessment program must be established by the governing body and approved by the department.
- (B) A locally adopted assessment program may use a locally developed test or a nationally developed test.
- (C) Results of assessments under a locally adopted assessment program are subject to the same reporting requirements as results under the ISTEP program.
- (D) Each student who completes a locally adopted assessment program and the student's parent or guardian has the same rights to inspection and rescoring as are set forth in IC 20-10.1-16-7(d).

SECTION 15. IC 20-5-62-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 7. The minimum educational benefits that a freeway school corporation or a freeway school must produce under this chapter are the following:

- (1) An average attendance rate that increases:
  - (A) not less than two percent (2%) each school year until the average attendance rate is eighty-five percent (85%); and
  - (B) one percent (1%) each school year until the average attendance rate is ninety percent (90%).
- (2) A successful completion rate of the assessment program by meeting essential standards under the ISTEP program (IC 20-10.1-16) or a locally adopted assessment program established under section 6(7) of this chapter that increases:
  - (A) not less than two percent (2%) each school year until the successful completion rate is not less than eighty-five percent (85%); and
  - (B) one percent (1%) each school year until the successful completion rate is not less than ninety percent (90%);
 of the students in the designated grade levels under the ISTEP assessment program (IC 20-10.1-16) or the locally adopted assessment program that are grades contained in the freeway school corporation or freeway school.

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1           (3) (2) Beginning with the class of students who expect to  
 2           graduate four (4) years after a freeway school corporation or a  
 3           freeway school that is a high school obtains freeway status, a  
 4           graduation rate as determined under 511 IAC 6.1-1-2(j) that  
 5           increases:

- 6                     (A) not less than two percent (2%) each school year until the
- 7                     graduation rate is not less than eighty-five percent (85%); and
- 8                     (B) one percent (1%) each school year until the graduation rate
- 9                     is ninety percent (90%).

10          After a freeway school corporation or a freeway school has achieved  
 11          the minimum rates required under subdivisions (1) through (3); (2), the  
 12          freeway school corporation or freeway school must either maintain the  
 13          minimum required rates or show continued improvement of those rates.

14          SECTION 16. IC 20-6.1-9-3 IS AMENDED TO READ AS  
 15          FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. Each plan:

- 16                    (1) must provide for the improvement of the performance of the
- 17                    individuals evaluated;
- 18                    (2) must provide for the growth and development of the
- 19                    individuals evaluated;
- 20                    (3) must require periodic assessment of the effectiveness of the
- 21                    plan;
- 22                    (4) must provide that nonpermanent and semipermanent teachers:
- 23                             (A) receive an evaluation on or before December 31 each year;
- 24                             and
- 25                             (B) if requested by that teacher, an additional evaluation on or
- 26                             before March 1 of the following year; and
- 27                    (5) may provide a basis for making employment decisions.

28          However, the plan may not provide for an evaluation that is based in  
 29          whole or in part on the ISTEP test scores of the students in the school  
 30          corporation:

31          SECTION 17. IC 20-8.1-3-17.5 IS AMENDED TO READ AS  
 32          FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 17.5. ~~Beginning with~~  
 33          ~~the 1995-1996 school year~~; Each school corporation shall record in the  
 34          official high school transcript for each student in grades 11 and 12 the  
 35          following information:

- 36                    (1) Attendance records.
- 37                    ~~(2) The student's latest ISTEP test results under IC 20-10.1-16.~~
- 38                    (3) (2) Any secondary level and postsecondary level certificates
- 39                    of achievement earned by the student.

40          SECTION 18. IC 20-10.1-25-2.1 IS AMENDED TO READ AS  
 41          FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 2.1. (a) This section  
 42          applies to the 4R's technology program described in section 1(a)(1) of

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this chapter.

(b) In addition to any other funds available under this chapter, if state funds are transferred under IC 20-10.1-16-11 to the 4R's technology program:

- (1) those funds do not revert to the state general fund;
- (2) those funds shall be made available to the 4R's technology program under this chapter; and
- (3) the department, upon approval by the governor and the budget agency, shall utilize those funds for the purposes of awarding grants under this section.

(c) (b) To be eligible to receive a grant under the program, the school corporation must comply with the following:

- (1) The school corporation must apply to the department for a grant on behalf of a school within the school corporation to purchase technology equipment.
- (2) The school corporation must certify the following:
  - (A) That the school will provide every kindergarten and grade 1 student at that school the opportunity to learn reading, writing, and arithmetic using technology.
  - (B) That the school will provide daily before or after school technology laboratories for students in grades 1 through 3 who have been identified as needing remediation in reading, writing, or arithmetic.
  - (C) That the school will provide additional technology opportunities, that may include Saturday sessions, for students in other grade levels to utilize the technology laboratories for remediation in reading, writing, arithmetic, or mathematics.
  - (D) That the school will provide technology opportunities to students that attend remediation programs under IC 20-10.1-17 (if the school corporation is required to do so) or any other additional summer programs.
  - (E) That the school corporation, either through its own or the school's initiative or through donations made to the corporation for educational technology under IC 20-10.1-25.1 on behalf of the school corporation, is able to provide a portion of the costs attributable to purchasing the necessary technology equipment.
- (3) The school corporation must include in the application the sources of and the amount of money secured under subdivision (2)(E).
- (4) That the school corporation or the school shall:
  - (A) provide teacher training services; or

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1 (B) utilize vendor provided teacher training services.  
 2 (5) That the school corporation has given primary consideration  
 3 to the purchase of technology equipment that includes teacher  
 4 training services.  
 5 (6) That the teachers who will be utilizing the technology  
 6 equipment support the initiative described in this chapter.  
 7 ~~(d)~~ (c) Upon review of the applications by the department, the  
 8 satisfaction of the requirements set forth in subsection ~~(c)~~; **(b)**, and  
 9 subject to the availability of funds for this purpose, the department  
 10 shall award to each eligible school corporation a grant to purchase  
 11 technology equipment under section 1(a)(1) of this chapter.  
 12 ~~(e)~~ **(d)** The department shall monitor the compliance by the school  
 13 corporations receiving grants of the matters cited in subsection ~~(e)~~; **(b)**.  
 14 SECTION 19. IC 20-10.2-3-3, AS ADDED BY P.L.221-1999,  
 15 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2001]: Sec. 3. (a) A plan:  
 17 (1) shall lay out objectives for a three (3) year period; and  
 18 (2) must be annually reviewed and revised to accomplish the  
 19 achievement objectives of the school.  
 20 (b) A plan must establish objectives for the school to achieve. These  
 21 achievement objectives must be consistent with academic standards  
 22 and include improvement in at least the following areas:  
 23 (1) Attendance rate.  
 24 ~~(2) The percentage of students meeting academic standards under~~  
 25 ~~the ISTEP program (IC 20-10.1-16):~~  
 26 ~~(3)~~ **(2)** For a secondary school, graduation rate.  
 27 (c) A plan must specify how and to what extent the school expects  
 28 to make continuous improvement in all areas of the education system  
 29 where results are measured by setting benchmarks for progress on an  
 30 individual school basis.  
 31 (d) A plan must note specific areas where improvement is needed  
 32 immediately.  
 33 SECTION 20. IC 20-10.2-3-5, AS ADDED BY P.L.221-1999,  
 34 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 35 JULY 1, 2001]: Sec. 5. (a) A plan must contain the following  
 36 components for the school:  
 37 (1) A list of the statutes and rules that the school wishes to have  
 38 suspended from operation for the school.  
 39 (2) A description of the curriculum and information concerning  
 40 the location of a copy of the curriculum that is available for  
 41 inspection by members of the public.  
 42 (3) A description and name of the assessments that will be used

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- 1 in the school. ~~in addition to ISTEP assessments.~~
- 2 (4) A plan to be submitted to the governing body and made
- 3 available to all interested members of the public in an easily
- 4 understood format.
- 5 (5) A provision to maximize parental participation in the school.
- 6 (6) For a secondary school, a provision to do the following:
- 7 (A) Offer courses that allow all students to become eligible to
- 8 receive an academic honors diploma.
- 9 (B) Encourage all students to earn an academic honors
- 10 diploma or complete the Core 40 curriculum.
- 11 (7) A provision to maintain a safe and disciplined learning
- 12 environment for students and teachers.
- 13 (8) A provision for the coordination of technology initiatives and
- 14 ongoing professional development activities.

15 (b) If, for a purpose other than a plan under this chapter, a school  
 16 has developed materials that are substantially similar to a component  
 17 listed in subsection (a), the school may substitute those materials for  
 18 the component listed in subsection (a).

19 SECTION 21. IC 20-10.2-4-4, AS ADDED BY P.L.221-1999,  
 20 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2001]: Sec. 4. (a) The student educational achievement fund  
 22 is established to provide funds to stimulate and recognize improved  
 23 student performance. ~~in meeting academic standards under the ISTEP~~  
 24 ~~program.~~ The fund is administered by the department.

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

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

28 SECTION 22. IC 20-10.2-4-6, AS ADDED BY P.L.221-1999,  
 29 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2001]: Sec. 6. (a) The education roundtable shall recommend  
 31 to the board a system for awarding and distributing grants under this  
 32 chapter. A system recommended under this section must be based on  
 33 ~~graduated levels of improvement based on ISTEP program standards~~  
 34 ~~and other assessments recommended and approved by the education~~  
 35 ~~roundtable.~~ **improvement in student performance.**

36 (b) The department shall begin distributing grants during the  
 37 2002-2003 school year.

38 SECTION 23. IC 20-10.2-5-1, AS ADDED BY P.L.221-1999,  
 39 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2001]: Sec. 1. (a) ~~The performance of a school's students on~~  
 41 ~~ISTEP and other assessments recommended by the education~~  
 42 ~~roundtable and approved by the board are the primary and majority~~

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- 1 means of assessing a school's improvement.
- 2 ~~(b)~~ (a) The education roundtable shall examine and make  
3 recommendations to the board concerning:  
4 (1) performance indicators that shall be used as secondary means  
5 of determining school progress;  
6 (2) expected progress levels, continuous improvement measures,  
7 distributional performance levels, and absolute performance  
8 levels for schools; and  
9 (3) an orderly transition from the performance based accreditation  
10 system to the assessment system set forth in this article.
- 11 ~~(c)~~ (b) The education roundtable shall consider methods of  
12 measuring improvement and progress used in other states in developing  
13 recommendations under this section.
- 14 ~~(d)~~ (c) The education roundtable shall make recommendations to the  
15 board by June 30, 2000.
- 16 ~~(e)~~ (d) The board shall adopt rules under IC 4-22-2 to implement the  
17 recommendations of the education roundtable by January 1, 2001.
- 18 SECTION 24. IC 20-10.2-5-2, AS ADDED BY P.L.221-1999,  
19 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2001]: Sec. 2. (a) ~~In addition to scores on ISTEP and other~~  
21 ~~assessments~~; The department shall use the performance indicators  
22 developed under section 1 of this chapter and the benchmarks and  
23 indicators of performance in each school corporation's annual  
24 performance report as secondary means of assessing the improvement  
25 of each school and school corporation.
- 26 (b) The department shall assess improvement in the following  
27 manner:  
28 (1) Compare each school and each school corporation to its own  
29 prior performance and not to the performance of other schools or  
30 school corporations.  
31 (2) Compare the actual results in the annual report under  
32 IC 20-1-21 with the benchmarks and indicators of performance  
33 established in the plan for the same school.  
34 (3) Compare the results for a school by comparing each student's  
35 results for each grade with the student's prior year results, with an  
36 adjustment for student mobility rate. The roundtable shall make  
37 recommendations concerning the incorporation of a statistical  
38 adjustment for student mobility rates into the results.  
39 (4) Compare the results for a school to the state average and the  
40 ninety-fifth percentile level for all assessments and performance  
41 indicators.
- 42 SECTION 25. THE FOLLOWING ARE REPEALED [EFFECTIVE

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- 1 JULY 1, 2000]: IC 20-1-1.3-1; IC 20-1-20.5-9; IC 20-1-20.5-10;
- 2 IC 20-1-20.5-11; IC 20-1-20.5-12; IC 20-3.1-2-4; IC 20-3.1-2-5;
- 3 IC 20-3.1-2-8; IC 20-3.1-2-12; IC 20-3.1-2-17; IC 20-3.1-2-20;
- 4 IC 20-10.1-16; IC 20-10.1-17; IC 20-10.1-21-6; IC 20-10.2-4-7.

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