COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred House Bill No. 1367, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

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

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 5-10-8-6.7, AS ADDED BY P.L.182-2009(ss), SECTION 515, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.7. (a) As used in this section, "state employee health plan" means a:

(1) self-insurance program established under section 7(b) of this chapter; or

(2) contract with a prepaid health care delivery plan entered into under section 7(c) of this chapter;

to provide group health coverage for state employees.

(b) The state personnel department shall allow a school corporation to elect to provide coverage of health care services for active and retired employees of the school corporation under any state employee health plan. If a school corporation elects to provide coverage of health care services for active and retired employees of the school corporation under a state employee health plan, it must provide coverage for all active and retired employees of the school corporation under the state

employee health plan (other than any employees covered by an Indiana comprehensive health insurance association policy **or individuals who retire from the school corporation before July 1, 2010)** if coverage was provided for these employees under the prior policies.

(c) The following apply if a school corporation elects to provide coverage for active and retired employees of the school corporation under subsection (b):

(1) The state shall not pay any part of the cost of the coverage.

(2) The coverage provided to an active or retired school corporation employee under this section must be the same as the coverage provided to an active or retired state employee under the state employee health plan.

(3) Notwithstanding sections 2.2 and 2.6 of this chapter:

(A) the school corporation shall pay for the coverage provided to an active or retired school corporation employee under this section an amount not more than the amount paid by the state for coverage provided to an active or retired state employee under the state employee health plan; and

(B) an active or retired school corporation employee shall pay for the coverage provided to the active or retired school corporation employee under this section an amount that is at least equal to the amount paid by an active or retired state employee for coverage provided to the active or retired state employee under the state employee health plan.

However, this subdivision does not apply to contractual commitments made by a school corporation to individuals who retire before July 1, 2010.

(4) The school corporation shall pay any administrative costs of the school corporation's participation in the state employee health plan.

(5) The school corporation shall provide the coverage elected under subsection (b) for a period of at least three (3) years beginning on the date the coverage of the school corporation employees under the state employee health plan begins.

(d) The state personnel department shall provide an enrollment period at least every thirty (30) days for a school corporation that elects to provide coverage under subsection (b).

(e) The state personnel department may adopt rules under IC 4-22-2

to implement this section.

(f) Neither this section nor a school corporation's election to participate in a state employee health plan as provided in this section impairs the rights of an exclusive representative of the certificated or noncertificated employees of the school corporation to collectively bargain all matters related to school employee health insurance programs and benefits.

SECTION 2. IC 20-20-8-8, AS AMENDED BY P.L.3-2008, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 8. The report must include the following information:

(1) Student enrollment.

(2) Graduation rate (as defined in IC 20-26-13-6).

(3) Attendance rate.

(4) The following test scores, including the number and percentage of students meeting academic standards:

(A) ISTEP program test scores.

(B) Program test scores for the reading portion of ISTEP.

~~(B)~~ **(C)** Scores for assessments under IC 20-32-5-21, if appropriate.

~~(C)~~ **(D)** For a freeway school, scores on a locally adopted assessment program, if appropriate.

(5) Average class size.

(6) The number and percentage of students in the following groups or programs:

(A) Alternative education, if offered.

(B) Career and technical education.

(C) Special education.

(D) High ability.

(E) Remediation.

(F) Limited English language proficiency.

(G) Students receiving free or reduced price lunch under the national school lunch program.

(H) School flex program, if offered.

(7) Advanced placement, including the following:

(A) For advanced placement tests, the percentage of students:

(i) scoring three (3), four (4), and five (5); and

(ii) taking the test.

(B) For the Scholastic Aptitude Test:

(i) test scores for all students taking the test;

(ii) test scores for students completing the academic honors diploma program; and

(iii) the percentage of students taking the test.

(8) Course completion, including the number and percentage of students completing the following programs:

(A) Academic honors diploma.

(B) Core 40 curriculum.

(C) Career and technical programs.

(9) The percentage of grade 8 students enrolled in algebra I.

(10) The percentage of graduates who pursue higher education.

(11) School safety, including:

(A) the number of students receiving suspension or expulsion for the possession of alcohol, drugs, or weapons; and

(B) the number of incidents reported under IC 20-33-9.

(12) Financial information and various school cost factors, including the following:

(A) Expenditures per pupil.

(B) Average teacher salary.

(C) Remediation funding.

(13) Technology accessibility and use of technology in instruction.

(14) Interdistrict and intradistrict student mobility rates, if that information is available.

(15) The number and percentage of each of the following within the school corporation:

(A) Teachers who are certificated employees (as defined in IC 20-29-2-4).

(B) Teachers who teach the subject area for which the teacher is certified and holds a license.

(C) Teachers with national board certification.

(16) The percentage of grade 3 students reading at grade 3 level.

(17) The number of students expelled, including the number participating in other recognized education programs during their expulsion.

(18) Chronic absenteeism, which includes the number of students who have been absent more than ten (10) days from school within

a school year without being excused.

(19) The number of students who have dropped out of school, including the reasons for dropping out.

(20) The number of student work permits revoked.

(21) The number of student driver's licenses revoked.

(22) The number of students who have not advanced to grade 10 due to a lack of completed credits.

(23) The number of students suspended for any reason.

(24) The number of students receiving an international baccalaureate diploma.

(25) Student retention information for each grade from kindergarten through grade 10, including the number and percentage of students retained in each grade.

~~(25)~~ **(26)** Other indicators of performance as recommended by the education roundtable under IC 20-19-4.

SECTION 3. IC 20-32-8-9, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 9. If the governing body decides to establish a remediation program or preventive remediation program under this chapter, the governing body must:

(1) give priority in the allocation of resources to students who are deficient in reading skills in kindergarten through grade 3;

~~(1)~~ **(2)** subject to section 10 of this chapter, determine the type of program that best fits the needs of the students of the school corporation; and

~~(2)~~ **(3)** adopt guidelines for:

(A) procedures for determining student eligibility for a program; and

(B) implementation of the program.

SECTION 4. IC 20-32-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

Chapter 8.5. Reading Deficiency Remediation Plan

Sec. 1. The state superintendent in conjunction with the state board shall develop a plan to improve reading skills of students.

Sec. 2. The plan required by this chapter must include the following:

(1) Reading skill standards for grade 3.

(2) An emphasis on a method for making determinant evaluations by grade 3 that might require remedial action for the student, including retention, if reading skills are below the standard.

(3) The fiscal impact of each component of the plan, if any.

Sec. 3. (a) For any component of the plan that has a fiscal impact, the state superintendent shall present those components of the plan to the general assembly:

(1) for consideration of the plan; and

(2) to determine the amount of any appropriation in the state budget for the state fiscal years beginning in 2011 and 2012 that is necessary to carry out the plan.

(b) To the extent a component of the plan does not have a fiscal impact, that component of the plan may be implemented after the board holds a public hearing at which there is full public discussion and review by the state board.

Sec. 4. The state board may adopt rules under IC 4-22-2 to carry out this chapter.

SECTION 5. IC 20-40-16 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]:

Chapter 16. School Capital Projects Fund Transfers

Sec. 1. As used in this chapter, "qualified school corporation" means a school corporation in which all of the employees will not receive a general compensation increase for the 2010-2011 school year as set forth in a resolution adopted by the governing body of the school corporation and as determined by the department. A general compensation increase:

(1) includes an increase in salary, employee health insurance benefits, and an increase under IC 20-28-9; and

(2) does not include an incidental or automatic increase caused by tax or federal insurance contribution act provisions or an increase in the employer's contribution to the teachers' retirement fund or the public employees' retirement fund.

Sec. 2. (a) A qualified school corporation may make a transfer during the 2010-2011 school year from the qualified school corporation's capital projects fund as provided in this chapter. If

a qualified school corporation desires to make a transfer under this chapter from the qualified school corporation's capital projects fund, the qualified school corporation must do the following before August 1, 2010:

(1) The governing board of the qualified school corporation must adopt a resolution:

(A) requesting that the department permit a transfer from the qualified school corporation's capital projects fund to one (1) or more other funds during the 2010-2011 school year; and

(B) certifying that the qualified school corporation will not provide any general compensation increases to any employees for the 2010-2011 school year and will permanently eliminate any foregone increase when considering compensation increases after the 2010-2011 school year.

(2) The qualified school corporation must file a notice with the department providing a certified copy of the resolution and any other information required by the department.

(b) The maximum amount that may be transferred under this chapter from a qualified school corporation's capital projects fund is equal to ten percent (10%) of the sum of:

(1) the balance in the qualified school corporation's capital project fund on December 31, 2009; plus

(2) the amount of the qualified school corporation's property tax levy for its capital project fund for taxes first due and payable in 2010.

(c) If a transfer is made under this chapter during a year, the qualified school corporation shall file a report with the department within three (3) months after the end of the year. The report must include the following:

(1) The purpose of the transfer.

(2) The funds involved in the transfer.

(3) The amount transferred between the funds.

(4) The impact of the transfer to the programs that are supported by the fund from which the transfer was made.

Sec. 3. A transfer is not permitted under this chapter after December 31, 2011.

Sec. 4. Notwithstanding any other law (including IC 20-28-9), the governing body of a school corporation and an exclusive representative may mutually agree to forego any salary or compensation increases that would otherwise be required under IC 20-28-9 for the 2010-2011 school year.

Sec. 5. This chapter expires June 30, 2012.".

Delete page 2.

Page 3, delete lines 1 through 20.

Page 3, delete lines 26 through 32.

Page 3, line 33, delete "3." and insert "**1.**".

Page 3, line 35, after "offerings," insert "**allocation of resources to students who are deficient in reading skills, limitations on employee and administrative salaries and other compensation,**".

Page 3, line 37, delete "4." and insert "**2.**".

Page 3, line 37, delete "3" and insert "**1**".

Page 3, line 42, delete "3" and insert "**1**".

Page 3, line 42, delete "The plan, including an amended".

Delete pages 4 through 7.

Page 8, delete lines 1 through 39.

Renumber all SECTIONS consecutively.

(Reference is to HB 1367 as reprinted February 2, 2010.)

and when so amended that said bill do pass.

Committee Vote: Yeas 8, Nays 3.

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Long **Chairperson**