



Reprinted
April 14, 2011

ENGROSSED SENATE BILL No. 575

DIGEST OF SB 575 (Updated April 13, 2011 7:16 pm - DI 71)

Citations Affected: IC 5-14; IC 20-26; IC 20-28; IC 20-29; IC 20-40; noncode.

Synopsis: Teacher collective bargaining. Extends the use of temporary teacher contracts to hiring for positions funded by grants outside the school funding formula. Provides that wage payment arrangements may not contain terms beyond those permitted to be bargained. Provides that the statutory procedures for refusing to continue or canceling a teacher contract may not be modified by a collective bargaining agreement (agreement). Limits the number of teachers the exclusive representative may appoint to serve on statutory or locally created district wide and school wide committees of a school corporation. Provides that an agreement may not include provisions that limit a school employer's (Continued next page)

Effective: Upon passage; July 1, 2011.

Boots, Kenley, Charbonneau, Kruse

(HOUSE SPONSORS — BEHNING, TORR)

January 20, 2011, read first time and referred to Committee on Pensions and Labor.
January 27, 2011, reported favorably — Do Pass.
January 29, 2011, reassigned to Committee on Education.
February 17, 2011, read second time, amended, ordered engrossed.
February 18, 2011, engrossed.
February 22, 2011, read third time, passed. Yeas 30, nays 19.
HOUSE ACTION
March 28, 2011, read first time and referred to Committee on Employment, Labor and Pensions.
April 7, 2011, amended, reported — Do Pass. Roll Call: yeas 59, nays 35.
April 13, 2011, read second time, amended, ordered engrossed.

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ability to restructure schools that do not meet federal or state accountability standards, or that limit a school employer's ability to enter into programs that offer postsecondary credit or dual credits to students. Provides that an agreement may not extend beyond December 31 of the year at the end of a state budget biennium. Prohibits certain subjects from being bargained collectively, and provides that prohibited subjects and items that lead to deficit financing may not be included in an agreement. Removes certain items from the list of discussion subjects between a school employer and an exclusive representative. Provides that collective bargaining begins before August 1 in the first year of the state budget biennium. Provides that if a complaint that is filed alleging an unfair practice concerning a subject of discussion is found to be frivolous, the complaining party is liable for costs and attorney's fees. Modifies the mediation process. Establishes a process for factfinding. Expands the purposes for which money in the capital projects fund may be used. Repeals provisions concerning minimum salary and salary increments for teachers, the definition of "submission date", and a provision allowing the statutory procedures for refusing to continue or canceling a teacher contract to be modified by an agreement, certain provisions concerning mediation and factfinding, and makes conforming changes to related sections.

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Reprinted
April 14, 2011

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 575

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 5-14-1.5-6.5, AS AMENDED BY P.L.1-2005,
2 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2011]: Sec. 6.5. (a) Whenever a governing body, or any
4 person authorized to act for a governing body, meets with an employee
5 organization, or any person authorized to act for an employee
6 organization, for the purpose of collective bargaining or discussion, the
7 following apply:

8 (1) Any party may inform the public of the status of collective
9 bargaining or discussion as it progresses by release of factual
10 information and expression of opinion based upon factual
11 information.

12 (2) If a mediator is appointed, any report the mediator may file at
13 the conclusion of mediation is a public record open to public
14 inspection.

15 (3) If a factfinder is appointed, any hearings the factfinder holds
16 must be open at all times for the purpose of permitting members
17 of the public to observe and record them. Any findings and

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1 recommendations the factfinder makes are public records open to
2 public inspection as provided by ~~IC 20-29-8-13~~ or any other
3 applicable statute relating to factfinding in connection with public
4 collective bargaining.

5 (b) This section supplements and does not limit any other provision
6 of this chapter.

7 SECTION 2. IC 20-26-5-32.2, AS ADDED BY P.L.41-2009,
8 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: Sec. 32.2. (a) Notwithstanding IC 22-2-5-1, a
10 school corporation and:

- 11 (1) an employee if there is no representative described under
- 12 subdivision (2) or (3) for that employee;
- 13 (2) the exclusive representative of its certificated employees with
- 14 respect to those employees; or
- 15 (3) a labor organization representing its noncertificated
- 16 employees with respect to those employees;
- 17 may agree in writing to a wage payment arrangement.

18 (b) A wage payment arrangement under subsection (a) may provide
19 that compensation earned during a school year may be paid:

- 20 (1) using equal installments or any other method; and
- 21 (2) over:
 - 22 (A) all or part of that school year; or
 - 23 (B) any other period that begins not earlier than the first day of
 - 24 that school year and ends not later than thirteen (13) months
 - 25 after the wage payment arrangement period begins.

26 Such an arrangement may provide that compensation earned in a
27 calendar year is paid in the next calendar year, so long as all the
28 compensation is paid within the thirteen (13) month period beginning
29 with the first day of the school year.

30 (c) A wage payment arrangement under subsection (a) must be
31 structured in such a manner so that it is not considered:

- 32 (1) a nonqualified deferred compensation plan for purposes of
- 33 Section 409A of the Internal Revenue Code; or
- 34 (2) deferred compensation for purposes of Section 457(f) of the
- 35 Internal Revenue Code.

36 (d) Absent an agreement under subsection (a), a school corporation
37 remains subject to IC 22-2-5-1.

38 (e) Wage payments required under a wage payment arrangement
39 entered into under subsection (a) are enforceable under IC 22-2-5-2.

40 (f) If an employee leaves employment for any reason, either
41 permanently or temporarily, the amount due the employee under
42 IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and

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unpaid.
(g) Employment with a school corporation may not be conditioned upon the acceptance of a wage payment arrangement under subsection (a).

(h) An employee may revoke a wage payment arrangement under subsection (a) at the beginning of each school year.

(i) A wage payment arrangement under this chapter may not contain any terms beyond those permitted to be bargained under IC 20-29-6-4.

SECTION 3. IC 20-28-6-2, AS ADDED BY P.L. 1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) A contract entered into by a teacher and a school corporation must:

- (1) be in writing;
- (2) be signed by both parties; and
- (3) contain the:
 - (A) beginning date of the school term as determined annually by the school corporation;
 - (B) number of days in the school term as determined annually by the school corporation;
 - (C) total salary to be paid to the teacher during the school year; **and**
 - (D) number of salary payments to be made to the teacher during the school year; **and**
 - (E) the number of hours per day the teacher is expected to work, as discussed pursuant to IC 20-29-6-7.**

(b) The contract may provide for the annual determination of the teacher's annual compensation by a local salary schedule, which is part of the contract. The salary schedule may be changed by the school corporation on or before May 1 of a year, with the changes effective the next school year. A teacher affected by the changes shall be furnished with printed copies of the changed schedule not later than thirty (30) days after the schedule's adoption.

(c) A contract under this section is also governed by the following statutes:

- (1) ~~IC 20-28-9-1~~ **IC 20-28-9-5** through IC 20-28-9-6.
- (2) IC 20-28-9-9 through IC 20-28-9-11.
- (3) IC 20-28-9-13.
- (4) IC 20-28-9-14.

(d) A governing body shall provide the blank contract forms, carefully worded by the state superintendent, and have them signed. The contracts are public records open to inspection by the residents of

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each school corporation.

(e) An action may be brought on a contract that conforms with subsections (a)(1), (a)(2), and (d).

SECTION 4. IC 20-28-6-6, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) A temporary teacher's contract shall be used only for employing:

(1) a teacher to serve in the absence of a teacher who has been granted a leave of absence by the school corporation for:

- (1) ~~(A)~~ **(A)** engaging in defense service or in service auxiliary to defense service;
- (2) ~~(B)~~ **(B)** professional study or advancement;
- (3) ~~(C)~~ **(C)** exchange teaching;
- (4) ~~(D)~~ **(D)** extended disability to which a licensed physician has attested; or
- (5) ~~(E)~~ **(E)** serving in the general assembly; or

(2) a new teacher for a position:

- (A) that is funded by a grant outside the school funding formula for which funding is available only for a specified period or purpose; or
- (B) vacated by a teacher who is under a regular contract and who temporarily accepts a teacher position that is funded by a grant outside the school funding formula for which funding is available only for a specified period or purpose.

(b) The temporary teacher's contract must contain:

- (1) the provisions of the regular teacher's contract except those providing for continued tenure of position;
- (2) a blank space for the name of the teacher granted the leave, which may not be used on another temporary teacher's contract for the same leave of absence; and
- (3) an expiration date that:
 - (A) is the date of the return of the teacher on leave; and
 - (B) is not later than the end of the school year.

(c) If a teacher is employed on the temporary teacher's contract for at least sixty (60) days in a school year, the teacher may, on request, receive the service credit that the teacher would otherwise receive with regard to the Indiana state teachers' retirement fund. ~~Additionally, the salary of that teacher may not be less than the state minimum salary under IC 20-28-9-1 and IC 20-28-9-2, or by a local salary schedule not less remunerative than the state minimum salary under IC 20-28-9-1 and IC 20-28-9-2.~~

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1 SECTION 5. IC 20-28-7-8, AS ADDED BY P.L.1-2005, SECTION
2 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2011]: Sec. 8. A contract entered into by a nonpermanent teacher and
4 a school corporation continues in force on the same terms and for the
5 same wages unless increased under IC 20-28-9-1 and IC 20-28-9-2, for
6 the next school term following the date of termination set in the
7 contract. However, the contract does not continue if any of the
8 following occur:

9 (1) The school corporation refuses continuation of the contract
10 under sections 9 and 10(b) of this chapter.

11 (2) The teacher delivers or mails by registered or certified mail to
12 the school corporation the teacher's written resignation.

13 (3) The contract is replaced by another contract agreed to by the
14 parties.

15 SECTION 6. IC 20-28-7-13, AS ADDED BY P.L.1-2005,
16 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2011]: Sec. 13. (a) This chapter: may not be construed to limit
18 the provisions of a collective bargaining agreement negotiated under
19 IC 20-29:

20 (b) This chapter does not prohibit a school employer and an
21 exclusive representative from collectively bargaining contracts that
22 alter the requirements of sections 1 through 6 and sections 8 through
23 12 of this chapter and IC 20-28-9-21 through IC 20-28-9-23:

24 (c) This chapter may not be construed to limit the rights of a school
25 employer and an exclusive representative (as defined in IC 20-29-2-9)
26 to mutually agree to binding arbitration concerning teacher dismissals:

27 (d) If the school employer and the exclusive representative mutually
28 agree to binding arbitration of teacher dismissals:

29 (1) the arbitrator shall determine whether the hearing will be open
30 to the public; and

31 (2) the written decision of the arbitrator must be:

32 (A) presented to the governing body in an open meeting; and

33 (B) made available to the public for inspection and copying.

34 (1) constitutes the uniform system for school corporations for:

35 (A) the refusal to continue a contract for a nonpermanent
36 teacher; and

37 (B) the cancellation of a contract for a semipermanent or
38 permanent teacher; and

39 (2) prohibits a provision in an agreement entered into under
40 IC 20-29 after June 30, 2011, that modifies the procedure or
41 standards for contract cancellation established under this
42 chapter.

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1 SECTION 7. IC 20-29-2-6, AS ADDED BY P.L.1-2005, SECTION
2 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2011]: Sec. 6. "Deficit financing" for a budget year means **actual**
4 expenditures exceeding the ~~money legally available to the employer:~~
5 **employer's current year actual general fund revenue.**

6 SECTION 8. IC 20-29-4-1, AS ADDED BY P.L.1-2005, SECTION
7 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
8 2011]: Sec. 1. School employees may:

- 9 (1) form, join, or assist school employee organizations;
 - 10 (2) participate in collective bargaining with school employers
11 through representatives of their own choosing; and
 - 12 (3) engage in other activities, individually or in concert;
- 13 to establish, maintain, or improve salaries, wages, hours, salary and
14 wage related fringe benefits, and other matters set forth in IC 20-29-6-4
15 **and IC 20-29-6-5. and ~~IC 20-29-6-7.~~**

16 SECTION 9. IC 20-29-4-3, AS ADDED BY P.L.1-2005, SECTION
17 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
18 2011]: Sec. 3. School employers have the responsibility and authority
19 to manage and direct on behalf of the public the operations and
20 activities of the school corporation to the full extent authorized by law,
21 including but not limited to the following:

- 22 (1) Direct the work of the school employer's employees.
- 23 (2) Establish policy through procedures established in
24 IC 20-29-6-4 **and IC 20-29-6-5. and ~~IC 20-29-6-7.~~**
- 25 (3) Hire, promote, demote, transfer, assign, and retain employees.
26 ~~through procedures established in IC 20-29-6-4, IC 20-29-6-5,~~
27 ~~and IC 20-29-6-7.~~
- 28 (4) Suspend or discharge employees in accordance with
29 applicable law through procedures established in ~~IC 20-29-6-4,~~
30 ~~IC 20-29-6-5, and IC 20-29-6-7. under state law.~~
- 31 (5) Maintain the efficiency of school operations.
- 32 (6) Relieve employees from duties because of lack of work or
33 other legitimate reason through procedures established in
34 IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.
- 35 (7) Take actions necessary to carry out the mission of the public
36 schools as provided by law.

37 SECTION 10. IC 20-29-5-7 IS ADDED TO THE INDIANA CODE
38 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
39 1, 2011]: **Sec. 7. (a) This section does not apply to the bargaining
40 team for the exclusive representative.**

41 **(b) The percentage of teacher positions the exclusive
42 representative may appoint to serve on a statutory or locally**

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1 created district wide committee may not exceed the percentage of
 2 teachers in the school corporation who are members of the
 3 exclusive representative. If multiplying the number of teacher
 4 positions on the committee by the percentage of teachers in the
 5 school corporation who are members of the exclusive
 6 representative does not produce a whole number, the product must
 7 be rounded up to the nearest whole number. The percentage of
 8 positions applies to the number of teacher positions on a committee
 9 and not to the total number of positions on a committee.

10 (c) The percentage of teacher positions the exclusive
 11 representative may appoint to serve on a statutory or locally
 12 created school wide committee may not exceed the percentage of
 13 teachers in the school who are members of the exclusive
 14 representative. If multiplying the number of teacher positions on
 15 the committee by the percentage of teachers in the school who are
 16 members of the exclusive representative does not produce a whole
 17 number, the product must be rounded up to the nearest whole
 18 number. The percentage of positions applies to the number of
 19 teacher positions on a committee and not to the total number of
 20 positions on a committee.

21 (d) A committee to which this section applies may not address
 22 subjects of bargaining under this article. A school employer's
 23 appointment of a teacher to a committee is not an unfair practice
 24 as it relates to the appointment of the teacher committee members.

25 (e) By September 15 of each school year, the local president or
 26 other officer or designee of the exclusive representative shall
 27 certify by affidavit to the school employer the number of teachers
 28 in each school and in the entire school corporation who are
 29 members of the exclusive representative.

30 SECTION 11. IC 20-29-6-1, AS ADDED BY P.L.1-2005,
 31 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2011]: Sec. 1. School employers and school employees shall:

- 33 (1) have the obligation and the right to bargain collectively the
 34 items set forth in section 4 of this chapter;
- 35 (2) have the right and obligation to discuss any item set forth in
 36 section 7 of this chapter; and
- 37 (3) enter into a contract embodying any of the matters **listed in**
 38 **section 4 of this chapter** on which they have bargained
 39 collectively.

40 SECTION 12. IC 20-29-6-2, AS ADDED BY P.L.1-2005,
 41 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2011]: Sec. 2. (a) ~~Any contract entered into under this~~

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- 1 chapter may not include provisions that conflict with:
- 2 (1) any right or benefit established by federal or state law;
- 3 (2) school employee rights set forth in IC 20-29-4-1 and
- 4 IC 20-29-4-2; ~~or~~
- 5 (3) school employer rights set forth in IC 20-29-4-3;
- 6 **(4) restructuring options available to a school employer under**
- 7 **federal or state statutes, regulations, or rules because of the**
- 8 **failure of the school corporation or a school to meet federal or**
- 9 **state accountability standards;**
- 10 **(5) a school employer's ability to contract, partner, or operate**
- 11 **jointly with an educational entity that provides postsecondary**
- 12 **credits to students of the school employer or dual credits from**
- 13 **the school employer and the educational entity; or**
- 14 **(6) section 4.5(a) of this chapter.**

15 **(b) A subject that is set forth in section 4.5(a) of this chapter**
 16 **may not be included in any contract after June 30, 2011.**

17 SECTION 13. IC 20-29-6-3, AS ADDED BY P.L.1-2005,
 18 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2011]: Sec. 3. (a) It is unlawful for a school employer to enter
 20 into any agreement that would place the employer in a position of
 21 deficit financing **due to a reduction in the employer's actual general**
 22 **fund revenue or an increase in the employer's expenditures when**
 23 **the expenditures exceed the employer's current year actual general**
 24 **fund revenue.**

25 (b) A contract that provides for deficit financing is void to that
 26 extent, and an individual teacher's contract executed under the contract
 27 is void to that extent.

28 SECTION 14. IC 20-29-6-4, AS ADDED BY P.L.1-2005,
 29 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2011]: Sec. 4. **(a) A school employer shall bargain collectively**
 31 **with the exclusive representative on the following:**

- 32 (1) Salary.
- 33 (2) Wages.
- 34 ~~(3) Hours.~~
- 35 ~~(4)~~ **(3) Salary and wage related fringe benefits, including**
- 36 **accident, sickness, health, dental, ~~or other~~ vision, life, disability,**
- 37 **retirement benefits, and paid time off as permitted to be**
- 38 **bargained under IC 20-28-9-11. ~~under IC 20-26-5-4 that were~~**
- 39 **subjects of bargaining on July 1, 2001.**

40 **(b) Salary and wages include the amounts of pay increases**
 41 **available to employees under the salary scale adopted under**
 42 **IC 20-28-9-1, but do not include the teacher evaluation procedures**

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1 **and criteria, or any components of the teacher evaluation plan,**
2 **rubric, or tool.**

3 SECTION 15. IC 20-29-6-4.5 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2011]: **Sec. 4.5. (a) For a contract entered**
6 **into after June 30, 2011, a school employer may not bargain**
7 **collectively with the exclusive representative on the following:**

- 8 (1) **The school calendar.**
- 9 (2) **Teacher dismissal procedures and criteria.**
- 10 (3) **Restructuring options available to a school employer**
11 **under federal or state statutes, regulations, or rules because**
12 **of the failure of the school corporation or a school to meet**
13 **federal or state accountability standards.**
- 14 (4) **The ability of a school employer to contract, partner, or**
15 **operate jointly with an educational entity that provides**
16 **postsecondary credits to students of the school employer or**
17 **dual credits from the school employer and the educational**
18 **entity.**
- 19 (5) **Any subject not expressly listed in section 4 of this chapter.**

20 (b) **A subject set forth in subsection (a) that may not be**
21 **bargained collectively may not be included in an agreement**
22 **entered into under this article.**

23 SECTION 16. IC 20-29-6-4.7 IS ADDED TO THE INDIANA
24 CODE AS A NEW SECTION TO READ AS FOLLOWS
25 [EFFECTIVE UPON PASSAGE]: **Sec. 4.7. (a) A school employer**
26 **may not bargain collectively with the exclusive representative on**
27 **teacher evaluation procedures and criteria after this section has**
28 **been enacted into law.**

29 (b) **A contract entered into between a school employer and an**
30 **exclusive representative after this section has been enacted into law**
31 **may not extend past the end of a state budget biennium.**

32 SECTION 17. IC 20-29-6-5, AS ADDED BY P.L.1-2005,
33 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2011]: **Sec. 5. A contract entered into under this chapter may**
35 **contain a grievance procedure. ~~culminating in final and binding~~**
36 **arbitration of unresolved grievances. However, the binding arbitration**
37 **has no power to amend, add to, subtract from, or supplement provisions**
38 **of the contract.**

39 SECTION 18. IC 20-29-6-7, AS ADDED BY P.L.1-2005,
40 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2011]: **Sec. 7. (a) A school employer shall discuss with the**
42 **exclusive representative of certificated employees the following items:**

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1 listed in subsection (b):

2 (b) A school employer may but is not required to bargain

3 collectively, negotiate, or enter into a written contract concerning, be

4 subject to, or enter into impasse procedures on the following matters:

5 (1) Working conditions, other than those provided in section 4 of

6 this chapter.

7 (2) (1) Curriculum development and revision.

8 (3) (2) Textbook selection.

9 (4) (3) Teaching methods.

10 (5) (4) Hiring, **evaluation**, promotion, demotion, transfer,

11 assignment, and retention of certificated employees. **and changes**

12 **to any of the requirements set forth in IC 20-28-6 through**

13 **IC 20-28-8:**

14 (6) (5) Student discipline.

15 (7) (6) Expulsion or supervision of students.

16 (8) (7) Pupil/teacher ratio.

17 (9) (8) Class size or budget appropriations.

18 (9) **Safety issues for students and employees in the workplace,**

19 **except those items required to be kept confidential by state or**

20 **federal law.**

21 (10) **Hours.**

22 (c) items included in the 1972-1973 agreements between an

23 employer school corporation and the school employee organization

24 continue to be bargainable:

25 SECTION 19. IC 20-29-6-8, AS ADDED BY P.L.1-2005,

26 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

27 JULY 1, 2011]: Sec. 8. The obligation to discuss does not require either

28 party to enter into a contract, agree to a proposal, or make a concession

29 **related to the items listed in section 7 of this chapter.** A failure to

30 reach an agreement on a matter of discussion does not **require allow**

31 the use of any part of the impasse procedure under IC 20-29-8.

32 SECTION 20. IC 20-29-6-12, AS ADDED BY P.L.1-2005,

33 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

34 JULY 1, 2011]: Sec. 12. ~~Collective~~ **Formal collective** bargaining

35 between a school corporation and the exclusive representative shall

36 begin ~~not later than~~ **before August 1 in the first year of the state**

37 **budget biennium. Informal negotiations may be held before August**

38 **1. one hundred eighty (180) days before the submission date of a**

39 **budget by a school employer:**

40 SECTION 21. IC 20-29-6-12.5 IS ADDED TO THE INDIANA

41 CODE AS A **NEW** SECTION TO READ AS FOLLOWS

42 [EFFECTIVE JULY 1, 2011]: **Sec. 12.5. Within thirty (30) days after**

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1 the date of the first state ADM count date of the school year in the
 2 first year of the state budget biennium, the department shall
 3 provide the parties with a certification of estimated general fund
 4 revenue available for bargaining from the school funding formula.
 5 A school employer that has passed a general fund operating
 6 referendum under IC 20-46-1 must have that amount certified by
 7 the department of local government finance. The school
 8 corporation must obtain the certification before the
 9 commencement of bargaining. These certifications must be the
 10 basis for determinations throughout impasse proceedings under
 11 this chapter.

12 SECTION 22. IC 20-29-6-13, AS ADDED BY P.L.1-2005,
 13 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2011]: Sec. 13. (a) At any time after the one hundred eighty
 15 (~~180~~) days described in section 12 of this chapter has begun, at least
 16 sixty (60) days following the beginning of formal bargaining
 17 collectively between the parties, an impasse is declared, and the
 18 board shall appoint a mediator from the board's staff. if either party
 19 declares an impasse either:

- 20 (1) in the scope of the items that are to be bargained collectively;
- 21 or
- 22 (2) on the substance of any item to be bargained collectively.

23 If after five (5) days the mediator is unsuccessful in finding a solution
 24 to the problems or in causing the parties to reach agreement, either
 25 party may request the board to initiate factfinding on the items that the
 26 parties are obligated to bargain collectively.

27 (b) The mediator shall begin mediation with fifteen (15) days
 28 after the board receives notice of impasse.

29 (c) The mediation must consist of not more than three (3)
 30 mediation sessions and must result in one (1) of the following:

- 31 (1) An agreement between the parties on the items permitted
- 32 to be bargained under section 4 of this chapter.
- 33 (2) Each party's last best offer, including fiscal rationale,
- 34 related to items permitted to be bargained under section 4 of
- 35 this chapter.
- 36 (d) Costs for the mediator shall be borne equally by the parties.
- 37 (e) Mediation shall be completed within thirty (30) days.

38 SECTION 23. IC 20-29-6-15, AS ADDED BY P.L.1-2005,
 39 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2011]: Sec. 15. (a) If an agreement has not been reached on
 41 the items permitted to be bargained collectively under section 4 of
 42 this chapter, within fifteen (15) ~~forty-five (45)~~ days before the

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1 submission date of a budget by a school employer, after mediation
2 under section 13 of this chapter has ended, the board shall initiate
3 factfinding.

4 (b) Factfinding must culminate in the factfinder imposing
5 contract terms on the parties. The factfinder's order must be
6 restricted to only those items permitted to be bargained and
7 included in the collective bargaining agreement under section 4 of
8 this chapter and must not put the employer in a position of deficit
9 financing, as defined in IC 20-29-2-6. The factfinder's order may
10 not impose terms beyond those proposed by the parties in their
11 last, best offers.

12 (c) Costs for the factfinder shall be borne equally by the parties.

13 (d) Factfinding may not last longer than fifteen (15) days.

14 SECTION 24. IC 20-29-6-16, AS ADDED BY P.L.1-2005,
15 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2011]: Sec. 16. (a) If an agreement has not been reached on
17 the items to be bargained collectively by November 1, as provided in
18 IC 6-1.1-17-5, fourteen (14) days before the submission date of a
19 budget by a school employer, the parties shall continue the status quo,
20 and the school employer may issue tentative individual contracts and
21 prepare its budget on that basis. During this status quo period, in order
22 to allow the successful resolution of the dispute, the school employer
23 may not unilaterally change the terms or conditions of employment that
24 are issues in dispute.

25 (b) During the bargaining process, the school employer shall
26 continue under the terms of the current contract that is in effect,
27 with no increase or increment in salary, wages, or benefits for any
28 bargaining unit employee until a new contract is executed, unless
29 continuation of the status quo would put the school employer in a
30 position of deficit financing due to a reduction in the employer's
31 actual general fund revenue or an increase in an employer's
32 expenditures when the expenditures exceed the current year actual
33 general fund revenue.

34 (c) The only parts of the contract that must continue in status
35 quo under this section are the items contained in the contract and
36 listed in section 4 of this chapter.

37 (d) This section may not be construed as relieving the school
38 employer or the school employee organization from the duty to bargain
39 collectively until a mutual agreement has been reached and a contract
40 entered as called for in this chapter.

41 SECTION 25. IC 20-29-6-18 IS ADDED TO THE INDIANA
42 CODE AS A NEW SECTION TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2011]: **Sec. 18. (a) Either party may appeal**
 2 **the decision of the factfinder under IC 20-29-6-15. The appeal must**
 3 **be filed not later than thirty (30) days after receiving the**
 4 **factfinder's decision.**

5 **(b) The board's decision must be restricted to only those items**
 6 **permitted to be bargained and included in the collective bargaining**
 7 **agreement under section 4 of this chapter and must not put the**
 8 **employer in a position of deficit financing, as defined in**
 9 **IC 20-29-2-6. The board's decision may not impose terms beyond**
 10 **those proposed by the parties in their last, best offers.**

11 **(c) The board must rule on the appeal within thirty (30) days**
 12 **after receipt of notice of appeal.**

13 SECTION 26. IC 20-29-7-1, AS ADDED BY P.L.1-2005,
 14 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2011]: Sec. 1. **(a) It is an unfair practice for a school employer**
 16 **to do any of the following:**

17 (1) Interfere with, restrain, or coerce school employees in the
 18 exercise of the rights guaranteed in IC 20-29-4.

19 (2) Dominate, interfere, or assist in the formation or
 20 administration of any school employee organization or contribute
 21 financial or other support to the organization. Subject to rules
 22 adopted by the governing body, a school employer may permit
 23 school employees to confer with the school employer or with any
 24 school employee organization during working hours without loss
 25 of time or pay.

26 (3) Encourage or discourage membership in any school employee
 27 organization through discrimination in regard to:

28 (A) hiring;

29 (B) tenure of employment; or

30 (C) any term or condition of employment.

31 (4) Discharge or otherwise discriminate against a school
 32 employee because the employee has filed a complaint, affidavit,
 33 petition, or any information or testimony under this article.

34 (5) Refuse to:

35 (A) bargain collectively; or

36 (B) discuss;

37 with an exclusive representative as required by this article.

38 (6) Fail or refuse to comply with any provision of this article.

39 **(b) If:**

40 **(1) a complaint is filed that alleges an unfair practice has**
 41 **occurred with respect to a subject that may be discussed**
 42 **under this article; and**

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1 **(2) the complaint is found to be frivolous;**
2 **the party that filed that complaint is liable for costs and attorney's**
3 **fees.**

4 SECTION 27. IC 20-29-8-5, AS ADDED BY P.L.1-2005,
5 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2011]: Sec. 5. The purpose of factfinding is to ~~give a neutral~~
7 ~~advisory opinion~~ **provide a final solution on the items permitted to**
8 **be bargained under IC 20-29-6-4** whenever the parties are unable by
9 themselves, or through a mediator, to resolve a dispute.

10 SECTION 28. IC 20-29-8-7, AS ADDED BY P.L.1-2005,
11 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2011]: Sec. 7. (a) When a factfinder is requested or required
13 under IC 20-29-6, the board shall appoint a factfinder from the staff or
14 panel established under section 6 of this chapter.

15 (b) The factfinder shall make an investigation and hold hearings as
16 the factfinder considers necessary in connection with a dispute.

17 (c) The factfinder:

18 **(1) may restrict the factfinder's findings to those issues that the**
19 **factfinder determines significant;**

20 **(2) must restrict the findings to the items listed in**
21 **IC 20-29-6-4; and**

22 **(3) may not impose terms beyond those proposed by the**
23 **parties in their last, best offers.**

24 (d) The factfinder may use evidence furnished to the factfinder by:

25 (1) the parties;

26 (2) the board;

27 (3) the board's staff; or

28 (4) any other state agency.

29 **(e) The factfinder shall conduct the factfinding hearing in public**
30 **in a room or facility owned by the county or local unit of**
31 **government located in the county in which the school employer is**
32 **located, or if the school employer is located in more than one (1)**
33 **county, in the county in which the greatest number of students who**
34 **attend the school employer's schools reside. The public hearing**
35 **may begin not earlier than October 1 in the first year of the state**
36 **budget biennium and must be concluded by December 31 of the**
37 **same year.**

38 **(f) The factfinding process may not exceed fifteen (15) days from**
39 **beginning to end, and not more than two (2) of those days may be**
40 **used for public testimony, which may be taken at the discretion of**
41 **the factfinder. During the public hearing, each party shall present**
42 **fully its last, best offer, including the fiscal rationale for the offer.**

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1 **Only general operating funds and those funds certified by the**
2 **department of education and the department of local government**
3 **finance may be considered as a source of the finding for items,**
4 **unless the school funding formula allows other funds to be used for**
5 **certain items.**

6 ~~(e)~~ (g) The factfinder shall make a recommendation as to the
7 settlement of the disputes over which the factfinder has jurisdiction.

8 ~~(f)~~ (h) The factfinder shall:

9 (1) make the investigation, hearing, and findings as expeditiously
10 as the circumstances permit; and

11 (2) deliver the findings to the parties and to the board.

12 ~~(g)~~ (i) The board, after receiving the findings and recommendations,
13 may make additional findings and recommendations to the parties
14 based on information in:

15 (1) the report; or

16 (2) the board's own possession.

17 **The board may not make any recommendations to the parties**
18 **related to any items not specifically identified in IC 20-29-6-4.**

19 ~~(h)~~ (j) At any time within five (5) days after the findings and
20 recommendations are delivered to the board, the board may make the
21 findings and recommendations of the factfinder and the board's
22 additional findings and recommendations, if any, available to the
23 public through news media and other means the board considers
24 effective.

25 ~~(i)~~ (k) The board shall make the findings and recommendations
26 described in subsection ~~(h)~~ (j) available to the public not later than ten
27 (10) days after the findings and recommendations are delivered to the
28 board.

29 SECTION 29. IC 20-29-8-8, AS ADDED BY P.L.1-2005,
30 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2011]: Sec. 8. In conducting hearings and investigations, the
32 factfinder is not bound by IC 4-21.5. The factfinder shall, however,
33 consider the following factors:

34 (1) Past memoranda of agreements and contracts between the
35 parties.

36 (2) Comparisons of wages and hours of the employees involved
37 with wages of other employees working for other public agencies
38 and private concerns doing comparable work, giving
39 consideration to factors peculiar to the school corporation.

40 (3) The public interest.

41 (4) The financial impact on the school corporation and whether
42 any settlement will cause the school corporation to engage in

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1 deficit financing **as described in IC 20-29-6-3.**

2 SECTION 30. IC 20-29-8-10, AS ADDED BY P.L.1-2005,
3 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2011]: Sec. 10. A person who has served as a mediator in a
5 dispute between a school employer and an exclusive representative
6 may not serve as a factfinder ~~or an arbitrator~~ in a dispute arising in the
7 same school corporation within a period of five (5) years except by the
8 mutual consent of the parties.

9 SECTION 31. IC 20-29-8-12, AS ADDED BY P.L.1-2005,
10 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2011]: Sec. 12. The board shall pay the ~~following: (1) The~~
12 ~~compensation and expenses of any mediator or factfinder. (2) The~~ cost
13 of an arbitrator, which shall be reimbursed equally by the two (2)
14 parties under procedures for collection and payment established by the
15 board.

16 SECTION 32. IC 20-29-8-13, AS ADDED BY P.L.1-2005,
17 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2011]: Sec. 13. (a) The investigation, hearing, and findings of
19 the factfinder must be:

- 20 (1) made as expeditiously as the circumstances allow; and
- 21 (2) delivered to the parties and to the board.

22 (b) The board, after receiving the findings and recommendations
23 under subsection (a), may make additional findings and
24 recommendations to the parties based upon information in the report
25 or in the board's possession. **The board may not make any**
26 **recommendations to the parties related to any items not**
27 **specifically identified in IC 20-29-6-4 and may not address items**
28 **beyond those proposed by the parties in their last, best offers.**

29 (c) The board:

- 30 (1) may, at any time within five (5) days; and
- 31 (2) shall, within ten (10) days;

32 after receiving the findings and recommendations delivered under
33 subsection (a), make the findings and recommendations of the
34 factfinder and the board's additional findings and recommendations, if
35 any, available to the public through the news media and any other
36 means.

37 SECTION 33. IC 20-40-8-11, AS ADDED BY P.L.2-2006,
38 SECTION 163, IS AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE JULY 1, 2011]: Sec. 11. Money in the fund may be used
40 to pay for the purchase, lease, repair, or maintenance of equipment to
41 be used by the school corporation. However, money in the fund may
42 not be used to pay for the purchase, lease, repair, or maintenance of the

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1 following:

2 (1) Vehicles ~~to be used for any purpose.~~ **other than maintenance**
3 **vehicles.**

4 (2) Except as provided in section 12 of this chapter, equipment to
5 be used primarily for interscholastic or extracurricular activities.

6 SECTION 34. IC 20-40-8-16, AS ADDED BY P.L.2-2006,
7 SECTION 163, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) For purposes of this section,
9 maintenance does not include janitorial or comparable routine services
10 normally provided in the daily operation of the facilities or equipment.

11 (b) Subject to this section, money in the fund may be used to pay for
12 services of school corporation employees who are:

- 13 (1) bricklayers;
14 (2) stone masons;
15 (3) cement masons;
16 (4) tile setters;
17 (5) glaziers;
18 (6) insulation workers;
19 (7) asbestos removers;
20 (8) painters;
21 (9) paperhangers;
22 (10) drywall applicators and tapers;
23 (11) plasterers;
24 (12) pipe fitters;
25 (13) roofers;
26 (14) structural and steel workers;
27 (15) metal building assemblers;
28 (16) heating and air conditioning installers;
29 (17) welders;
30 (18) carpenters;
31 (19) electricians; or
32 (20) plumbers;

33 as these occupations are defined in the United States Department of
34 Labor, Employment and Training Administration, Dictionary of
35 Occupational Titles, Fourth Edition, Revised 1991.

36 (c) Payment may be made under this section for employee services
37 described in subsection (b) only if:

- 38 (1) the employees perform:
39 (A) construction of;
40 (B) renovation of;
41 (C) remodeling of;
42 (D) repair of; or

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1 (E) maintenance on;
 2 the facilities and equipment specified in sections 10 and 11 of this
 3 chapter; **and**
 4 ~~(2) the total of all annual salaries and benefits paid by the school~~
 5 ~~corporation to employees described in this section is at least six~~
 6 ~~hundred thousand dollars (\$600,000); and~~
 7 ~~(3) (2) the payment of the employees described in this section is~~
 8 ~~included as part of the school corporation's proposed plan.~~
 9 ~~(d) The number of employees covered by this section is limited to~~
 10 ~~the number of employee positions described in this section that existed~~
 11 ~~in the school corporation on January 1, 1993.~~

12 SECTION 35. IC 20-40-8-19, AS AMENDED BY
 13 P.L.182-2009(ss), SECTION 322, IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. Money in the fund
 15 may be used **before January 1, 2014**, to pay for up to one hundred
 16 percent (100%) of the following costs of a school corporation:

- 17 (1) Utility services.
- 18 (2) Property or casualty insurance.
- 19 (3) Both utility services and property or casualty insurance.

20 A school corporation's expenditures under this section may not **in a**
 21 **calendar year** exceed ~~in 2010 and in 2011~~ three and five-tenths
 22 percent (3.5%) of the school corporation's 2005 calendar year
 23 distribution.

24 SECTION 36. IC 20-40-8-22 IS ADDED TO THE INDIANA
 25 CODE AS A **NEW SECTION** TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2011]: **Sec. 22. Money in the fund may be**
 27 **used to pay for up to one hundred percent (100%) of the costs**
 28 **incurred by a school corporation under a service contract for the**
 29 **maintenance and care of real property owned by the school**
 30 **corporation.**

31 SECTION 37. IC 20-40-16-2, AS ADDED BY P.L.109-2010,
 32 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2011]: Sec. 2. As used in this chapter, "wage and salary
 34 increase" means an increase in wages or salaries payable for the same
 35 or a similar position after subtracting, for all employees, any of the
 36 following received by the individual:

- 37 ~~(1) An increase in wages or salary of an employee from an~~
 38 ~~increment under IC 20-28-9-2 bargained for under a written~~
 39 ~~contract signed before March 1, 2010; that has not expired.~~
 40 ~~(2) An increase in wages or salary of an employee from an~~
 41 ~~increment under IC 20-28-9-2 that does not exceed the increment~~
 42 ~~permitted under an increment schedule in effect during the~~

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1 previous year under a written contract in effect for the previous
2 year or under the status quo provisions in IC 20-29-9-16.
3 However, the increment may not exceed two percent (2%) of the
4 wages and salary of the employee in the previous year.

5 ~~(3)~~ (1) An increase in wages or salary that is paid to an employee
6 as a result of the employee completing licensing requirements.

7 ~~(4)~~ (2) Health care benefit cost increases for the same or an
8 equivalent plan that are shared by the employee and the employer
9 in the same proportion as health care benefit costs are shared in
10 the previous year.

11 SECTION 38. IC 20-40-16-3, AS ADDED BY P.L.109-2010,
12 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2011]: Sec. 3. No funds transferred under this chapter may be
14 used to increase an increment schedule from an existing increment
15 agreement or to increase fringe benefits except those under section ~~2~~
16 **2(2)** of this chapter.

17 SECTION 39. THE FOLLOWING ARE REPEALED [EFFECTIVE
18 JULY 1, 2011]: IC 20-28-9-1; IC 20-28-9-2; IC 20-28-9-3;
19 IC 20-28-9-4; IC 20-29-2-17; IC 20-29-3-12; IC 20-29-3-13;
20 IC 20-29-6-11; IC 20-29-6-14; IC 20-29-6-15; IC 20-29-6-17;
21 IC 20-29-8-1; IC 20-29-8-2; IC 20-29-8-3; IC 20-29-8-4; IC 20-29-8-6;
22 IC 20-29-8-9; IC 20-29-8-10; IC 20-29-8-11; IC 20-29-8-13;
23 IC 20-29-8-14.

24 SECTION 40. [EFFECTIVE UPON PASSAGE] (a)
25 **Notwithstanding IC 20-29-3-5, the current terms of the members**
26 **of the Indiana education relations board are terminated effective**
27 **July 1, 2011.**

28 (b) **The governor shall appoint the replacement members of the**
29 **Indiana Education Employment Relations Board by July 1, 2011.**
30 **Before appointing the members under this SECTION, the governor**
31 **shall obtain recommendations from the speaker of the Indiana**
32 **house of representatives and the president pro tempore of the**
33 **Indiana senate concerning the appointment of members to replace**
34 **the members described in subsection (a). However, if either fails to**
35 **submit recommendations to the governor before July 1, 2011, the**
36 **governor shall make the appointments without recommendation by**
37 **the speaker or president pro tempore.**

38 (c) **The terms of the members appointed under subsection (b)**
39 **begin July 1, 2011.**

40 SECTION 41. **An emergency is declared for this act.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 575, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 575 as introduced.)

BOOTS, Chairperson

Committee Vote: Yeas 7, Nays 2.

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SENATE MOTION

Madam President: I move that Senate Bill 575 be amended to read as follows:

Page 6, line 4, strike "A" and insert "**Any**".

Page 6, line 4, strike "entered into under this chapter".

Page 6, line 19, delete "A" and insert "**Any**".

Page 6, line 19, delete "under this chapter" and insert "**between a school employer and an exclusive representative**".

Page 6, line 22, delete "a" and insert "**any**".

Page 6, line 22, delete "entered into under this chapter".

Page 7, between lines 33 and 34, begin a new line block indented and insert:

"(9) Safety issues for students and employees in the workplace."

(Reference is to SB 575 as printed January 28, 2011.)

BOOTS

SENATE MOTION

Madam President: I move that Senate Bill 575 be amended to read as follows:

Page 6, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 10. IC 20-29-6-4, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. A school employer shall bargain collectively with the exclusive representative on the following:

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- (1) Salary.
 - (2) Wages.
 - (3) Hours.
 - (4) Salary and wage related fringe benefits, including accident, sickness, health, dental, **or other and retirement** benefits. ~~under IC 20-26-5-4 that were subjects of bargaining on July 1, 2001.~~
- Renumber all SECTIONS consecutively.

(Reference is to SB 575 as printed January 28, 2011.)

BOOTS

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SENATE MOTION

Madam President: I move that Senate Bill 575 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-14-1.5-6.5, AS AMENDED BY P.L.1-2005, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6.5. (a) Whenever a governing body, or any person authorized to act for a governing body, meets with an employee organization, or any person authorized to act for an employee organization, for the purpose of collective bargaining or discussion, the following apply:

- (1) Any party may inform the public of the status of collective bargaining or discussion as it progresses by release of factual information and expression of opinion based upon factual information.
- (2) If a mediator is appointed, any report the mediator may file at the conclusion of mediation is a public record open to public inspection.
- (3) If a factfinder is appointed, any hearings the factfinder holds must be open at all times for the purpose of permitting members of the public to observe and record them. Any findings and recommendations the factfinder makes are public records open to public inspection as provided by ~~IC 20-29-8-13~~ or any other applicable statute relating to factfinding in connection with public collective bargaining.

(b) This section supplements and does not limit any other provision of this chapter."

Page 5, between lines 21 and 22, begin a new paragraph and insert:

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"SECTION 7. IC 20-29-3-12, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. The board shall organize the board's staff to provide for the functions of:

- (1) unit determination;
- (2) unfair labor practice processing;
- (3) conciliation and mediation;
- (4) factfinding; ~~and~~
- (5) arbitration; and**
- (6) research."**

Page 8, delete lines 5 through 42, begin a new paragraph and insert:

"SECTION 14. IC 20-29-6-13, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. At any time after ~~the one hundred eighty (180)~~ **(60) days following the beginning of bargaining collectively between the parties,** the board shall appoint ~~a mediator~~ **an arbitrator from the board's staff** if either party declares an impasse either:

- ~~(1) in the scope of the items that are to be bargained collectively;~~
- or
- (2) on the substance of any item to be bargained collectively.**

If after five ~~(5)~~ days the mediator is unsuccessful in finding a solution to the problems or in causing the parties to reach agreement, either party may request the board to initiate factfinding on the items that the parties are obligated to bargain collectively: **in the collective bargaining process."**

Page 9, delete lines 1 through 12.

Page 10, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 17. IC 20-29-8-12, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. The board shall pay the following: ~~(1) The compensation and expenses of any mediator or factfinder. (2) The cost of an arbitrator, which shall be reimbursed equally by the two (2) parties under procedures for collection and payment established by the board.~~

SECTION 18. IC 20-29-8-15 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2011]: **Sec. 15. If an agreement has not been reached on the items to be bargained collectively before the existing agreement expires:**

- (1) the arbitration process under section 16 of this chapter commences; and**

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(2) the terms of the existing contract continue until a new contract is determined under section 16 of this chapter.

SECTION 19. IC 20-29-8-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 16. (a) If either party requests an arbitrator under IC 20-29-6-13 or if the existing contract expires, the board shall appoint an arbitrator to:**

- (1) conduct hearings;**
- (2) mediate between the parties; and**
- (3) render a decision establishing a contract, if necessary.**

(b) The arbitrator shall hold public hearings for five (5) days in a public room owned by the county that is located in the county in which the school employer is located, or, if the school employer is located in more than one (1) county, in the county in which the greatest number of students who attend the school employer reside. The public hearings must begin not less than thirty (30) days after a party requests the appointment of an arbitrator. During the public hearings, each party shall present fully its position on bargainable items for the contract, with each item considered for its impact on the school employer's financial position. Only general operating funds under the state funding formula may be considered as a source of funding for items, unless the school funding formula allows other funds to be used for certain items. A bargainable item, or more than one (1) bargainable item taken together, may not cause a school employer to engage in deficit financing.

(c) After the public hearings under subsection (b) conclude, the arbitrator shall hold not more than five (5) days of private meetings between the parties, mediating between the parties to reconcile the differences in the positions the parties hold on bargainable items. During the meetings under this subsection, neither the parties nor the arbitrator may make a public statement on the discussions held during the meetings.

(d) If after five (5) days of meetings under subsection (c) the parties have not agreed upon a contract, the arbitrator shall, not later than five (5) days after the conclusion of the meetings, issue an order establishing the terms of the contract, which may not require the school employer to engage in deficit financing. The parties shall accept the arbitrator's decision as the contract between the parties."

Page 10, line 34, after "IC 20-29-2-17;" insert "IC 20-29-3-12; IC 20-29-3-13;"

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Page 10, line 35, delete "IC 20-29-6-15." and insert "IC 20-29-6-15; IC 20-29-6-16; IC 20-29-6-17; IC 20-29-8-1; IC 20-29-8-2; IC 20-29-8-3; IC 20-29-8-4; IC 20-29-8-5; IC 20-29-8-6; IC 20-29-8-7; IC 20-29-8-8; IC 20-29-8-9; IC 20-29-8-10; IC 20-29-8-11; IC 20-29-8-13; IC 20-29-8-14."

Re-number all SECTIONS consecutively.

(Reference is to SB 575 as printed January 28, 2011.)

KENLEY

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 575, 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:

Replace the effective dates in SECTIONS 1 through 23 with "[EFFECTIVE UPON PASSAGE]".

Page 3, line 13, after "grant" insert "**outside the school funding formula**".

Page 3, line 14, after "period" insert "**or purpose**".

Page 3, line 17, after "grant" insert "**outside the school funding formula**".

Page 3, line 18, delete "." and insert "**or purpose**".

Page 3, line 41, strike "or other".

Page 3, line 42, strike "employment related benefits".

Page 6, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 7. IC 20-29-2-6, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. "Deficit financing" for a budget year means **actual** expenditures exceeding the ~~money legally available to the employer.~~ **employer's current year actual general fund revenue**."

Page 6, delete lines 3 through 12, begin a new paragraph and insert:

"SECTION 9. IC 20-29-4-1, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. School employees may:

- (1) form, join, or assist school employee organizations;
- (2) participate in collective bargaining with school employers through representatives of their own choosing; and
- (3) engage in other activities, individually or in concert;

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to establish, maintain, or improve salaries, wages, hours, salary and wage related fringe benefits, and other matters set forth in IC 20-29-6-4 and IC 20-29-6-5. ~~and IC 20-29-6-7.~~

SECTION 2. IC 20-29-4-3, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. School employers have the responsibility and authority to manage and direct on behalf of the public the operations and activities of the school corporation to the full extent authorized by law, including but not limited to the following:

- (1) Direct the work of the school employer's employees.
- (2) Establish policy through procedures established in IC 20-29-6-4 and IC 20-29-6-5. ~~and IC 20-29-6-7.~~
- (3) Hire, promote, demote, transfer, assign, and retain employees. ~~through procedures established in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.~~
- (4) Suspend or discharge employees in accordance with applicable law through procedures established in ~~IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.~~ **under state law.**
- (5) Maintain the efficiency of school operations.
- (6) Relieve employees from duties because of lack of work or other legitimate reason through procedures established in IC 20-29-6-4, IC 20-29-6-5, and IC 20-29-6-7.
- (7) Take actions necessary to carry out the mission of the public schools as provided by law."

Page 6, line 19, after "created" insert "**district wide**".

Page 6, between lines 27 and 28, begin a new paragraph and insert:

"(c) The percentage of teacher positions the exclusive representative may appoint to serve on a statutory or locally created school wide committee may not exceed the percentage of teachers in the school who are members of the exclusive representative. If multiplying the number of teacher positions on the committee by the percentage of teachers in the school who are members of the exclusive representative does not produce a whole number, the product must be rounded up to the nearest whole number. The percentage of positions applies to the number of teacher positions on a committee and not to the total number of positions on a committee."

Page 6, line 28, delete "(c)" and insert "(d)".

Page 6, line 28, delete ":".

Page 6, line 29, delete "(1)".

Page 6, line 29, delete "; and".

Page 6, delete line 30.

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Page 6, run in lines 28 through 31.

Page 6, line 32, delete "is not a violation of the school employer's or the".

Page 6, line 33, delete "exclusive representative's duty to discuss under this article, and".

Page 6, line 34, delete "." and insert "**as it relates to the appointment of the teacher committee members.**"

(e) By September 15 of each school year, the local president or other officer or designee of the exclusive representative shall certify by affidavit to the school employer the number of teachers in each school and in the entire school corporation who are members of the exclusive representative."

Page 6, between lines 34 and 35, begin a new paragraph and insert:
"SECTION 11. IC 20-29-6-1, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. School employers and school employees shall:

- (1) have the obligation and the right to bargain collectively the items set forth in section 4 of this chapter;
- (2) have the right and obligation to discuss any item set forth in section 7 of this chapter; and
- (3) enter into a contract embodying any of the matters **listed in section 4 of this chapter** on which they have bargained collectively."

Page 7, line 11, delete "June 30, 2011," and insert "**the effective date of section 4.5 of this chapter**".

Page 7, line 14, delete "June 30, 2011." and insert "**the effective date of section 4.5 of this chapter**".

Page 7, line 19, delete ", including but not limited to a reduction in the" and insert "**due to a reduction in the employer's actual general fund revenue or an increase in the employer's expenditures when the expenditures exceed the employer's current year actual general fund revenue**".

Page 7, delete lines 20 through 21.

Page 7, line 27, after "4." insert "**(a)**".

Page 7, strike line 31.

Page 7, line 32, strike "(4)" and insert "**(3)**".

Page 7, line 33, after "other" insert "**vision, life, disability**".

Page 7, between lines 34 and 35, begin a new paragraph and insert:
"(b) Salary and wages include the amounts of pay increases available to employees under the salary scale adopted under IC 20-28-9-1, but do not include the teacher evaluation procedures

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and criteria, or any components of the teacher evaluation plan, rubric, or tool."

Page 7, line 40, delete "calendar, other than on the total number of" and insert "**calendar.**".

Page 7, delete line 41.

Page 8, between lines 10 and 11, begin a new line block indented and insert:

(6) Any subject not expressly listed in section 4 of this chapter."

Page 8, between lines 13 and 14, begin a new paragraph and insert:
"SECTION 14. IC 20-29-6-5, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A contract entered into under this chapter may contain a grievance procedure. ~~culminating in final and binding arbitration of unresolved grievances. However, the binding arbitration has no power to amend, add to, subtract from, or supplement provisions of the contract.~~"

Page 8, line 16, strike "(a)".

Page 8, line 35, delete "." and insert "**, except those items required to be kept confidential by state or federal law.**

(10) Hours."

Page 8, line 36, delete "(b) For an agreement entered into before July 1, 2011,".

Page 8, line 36, strike "items".

Page 8, strike lines 37 through 39, begin a new paragraph and insert:
"SECTION 15. IC 20-29-6-8, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The obligation to discuss does not require either party to enter into a contract, agree to a proposal, or make a concession **related to the items listed in section 7 of this chapter.** A failure to reach an agreement on a matter of discussion does not ~~require~~ **allow** the use of any part of the impasse procedure under IC 20-29-8."

Page 8, line 42, strike "Collective" and insert "**Formal collective**".

Page 9, line 1, strike "not later than" and insert "**before August 1 in the first year of the state budget biennium. Informal negotiations may be held before August 1.**"

Page 9, line 3, delete "May 1 of the last year of the state budget".

Page 9, delete lines 4 through 6, begin a new paragraph and insert:
"SECTION 17. IC 20-29-6-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12.5. Within thirty (30) days after the date of the first state ADM count date of the school year**

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in the first year of the state budget biennium, the department shall provide the parties with a certification of general fund revenue available for bargaining. This certification must be the basis for determinations throughout impasse proceedings under this chapter."

Page 9, line 9, after "13." insert "(a)".

Page 9, line 11, after "of" insert "formal".

Page 9, line 12, after "parties," insert "**an impasse is declared, and**".

Page 9, line 12, reset in roman "a mediator".

Page 9, line 12, delete "an arbitrator".

Page 9, line 13, delete "staff" and insert "**staff**".

Page 9, line 13, strike "if either party declares an impasse".

Page 9, line 20, delete "in the collective".

Page 9, delete line 21, begin a new paragraph and insert:

"(b) The mediator shall begin mediation with fifteen (15) days after the board receives notice of impasse.

(c) The mediation must consist of not more than three (3) mediation sessions and must result in one (1) of the following:

(1) An agreement between the parties on the items permitted to be bargained under section 4 of this chapter.

(2) Each party's last best offer, including fiscal rationale, related to items permitted to be bargained under section 4 of this chapter.

(d) Costs for the mediator shall be borne equally by the parties.

(e) Mediation shall be completed within thirty (30) days.

SECTION 18. IC 20-29-6-15, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) If an agreement has not been reached on the items **permitted** to be bargained collectively **under section 4 of this chapter, within fifteen (15) ~~forty-five (45)~~ days before the submission date of a budget by a school employer, after mediation under section 13 of this chapter has ended**, the board shall initiate factfinding.

(b) Factfinding must culminate in the factfinder imposing contract terms on the parties. The factfinder's order must be restricted to only those items permitted to be bargained and included in the collective bargaining agreement under section 4 of this chapter and must not put the employer in a position of deficit financing, as defined in IC 20-29-2-6. The factfinder's order may not impose terms beyond those proposed by the parties in their last, best offers.

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- (c) Costs for the factfinder shall be borne equally by the parties.**
- (d) Factfinding may not last longer than fifteen (15) days.**

SECTION 19. IC 20-29-6-16, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) If an agreement has not been reached on the items to be bargained collectively **by November 1, as provided in IC 6-1.1-17-5,** ~~fourteen (14) days before the submission date of a budget by a school employer,~~ the parties shall continue the status quo, and the school employer may issue tentative individual contracts and prepare its budget on that basis. During this status quo period, in order to allow the successful resolution of the dispute, the school employer may not unilaterally change the terms or conditions of employment that are issues in dispute.

(b) During the bargaining process, the school employer shall continue under the terms of the current contract that is in effect, with no increase or increment in salary, wages, or benefits for any bargaining unit employee until a new contract is executed, unless continuation of the status quo would put the school employer in a position of deficit financing due to a reduction in the employer's actual general fund revenue or an increase in an employer's expenditures when the expenditures exceed the current year actual general fund revenue.

(c) The only parts of the contract that must continue in status quo under this section are the items contained in the contract and listed in section 4 of this chapter.

~~(b)~~ **(d) This section may not be construed as relieving the school employer or the school employee organization from the duty to bargain collectively until a mutual agreement has been reached and a contract entered as called for in this chapter."**

Page 10, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 21. IC 20-29-8-5, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The purpose of factfinding is to ~~give a neutral advisory opinion~~ **provide a final solution on the items permitted to be bargained under IC 20-29-6-4** whenever the parties are unable by themselves, or through a mediator, to resolve a dispute.

SECTION 6. IC 20-29-8-7, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) When a factfinder is requested or required under IC 20-29-6, the board shall appoint a factfinder from the staff or panel established under section 6 of this chapter.

(b) The factfinder shall make an investigation and hold hearings as

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the factfinder considers necessary in connection with a dispute.

(c) The factfinder:

(1) may restrict the factfinder's findings to those issues that the factfinder determines significant;

(2) must restrict the findings to the items listed in IC 20-29-6-4; and

(3) may not impose terms beyond those proposed by the parties in their last, best offers.

(d) The factfinder may use evidence furnished to the factfinder by:

- (1) the parties;
- (2) the board;
- (3) the board's staff; or
- (4) any other state agency.

(e) The factfinder shall conduct the factfinding hearing in public in a room or facility owned by the county or local unit of government located in the county in which the school employer is located, or if the school employer is located in more than one (1) county, in the county in which the greatest number of students who attend the school employer's schools reside. The public hearing may begin not earlier than October 1 in the first year of the state budget biennium and must be concluded by December 31 of the same year.

(f) The factfinding process may not exceed fifteen (15) days from beginning to end, and not more than two (2) of those days may be used for public testimony, which may be taken at the discretion of the factfinder. During the public hearing, each party shall present fully its last, best offer, including the fiscal rationale for the offer. Only general operating funds under the state funding formula and certified by the department of education may be considered as a source of the funding for items, unless the school funding formula allows other funds to be used for certain items.

~~(e)~~ **(g)** The factfinder shall make a recommendation as to the settlement of the disputes over which the factfinder has jurisdiction.

~~(f)~~ **(h)** The factfinder shall:

- (1) make the investigation, hearing, and findings as expeditiously as the circumstances permit; and
- (2) deliver the findings to the parties and to the board.

~~(g)~~ **(i)** The board, after receiving the findings and recommendations, may make additional findings and recommendations to the parties based on information in:

- (1) the report; or
- (2) the board's own possession.

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The board may not make any recommendations to the parties related to any items not specifically identified in IC 20-29-6-4.

(h) (j) At any time within five (5) days after the findings and recommendations are delivered to the board, the board may make the findings and recommendations of the factfinder and the board's additional findings and recommendations, if any, available to the public through news media and other means the board considers effective.

(i) (k) The board shall make the findings and recommendations described in subsection (h) (j) available to the public not later than ten (10) days after the findings and recommendations are delivered to the board.

SECTION 7. IC 20-29-8-8, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. In conducting hearings and investigations, the factfinder is not bound by IC 4-21.5. The factfinder shall, however, consider the following factors:

- (1) Past memoranda of agreements and contracts between the parties.
- (2) Comparisons of wages and hours of the employees involved with wages of other employees working for other public agencies and private concerns doing comparable work, giving consideration to factors peculiar to the school corporation.
- (3) The public interest.
- (4) The financial impact on the school corporation and whether any settlement will cause the school corporation to engage in deficit financing **as described in IC 20-29-6-3.**

SECTION 8. IC 20-29-8-10, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. A person who has served as a mediator in a dispute between a school employer and an exclusive representative may not serve as a factfinder ~~or an arbitrator~~ in a dispute arising in the same school corporation within a period of five (5) years except by the mutual consent of the parties."

Page 10, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 9. IC 20-29-8-13, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The investigation, hearing, and findings of the factfinder must be:

- (1) made as expeditiously as the circumstances allow; and
 - (2) delivered to the parties and to the board.
- (b) The board, after receiving the findings and recommendations

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under subsection (a), may make additional findings and recommendations to the parties based upon information in the report or in the board's possession. **The board may not make any recommendations to the parties related to any items not specifically identified in IC 20-29-6-4 and may not address items beyond those proposed by the parties in their last, best offers.**

(c) The board:

- (1) may, at any time within five (5) days; and
- (2) shall, within ten (10) days;

after receiving the findings and recommendations delivered under subsection (a), make the findings and recommendations of the factfinder and the board's additional findings and recommendations, if any, available to the public through the news media and any other means."

Page 10, delete lines 20 through 42.

Page 11, delete lines 1 through 24.

Page 12, line 14, delete "IC 20-29-6-16;"

Page 12, line 16, delete "IC 20-29-8-5;"

Page 12, line 16, delete "IC 20-29-8-7; IC 20-29-8-8;"

Page 12, after line 18, begin a new paragraph and insert:

"SECTION 28. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 20-29-3-5, the current terms of the members of the Indiana education relations board are terminated effective upon passage of this act.

(b) The governor shall obtain recommendations from the speaker of the Indiana house of representatives and the president pro tempore of the Indiana senate concerning the appointment of members to replace the members described in subsection (a). If either fails to submit recommendations to the governor within sixty (60) days after the governor's request, the governor shall make the appointments without recommendation by the speaker or president pro tempore.

(c) The terms of the members appointed under subsection (b) must begin not later than July 1, 2011.

SECTION 29. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 575 as reprinted February 18, 2011.)

BEHNING, Chair

Committee Vote: yeas 7, nays 5.

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 11, line 3, after "of" insert "**estimated**".

Page 11, line 4, after "bargaining." insert "**A school employer that has passed a general fund operating referendum under IC 20-46-1 must have that amount certified by the department of local government finance. The school corporation must obtain the certification before the commencement of bargaining.**".

Page 11, line 4, delete "This certification" and insert "**These certifications**".

(Reference is to ESB 575 as printed April 8, 2011.)

BEHNING

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 11, line 4, delete "." and insert "**from the school funding formula.**".

Page 14, line 24, delete "under the state funding formula".

Page 14, line 24, after "and" insert "**those funds**".

Page 14, line 25, after "education" insert "**and the department of local government finance**".

(Reference is to ESB 575 as printed April 8, 2011.)

BEHNING

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 2, line 19, strike "and".

Page 2, line 21, delete "." and insert "; **and**".

Page 2, between lines 21 and 22, begin a new line double block indented and insert:

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"(E) the number of hours per day the teacher is expected to work, as discussed pursuant to IC 20-29-6-7."

(Reference is to ESB 575 as printed April 8, 2011.)

BEHNING

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

- Page 3, delete lines 38 through 42.
- Page 4, delete lines 1 through 3.
- Page 5, delete lines 4 through 42.
- Page 6, delete lines 1 through 4.
- Renumber all SECTIONS consecutively.

(Reference is to ESB 575 as printed April 8, 2011.)

BEHNING

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 2, between lines 6 and 7, begin a new paragraph and insert:
 "SECTION 2. IC 20-26-5-32.2, AS ADDED BY P.L.41-2009, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32.2. (a) Notwithstanding IC 22-2-5-1, a school corporation and:

- (1) an employee if there is no representative described under subdivision (2) or (3) for that employee;
 - (2) the exclusive representative of its certificated employees with respect to those employees; or
 - (3) a labor organization representing its noncertificated employees with respect to those employees;
- may agree in writing to a wage payment arrangement.

(b) A wage payment arrangement under subsection (a) may provide that compensation earned during a school year may be paid:

- (1) using equal installments or any other method; and
- (2) over:



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- (A) all or part of that school year; or
- (B) any other period that begins not earlier than the first day of that school year and ends not later than thirteen (13) months after the wage payment arrangement period begins.

Such an arrangement may provide that compensation earned in a calendar year is paid in the next calendar year, so long as all the compensation is paid within the thirteen (13) month period beginning with the first day of the school year.

(c) A wage payment arrangement under subsection (a) must be structured in such a manner so that it is not considered:

- (1) a nonqualified deferred compensation plan for purposes of Section 409A of the Internal Revenue Code; or
- (2) deferred compensation for purposes of Section 457(f) of the Internal Revenue Code.

(d) Absent an agreement under subsection (a), a school corporation remains subject to IC 22-2-5-1.

(e) Wage payments required under a wage payment arrangement entered into under subsection (a) are enforceable under IC 22-2-5-2.

(f) If an employee leaves employment for any reason, either permanently or temporarily, the amount due the employee under IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and unpaid.

(g) Employment with a school corporation may not be conditioned upon the acceptance of a wage payment arrangement under subsection (a).

(h) An employee may revoke a wage payment arrangement under subsection (a) at the beginning of each school year.

(i) A wage payment arrangement under this chapter may not contain any terms beyond those permitted to be bargained under IC 20-29-6-4."

Renumber all SECTIONS consecutively.

(Reference is to ESB 575 as printed April 8, 2011.)

BEHNING

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 12, between lines 35 and 36, begin a new paragraph and insert:
"SECTION 24. IC 20-29-6-18 IS ADDED TO THE INDIANA

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CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 18. (a) Either party may appeal the decision of the factfinder under IC 20-29-6-15. The appeal must be filed not later than thirty (30) days after receiving the factfinder's decision.**

(b) The board's decision must be restricted to only those items permitted to be bargained and included in the collective bargaining agreement under section 4 of this chapter and must not put the employer in a position of deficit financing, as defined in IC 20-29-2-6. The board's decision may not impose terms beyond those proposed by the parties in their last, best offers.

(c) The board must rule on the appeal within thirty (30) days after receipt of notice of appeal."

Renumber all SECTIONS consecutively.

(Reference is to ESB 575 as printed April 8, 2011.)

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Replace the effective dates in SECTIONS 1 through 34 with "[EFFECTIVE JULY 1, 2011]".

Page 8, delete lines 20 through 22.

Page 8, line 23, delete "(c)" and insert "**(b)**".

Page 8, line 24, delete "the effective date of" and insert "**June 30, 2011.**".

Page 8, delete line 25.

Page 9, delete line 17.

Page 9, line 18, delete "(3)" and insert "**(2)**".

Page 9, line 19, delete "(4)" and insert "**(3)**".

Page 9, line 23, delete "(5)" and insert "**(4)**".

Page 9, line 28, delete "(6)" and insert "**(5)**".

Page 9, between lines 31 and 32, begin a new paragraph and insert:
"SECTION 17. IC 20-29-6-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.7. (a) A school employer may not bargain collectively with the exclusive representative on teacher evaluation procedures and criteria after this section has been enacted into law.**

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(b) A contract entered into between a school employer and an exclusive representative after this section has been enacted into law may not extend past the end of a state budget biennium."

Page 17, line 13, delete "upon passage of this act." and insert "**July 1, 2011.**".

Page 17, line 14, after "shall" insert "**appoint the replacement members of the Indiana Education Employment Relations Board by July 1, 2011. Before appointing the members under this SECTION, the governor shall**".

Page 17, line 17, delete "If" and insert "**However, if**".

Page 17, line 18, delete "within sixty" and insert "**before July 1, 2011,**".

Page 17, line 19, delete "(60) days after the governor's request,".

Page 17, line 23, delete "must".

Page 17, line 23, delete "not later than".

Renumber all SECTIONS consecutively.

(Reference is to ESB 575 as printed April 8, 2011.)

BEHNING

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 8, line 22, after "past" insert "**December 31 of the year of**".

(Reference is to ESB 575 as printed April 8, 2011.)

THOMPSON

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 16, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 32. IC 20-40-8-11, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. Money in the fund may be used to pay for the purchase, lease, repair, or maintenance of equipment to be used by the school corporation. However, money in the fund may

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not be used to pay for the purchase, lease, repair, or maintenance of the following:

(1) Vehicles ~~to be used for any purpose~~. **other than maintenance vehicles.**

(2) Except as provided in section 12 of this chapter, equipment to be used primarily for interscholastic or extracurricular activities.

SECTION 33. IC 20-40-8-16, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) For purposes of this section, maintenance does not include janitorial or comparable routine services normally provided in the daily operation of the facilities or equipment.

(b) Subject to this section, money in the fund may be used to pay for services of school corporation employees who are:

- (1) bricklayers;
- (2) stone masons;
- (3) cement masons;
- (4) tile setters;
- (5) glaziers;
- (6) insulation workers;
- (7) asbestos removers;
- (8) painters;
- (9) paperhangers;
- (10) drywall applicators and tapers;
- (11) plasterers;
- (12) pipe fitters;
- (13) roofers;
- (14) structural and steel workers;
- (15) metal building assemblers;
- (16) heating and air conditioning installers;
- (17) welders;
- (18) carpenters;
- (19) electricians; or
- (20) plumbers;

as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991.

(c) Payment may be made under this section for employee services described in subsection (b) only if:

- (1) the employees perform:
 - (A) construction of;
 - (B) renovation of;
 - (C) remodeling of;

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- (D) repair of; or
 - (E) maintenance on;
- the facilities and equipment specified in sections 10 and 11 of this chapter; **and**
- ~~(2)~~ the total of all annual salaries and benefits paid by the school corporation to employees described in this section is at least six hundred thousand dollars (\$600,000); and
 - ~~(3)~~ **(2)** the payment of the employees described in this section is included as part of the school corporation's proposed plan.

~~(d)~~ The number of employees covered by this section is limited to the number of employee positions described in this section that existed in the school corporation on January 1, 1993.

SECTION 34. IC 20-40-8-19, AS AMENDED BY P.L.182-2009(ss), SECTION 322, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. Money in the fund may be used **before January 1, 2014**, to pay for up to one hundred percent (100%) of the following costs of a school corporation:

- (1) Utility services.
- (2) Property or casualty insurance.
- (3) Both utility services and property or casualty insurance.

A school corporation's expenditures under this section may not **in a calendar year** exceed ~~in 2010 and in 2011~~ three and five-tenths percent (3.5%) of the school corporation's 2005 calendar year distribution.

SECTION 35. IC 20-40-8-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 22. Money in the fund may be used to pay for up to one hundred percent (100%) of the costs incurred by a school corporation under a service contract for the maintenance and care of real property owned by the school corporation."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 575 as printed April 8, 2011.)

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 575 be amended to read as follows:

Page 9, line 4, delete "and".

Page 9, line 4, delete "." and insert ", **and paid time off as permitted to be bargained under IC 20-28-9-11.**".

(Reference is to ESB 575 as printed April 8, 2011.)

BORDERS

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