



Reprinted  
February 18, 2011

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## SENATE BILL No. 575

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DIGEST OF SB 575 (Updated February 17, 2011 4:17 pm - DI 71)

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

**Synopsis:** Teacher collective bargaining. Extends the use of temporary teacher contracts to hiring for positions funded by grants. Provides that the statutory procedures for refusing to continue or canceling a teacher contract may not be modified by a collective bargaining agreement (agreement). Allows a teacher who has been suspended from duty pending the cancellation of a contract to be suspended without pay. Limits the number of teachers the exclusive representative may appoint to serve on statutory or locally created committees of a school corporation. Provides that an agreement may not include provisions that limit a school employer's 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 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.

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**Effective:** July 1, 2011.

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### Boots, Kenley, Charbonneau, Kruse

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January 20, 2011, read first time and referred to Committee on Pensions and Labor.  
January 27, 2011, reported favorably — Do Pass.  
February 17, 2011, read second time, amended, ordered engrossed.

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SB 575—LS 7495/DI 71+



Digest Continued

Provides that collective bargaining begins not later than May 1. 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. Requires arbitration if either party declares an impasse or an existing agreement expires, and establishes a process for the arbitration. Provides that if the parties cannot reach an agreement following arbitration, the arbitrator establishes the new agreement. 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, provisions concerning mediation and factfinding, and makes conforming changes to related sections.

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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.

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## SENATE BILL No. 575

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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 20-28-6-2, AS ADDED BY P.L.1-2005, SECTION  
8 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
9 2011]: Sec. 2. (a) A contract entered into by a teacher and a school  
10 corporation must:

- 11 (1) be in writing;
- 12 (2) be signed by both parties; and
- 13 (3) contain the:
  - 14 (A) beginning date of the school term as determined annually
  - 15 by the school corporation;
  - 16 (B) number of days in the school term as determined annually
  - 17 by the school corporation;
  - 18 (C) total salary to be paid to the teacher during the school year;
  - 19 and
  - 20 (D) number of salary payments to be made to the teacher
  - 21 during the school year.

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

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

- 31 (1) ~~IC 20-28-9-1~~ IC 20-28-9-5 through IC 20-28-9-6.
- 32 (2) IC 20-28-9-9 through IC 20-28-9-11.
- 33 (3) IC 20-28-9-13.
- 34 (4) IC 20-28-9-14.

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

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

41 SECTION 3. IC 20-28-6-6, AS ADDED BY P.L.1-2005, SECTION  
42 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,

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1 2011]: Sec. 6. (a) A temporary teacher's contract shall be used only for  
2 employing:

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

5 (1) (A) engaging in defense service or in service auxiliary to  
6 defense service;

7 (2) (B) professional study or advancement;

8 (3) (C) exchange teaching;

9 (4) (D) extended disability to which a licensed physician has  
10 attested; or

11 (5) (E) serving in the general assembly; or

12 (2) a new teacher for a position:

13 (A) that is funded by a grant for which funding is available  
14 only for a specified period; or

15 (B) vacated by a teacher who is under a regular contract  
16 and who temporarily accepts a teacher position that is  
17 funded by a grant for which funding is available only for  
18 a specified period.

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

20 (1) the provisions of the regular teacher's contract except those  
21 providing for continued tenure of position;

22 (2) a blank space for the name of the teacher granted the leave,  
23 which may not be used on another temporary teacher's contract  
24 for the same leave of absence; and

25 (3) an expiration date that:

26 (A) is the date of the return of the teacher on leave; and

27 (B) is not later than the end of the school year.

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

36 SECTION 4. IC 20-28-7-4, AS ADDED BY P.L.1-2005, SECTION  
37 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
38 2011]: Sec. 4. If a permanent or semipermanent teacher is suspended  
39 under section 3(8) of this chapter, and except as provided in  
40 IC 20-28-9-18, the governing body may, ~~not~~, while the teacher is  
41 suspended, withhold from the teacher any salary payments or other  
42 employment related benefits that before the suspension the teacher was

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entitled to receive.

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

- (1) The school corporation refuses continuation of the contract under sections 9 and 10(b) of this chapter.
- (2) The teacher delivers or mails by registered or certified mail to the school corporation the teacher's written resignation.
- (3) The contract is replaced by another contract agreed to by the parties.

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

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

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

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

- ~~(1) the arbitrator shall determine whether the hearing will be open to the public; and~~
- ~~(2) the written decision of the arbitrator must be:
 
  - ~~(A) presented to the governing body in an open meeting; and~~
  - ~~(B) made available to the public for inspection and copying.~~~~

**(1) constitutes the uniform system for school corporations for:**  
**(A) the refusal to continue a contract for a nonpermanent teacher; and**

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

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

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1 **chapter.**

2 SECTION 7. IC 20-28-9-22, AS ADDED BY P.L.1-2005,  
3 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2011]: Sec. 22. **In addition to a suspension without pay**  
5 **under IC 20-28-7-4**, a teacher may be suspended without pay ~~only~~  
6 under the following procedure:

7 (1) The teacher must be notified in writing not more than forty  
8 (40) days and not less than thirty (30) days before the date of the  
9 consideration of the date, time, and place for the consideration by  
10 the school corporation of the suspension of the teacher without  
11 pay.

12 (2) The teacher shall be furnished, not later than five (5) days  
13 after a written request, a written statement of the reasons for the  
14 consideration.

15 (3) The teacher may file a written request for a hearing not later  
16 than fifteen (15) days after receipt of the notice of this  
17 consideration.

18 (4) If a request for a hearing is filed, the teacher must be given a  
19 hearing before the governing body on a day not earlier than five  
20 (5) days after filing the request.

21 (5) The teacher must be given at least five (5) days notice of the  
22 date, time, and place of the hearing.

23 (6) At the hearing, the teacher is entitled:

24 (A) to a full statement of the reasons for the proposed  
25 suspension without pay; and

26 (B) to be heard and to present the testimony of witnesses and  
27 other evidence bearing on the reasons for the proposed  
28 suspension without pay.

29 (7) A teacher may not be suspended without pay until:

30 (A) the date is set for consideration of the suspension without  
31 pay;

32 (B) after a hearing is held, if a hearing is requested by the  
33 teacher; and

34 (C) except on the suspension of a superintendent's contract, the  
35 superintendent has given recommendations on the suspension  
36 not later than five (5) days after the school corporation makes  
37 the request for recommendations.

38 (8) After complying with this section, the governing body of the  
39 school corporation may suspend a teacher without pay for a  
40 reasonable time by a majority vote evidenced by a signed  
41 statement in the minutes of the board.

42 The vote to suspend a teacher without pay described in subdivision (8)

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1 must be taken by the governing body on the date and at the time and  
2 place specified in subdivision (1).

3 SECTION 8. IC 20-29-3-12, AS ADDED BY P.L.1-2005,  
4 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2011]: Sec. 12. The board shall organize the board's staff to  
6 provide for the functions of:

- 7 (1) unit determination;
- 8 (2) unfair labor practice processing;
- 9 (3) conciliation and mediation;
- 10 (4) factfinding; ~~and~~
- 11 (5) **arbitration; and**
- 12 (6) research.

13 SECTION 9. IC 20-29-5-7 IS ADDED TO THE INDIANA CODE  
14 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
15 1, 2011]: **Sec. 7. (a) This section does not apply to the bargaining  
16 team for the exclusive representative.**

17 **(b) The percentage of teacher positions the exclusive  
18 representative may appoint to serve on a statutory or locally  
19 created committee may not exceed the percentage of teachers in the  
20 school corporation who are members of the exclusive  
21 representative. If multiplying the number of teacher positions on  
22 the committee by the percentage of teachers in the school  
23 corporation who are members of the exclusive representative does  
24 not produce a whole number, the product must be rounded up to  
25 the nearest whole number. The percentage of positions applies to  
26 the number of teacher positions on a committee and not to the total  
27 number of positions on a committee.**

28 **(c) A committee to which this section applies:**

- 29 **(1) may not address subjects of bargaining; and**
- 30 **(2) may address subjects of discussion;**

31 **under this article. A school employer's appointment of a teacher to  
32 a committee is not a violation of the school employer's or the  
33 exclusive representative's duty to discuss under this article, and is  
34 not an unfair practice.**

35 SECTION 10. IC 20-29-6-2, AS ADDED BY P.L.1-2005,  
36 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
37 JULY 1, 2011]: Sec. 2. **(a) ~~Any~~ contract ~~entered into under this~~  
38 ~~chapter~~ may not include provisions that conflict with:**

- 39 (1) any right or benefit established by federal or state law;
- 40 (2) school employee rights set forth in IC 20-29-4-1 and
- 41 IC 20-29-4-2; ~~or~~
- 42 (3) school employer rights set forth in IC 20-29-4-3;

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- 1           **(4) restructuring options available to a school employer under**
- 2           **federal or state statutes, regulations, or rules because of the**
- 3           **failure of the school corporation or a school to meet federal or**
- 4           **state accountability standards;**
- 5           **(5) a school employer's ability to contract, partner, or operate**
- 6           **jointly with an educational entity that provides postsecondary**
- 7           **credits to students of the school employer or dual credits from**
- 8           **the school employer and the educational entity; or**
- 9           **(6) section 4.5(a) of this chapter.**

10           **(b) Any contract entered into between a school employer and an**  
 11 **exclusive representative after June 30, 2011, may not extend past**  
 12 **the end of a state budget biennium.**

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

15           SECTION 11. IC 20-29-6-3, AS ADDED BY P.L.1-2005,  
 16 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JULY 1, 2011]: Sec. 3. (a) It is unlawful for a school employer to enter  
 18 into any agreement that would place the employer in a position of  
 19 deficit financing, **including but not limited to a reduction in the**  
 20 **employer's revenue or the expenditures of the employer exceeding**  
 21 **the employer's general fund revenue.**

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

25           SECTION 12. IC 20-29-6-4, AS ADDED BY P.L.1-2005,  
 26 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JULY 1, 2011]: Sec. 4. A school employer shall bargain collectively  
 28 with the exclusive representative on the following:

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

35           SECTION 13. IC 20-29-6-4.5 IS ADDED TO THE INDIANA  
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2011]: **Sec. 4.5. (a) For a contract entered**  
 38 **into after June 30, 2011, a school employer may not bargain**  
 39 **collectively with the exclusive representative on the following:**

- 40           (1) **The school calendar, other than on the total number of**
- 41           **days a teacher must work during a regular school year.**
- 42           (2) **Teacher evaluation procedures and criteria.**

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- (3) Teacher dismissal procedures and criteria.**
- (4) Restructuring options available to a school employer under federal or state statutes, regulations, or rules because of the failure of the school corporation or a school to meet federal or state accountability standards.**
- (5) The ability of a school employer to contract, partner, or operate jointly with an educational entity that provides postsecondary credits to students of the school employer or dual credits from the school employer and the educational entity.**

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

SECTION 14. IC 20-29-6-7, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) A school employer shall discuss with the exclusive representative of certificated employees the **following** items: listed in subsection (b)-

(b) A school employer may but is not required to bargain collectively, negotiate, or enter into a written contract concerning, be subject to, or enter into impasse procedures on the following matters:

- (1) Working conditions, other than those provided in section 4 of this chapter.
- (2) (1) Curriculum development and revision.
- (3) (2) Textbook selection.
- (4) (3) Teaching methods.
- (5) (4) Hiring, **evaluation**, promotion, demotion, transfer, assignment, and retention of certificated employees. ~~and changes to any of the requirements set forth in IC 20-28-6 through IC 20-28-8.~~
- (6) (5) Student discipline.
- (7) (6) Expulsion or supervision of students.
- (8) (7) Pupil/teacher ratio.
- (9) (8) Class size or budget appropriations.

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

~~(c)~~ **(b) For an agreement entered into before July 1, 2011**, items included in the 1972-1973 agreements between an employer school corporation and the school employee organization continue to be bargainable.

SECTION 15. IC 20-29-6-12, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. Collective bargaining between a school

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1 corporation and the exclusive representative shall begin not later than  
 2 one hundred eighty (180) days before the submission date of a budget  
 3 by a school employer: **May 1 of the last year of the state budget**  
 4 **biennium or, if the collective bargaining agreement expires before**  
 5 **the end of the state budget biennium, by May 1 of the year**  
 6 **preceding the last year of the state budget biennium.**

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

14 (1) in the scope of the items that are to be bargained collectively;  
 15 or

16 (2) on the substance of any item to be bargained collectively.

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

22 SECTION 17. IC 20-29-7-1, AS ADDED BY P.L.1-2005,  
 23 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2011]: Sec. 1. (a) It is an unfair practice for a school employer  
 25 to do any of the following:

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

28 (2) Dominate, interfere, or assist in the formation or  
 29 administration of any school employee organization or contribute  
 30 financial or other support to the organization. Subject to rules  
 31 adopted by the governing body, a school employer may permit  
 32 school employees to confer with the school employer or with any  
 33 school employee organization during working hours without loss  
 34 of time or pay.

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

37 (A) hiring;

38 (B) tenure of employment; or

39 (C) any term or condition of employment.

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

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- (5) Refuse to:
  - (A) bargain collectively; or
  - (B) discuss;
 with an exclusive representative as required by this article.
- (6) Fail or refuse to comply with any provision of this article.

**(b) If:**

- (1) a complaint is filed that alleges an unfair practice has occurred with respect to a subject that may be discussed under this article; and**
- (2) the complaint is found to be frivolous;**

**the party that filed that complaint is liable for costs and attorney's fees.**

SECTION 18. 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 19. 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**
- (2) the terms of the existing contract continue until a new contract is determined under section 16 of this chapter.**

SECTION 20. 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**

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1 a party requests the appointment of an arbitrator. During the  
 2 public hearings, each party shall present fully its position on  
 3 bargainable items for the contract, with each item considered for  
 4 its impact on the school employer's financial position. Only general  
 5 operating funds under the state funding formula may be  
 6 considered as a source of funding for items, unless the school  
 7 funding formula allows other funds to be used for certain items. A  
 8 bargainable item, or more than one (1) bargainable item taken  
 9 together, may not cause a school employer to engage in deficit  
 10 financing.

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

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

25 SECTION 21. IC 20-40-16-2, AS ADDED BY P.L.109-2010,  
 26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 JULY 1, 2011]: Sec. 2. As used in this chapter, "wage and salary  
 28 increase" means an increase in wages or salaries payable for the same  
 29 or a similar position after subtracting, for all employees, any of the  
 30 following received by the individual:

- 31 (1) An increase in wages or salary of an employee from an  
 32 increment under IC 20-28-9-2 bargained for under a written  
 33 contract signed before March 1, 2010, that has not expired.
- 34 (2) An increase in wages or salary of an employee from an  
 35 increment under IC 20-28-9-2 that does not exceed the increment  
 36 permitted under an increment schedule in effect during the  
 37 previous year under a written contract in effect for the previous  
 38 year or under the status quo provisions in IC 20-29-9-16.  
 39 However, the increment may not exceed two percent (2%) of the  
 40 wages and salary of the employee in the previous year.
- 41 (3) (1) An increase in wages or salary that is paid to an employee  
 42 as a result of the employee completing licensing requirements.

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1           ~~(4)~~ **(2)** Health care benefit cost increases for the same or an  
2           equivalent plan that are shared by the employee and the employer  
3           in the same proportion as health care benefit costs are shared in  
4           the previous year.

5           SECTION 22. IC 20-40-16-3, AS ADDED BY P.L.109-2010,  
6           SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7           JULY 1, 2011]: Sec. 3. No funds transferred under this chapter may be  
8           used to increase an increment schedule from an existing increment  
9           agreement or to increase fringe benefits except those under section ~~2(4)~~  
10          **2(2)** of this chapter.

11          SECTION 23. THE FOLLOWING ARE REPEALED [EFFECTIVE  
12          JULY 1, 2011]: IC 20-28-9-1; IC 20-28-9-2; IC 20-28-9-3;  
13          IC 20-28-9-4; IC 20-29-2-17; IC 20-29-3-12; IC 20-29-3-13;  
14          IC 20-29-6-11; IC 20-29-6-14; IC 20-29-6-15; IC 20-29-6-16;  
15          IC 20-29-6-17; IC 20-29-8-1; IC 20-29-8-2; IC 20-29-8-3;  
16          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;  
17          IC 20-29-8-9; IC 20-29-8-10; IC 20-29-8-11; IC 20-29-8-13;  
18          IC 20-29-8-14.

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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

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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.)

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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."

Renumber all SECTIONS consecutively.

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

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