

Adopted	Rejected
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## COMMITTEE REPORT

YES:	7
NO:	3

### MR. SPEAKER:

*Your Committee on Education, to which was referred Senate Bill 384, 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:*

- 1 Page 3, delete lines 10 through 22.
- 2 Page 3, between lines 22 and 23, begin a new paragraph and insert:
- 3 "SECTION 3. IC 20-24-8-5, AS AMENDED BY P.L.90-2011,
- 4 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 JULY 1, 2012]: Sec. 5. The following statutes and rules and guidelines
- 6 adopted under the following statutes apply to a charter school:
- 7 (1) IC 5-11-1-9 (required audits by the state board of accounts).
- 8 (2) IC 20-39-1-1 (unified accounting system).
- 9 (3) IC 20-35 (special education).
- 10 (4) IC 20-26-5-10 (criminal history).
- 11 (5) IC 20-26-5-6 (subject to laws requiring regulation by state
- 12 agencies).
- 13 (6) IC 20-28-10-12 (nondiscrimination for teacher marital status).
- 14 (7) IC 20-28-10-14 (teacher freedom of association).
- 15 (8) IC 20-28-10-17 (school counselor immunity).
- 16 (9) For conversion charter schools only, IC 20-28-6, IC 20-28-7.5,

- 1 IC 20-28-8, IC 20-28-9, and IC 20-28-10.  
 2 (10) IC 20-33-2 (compulsory school attendance).  
 3 (11) IC 20-33-3 (limitations on employment of children).  
 4 (12) IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student  
 5 due process and judicial review).  
 6 (13) IC 20-33-8-16 (firearms and deadly weapons).  
 7 (14) IC 20-34-3 (health and safety measures).  
 8 (15) IC 20-33-9 (reporting of student violations of law).  
 9 (16) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative  
 10 observances).  
 11 (17) IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-6, IC 20-32-8,  
 12 **and IC 20-32-8.5, as provided in IC 20-32-8.5-2(b) or any other**  
 13 **statute, rule, or guideline related to standardized testing**  
 14 **(assessment programs, including remediation under the**  
 15 **assessment programs): (academic standards, accreditation,**  
 16 **assessment, and remediation).**  
 17 (18) IC 20-33-7 (parental access to education records).  
 18 (19) IC 20-31 (accountability for school performance and  
 19 improvement).  
 20 (20) IC 20-30-5-19 (personal financial responsibility  
 21 instruction)."

22 Page 4, between lines 16 and 17, begin a new paragraph and insert:

23 "SECTION 4. IC 20-27-11-1, AS ADDED BY P.L.1-2005,  
 24 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2012]: Sec. 1. (a) If a student who attends a nonpublic school  
 26 in a school corporation resides on or along the highway constituting the  
 27 regular route of a public school bus, the governing body of the school  
 28 corporation shall provide transportation for the nonpublic school  
 29 student on the school bus.

30 (b) The transportation provided under this section must be from the  
 31 home of the nonpublic school student or from a point on the regular  
 32 route nearest or most easily accessible to the home of the nonpublic  
 33 school student to and from the nonpublic school or to and from the  
 34 point on the regular route that is nearest or most easily accessible to the  
 35 nonpublic school **from which the student can safely walk to and**  
 36 **from the nonpublic school.**

37 SECTION 5. IC 20-31-2-6.4 IS ADDED TO THE INDIANA CODE  
 38 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE

1 UPON PASSAGE]: **Sec. 6.4. "Lead partner" means an organization**  
 2 **that employs research based strategies to yield demonstrable and**  
 3 **sustainable results.**

4 SECTION 6. IC 20-31-2-6.6 IS ADDED TO THE INDIANA CODE  
 5 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 6 **UPON PASSAGE]: Sec. 6.6. "Operated turnaround academy"**  
 7 **refers to a public elementary school or secondary school that:**

8 (1) **is subject to IC 20-31-9.5 and to which the state board has**  
 9 **assigned a special management team to serve as the public**  
 10 **authority having administrative control and direction of the**  
 11 **school; and**

12 (2) **for the purpose of federal funding only, is considered a**  
 13 **local education agency.**

14 SECTION 7. IC 20-31-2-6.8 IS ADDED TO THE INDIANA CODE  
 15 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 16 **UPON PASSAGE]: Sec. 6.8. "Performance bond" means a surety**  
 17 **bond provided by a special management team under IC 20-31-9.5-1**  
 18 **to ensure that a turnaround academy will meet established**  
 19 **performance targets.**

20 SECTION 8. IC 20-31-2-7.5 IS ADDED TO THE INDIANA CODE  
 21 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
 22 **UPON PASSAGE]: Sec. 7.5. "Quality review" means an evaluation**  
 23 **of academic quality indicators conducted by the department and**  
 24 **chosen team members of a school."**

25 Page 6, between lines 23 and 24, begin a new paragraph and insert:  
 26 "SECTION 11. IC 20-31-9.5-1, AS ADDED BY P.L.229-2011,  
 27 SECTION 190, IS AMENDED TO READ AS FOLLOWS  
 28 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) None of the following  
 29 may be considered a school employer under IC 20-29-6 with respect to  
 30 a turnaround academy:

31 (1) The state.

32 (2) The state board.

33 (3) A special management team assigned by the state board under  
 34 ~~IC 20-31-9-4~~ **IC 20-31-9** to operate a school as a turnaround  
 35 academy.

36 (b) A special management team assigned under ~~IC 20-31-9-4~~  
 37 **IC 20-31-9** to operate a school as a turnaround academy shall make all  
 38 personnel decisions in the school. In operating the school as a

1 turnaround academy under this chapter, the special management team  
2 is not bound by a contract entered into under IC 20-29.

3 **(c) A special management team is not required to employ**  
4 **teachers and administrators through teacher contracts established**  
5 **by the state superintendent under IC 20-28-6-3.**

6 **(d) A special management team may exercise any authority**  
7 **granted by the state board under IC 20-31-9.**

8 **(e) If the state board enters into a contract with a special**  
9 **management team under this chapter, the state board may require**  
10 **the special management team to secure a performance bond, in an**  
11 **amount determined by the state board, before the contract is**  
12 **finalized.**

13 SECTION 12. IC 20-31-9.5-3, AS ADDED BY P.L.229-2011,  
14 SECTION 190, IS AMENDED TO READ AS FOLLOWS  
15 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Turnaround academies  
16 are eligible to receive building and technology loans administered by  
17 the state board from the common school fund.

18 (b) A student who attends a turnaround academy or another school  
19 subject to intervention under this chapter remains, under IC 20-43-4-1,  
20 an eligible pupil of the school corporation where the student has legal  
21 settlement.

22 (c) The state board, based upon recommendations received from the  
23 department, shall determine the amounts of state tuition support and  
24 federal funds that are necessary to fund options for improvement  
25 implemented by the state board under this chapter with respect to each  
26 turnaround academy.

27 (d) The department shall do the following:

28 (1) Withhold from state tuition support and federal funds  
29 otherwise to be distributed to the school corporation of the school  
30 operated as a turnaround academy under this chapter the amount  
31 determined under subsection (c) for the affected students. The  
32 amount withheld under this subdivision may not exceed the total  
33 per pupil funding for the affected students. **Tuition support**  
34 **includes basic tuition support (as defined in IC 20-43-6),**  
35 **special education grants (as defined in IC 20-43-7), career and**  
36 **technical education grants (as defined in IC 20-43-8),**  
37 **primetime program funds (as defined in IC 20-43-9), other**  
38 **tuition support grants (as defined in IC 20-43-10), and any**

1           **grants funded by the general assembly that are attributable**  
 2           **to the affected students.**

3           (2) Enter into any contracts necessary to implement the options  
 4           for improvement implemented for the school by the state board,  
 5           including contracts with a special management team assigned  
 6           under ~~IC 20-31-9-4~~ **IC 20-31-9** to operate the school as **a an**  
 7           **operated** turnaround academy.

8           (3) Make payments under the contracts entered into under  
 9           subdivision (2) with funds withheld from the school corporation  
 10          under subdivision (1).

11          SECTION 13. IC 20-31-9.5-4, AS ADDED BY P.L.229-2011,  
 12          SECTION 190, IS AMENDED TO READ AS FOLLOWS  
 13          [EFFECTIVE UPON PASSAGE]: Sec. 4. **(a) Except as provided in**  
 14          **subsection (e)**, any student who lives in the attendance area served by  
 15          a school that **is** operated as a turnaround academy under this chapter  
 16          may attend the turnaround academy. The turnaround academy may not  
 17          refuse enrollment to a student who lives in the attendance area.

18          **(b) A turnaround academy may enroll a student who resides**  
 19          **anywhere in Indiana.**

20          **(c) If a student who attends a turnaround academy and does not**  
 21          **live in the attendance zone served by the turnaround academy**  
 22          **chooses to participate in academic or athletic offerings, the**  
 23          **transferor school corporation or an association (as defined in**  
 24          **IC 20-26-14-1) may not inhibit the student's ability to participate**  
 25          **in any level of academic or athletic offerings of the turnaround**  
 26          **academy, unless the transfer is a result of undue influence by the**  
 27          **turnaround academy's administrators or athletic coaches.**

28          **(d) A school corporation is not required to provide**  
 29          **transportation for a student who attends a turnaround academy**  
 30          **and does not live in the attendance zone served by the turnaround**  
 31          **academy, except as required under 42 U.S.C. 11431, any applicable**  
 32          **court desegregation order, or the individual education plan of a**  
 33          **student who receives special education services as required under**  
 34          **34 CFR 300 and 511 IAC 7.**

35          **(e) Subsection (a) does not apply to a magnet school that**  
 36          **becomes a turnaround academy. A magnet school that becomes a**  
 37          **turnaround academy shall continue to apply the admissions**  
 38          **policies previously established for and consistent with the**

1       **operation of the magnet school.**

2       SECTION 14. IC 20-31-9.5-7 IS ADDED TO THE INDIANA  
3       CODE AS A NEW SECTION TO READ AS FOLLOWS  
4       [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) A school corporation**  
5       **shall continue debt service payments on school corporation debt**  
6       **that is attributable to a turnaround academy.**

7       **(b) If the state board assigns a special management team to a**  
8       **school, the state board shall determine the appropriate parties to**  
9       **enter into a contract that includes the following provisions:**

- 10       **(1) The length of the contract.**  
11       **(2) The level of services provided.**  
12       **(3) The entity responsible for providing necessary services to**  
13       **the school and students in the school.**  
14       **(4) Any other provisions the parties consider necessary.**

15       **(c) If the state board assigns a lead partner to a school, the**  
16       **department, the lead partner, and the school corporation shall**  
17       **enter into a contract that includes the following provisions:**

- 18       **(1) The length of the contract.**  
19       **(2) Consideration.**  
20       **(3) Performance goals, which may not be less rigorous than**  
21       **those established under IC 20-31-8.**  
22       **(4) Cancellation procedures.**  
23       **(5) Renewal procedures.**  
24       **(6) Any other provisions the department and the special**  
25       **management team consider necessary.**

26       **(d) A special management team and a school corporation may**  
27       **enter into a contract for the school corporation to provide any**  
28       **services for a school that are in the best interest of the students**  
29       **who attend the school. A contract must specify the length of time,**  
30       **level of services, and entity responsible for providing necessary**  
31       **services, including the following services:**

- 32       **(1) Food service.**  
33       **(2) Educational and administrative technology and technology**  
34       **support.**  
35       **(3) Special education services.**  
36       **(4) Career and technical education services.**  
37       **(5) Custodial services.**  
38       **(6) Instructional services in a particular curriculum area.**

- 1           **(7) Textbooks and supplemental materials.**  
 2           **(8) Student services.**  
 3           **(9) Police and probation services.**  
 4           **(10) Any other provisions the school corporation and the**  
 5           **special management team consider necessary.**  
 6           **(e) A school corporation and a special management team may**  
 7           **enter into a contract for additional services.**  
 8           **(f) The state board shall resolve any disputes that arise in the**  
 9           **negotiation or execution of a contract under subsections (b), (c),**  
 10           **(d), and (e). The decision of the state board is the final**  
 11           **administrative decision.**  
 12           **(g) A school corporation in which a special management team**  
 13           **is assigned to operate an operated turnaround academy shall offer**  
 14           **the special management team the opportunity to assume any lease**  
 15           **or contract for equipment, including photocopying equipment and**  
 16           **computer hardware.**  
 17           SECTION 15. IC 20-31-9.5-8 IS ADDED TO THE INDIANA  
 18           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 19           [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) A special management**  
 20           **team shall employ teachers, other school employees, and**  
 21           **independent contractors that are:**  
 22                   **(1) described in the contract between the department and the**  
 23                   **special management team; and**  
 24                   **(2) necessary for the special management team to fulfill the**  
 25                   **special management team's responsibilities under this**  
 26                   **chapter.**  
 27           **(b) Individuals employed by the special management team**  
 28           **under this section are entitled to participate in insurance benefits**  
 29           **offered by the special management team or offered to state**  
 30           **employees.**  
 31           **(c) Individuals employed by the special management team under**  
 32           **this section are entitled to participate in:**  
 33                   **(1) a retirement program offered by the special management**  
 34                   **team;**  
 35                   **(2) the state teachers' retirement fund created by IC 5-10.4;**  
 36                   **or**  
 37                   **(3) the public employees' retirement fund created by**  
 38                   **IC 5-10.3.**

1 SECTION 16. IC 20-31-9.5-9 IS ADDED TO THE INDIANA  
2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 9. (a) A school corporation**  
4 **may not take an action adverse to a special management team's**  
5 **operation of a school, services provided by lead partners, or**  
6 **implementation of an intervention ordered by the state board.**

7 (b) A school corporation may not take an action to dispose of or  
8 cloud the title of real property on which a school that is subject to  
9 this chapter is located.

10 (c) A school corporation may not remove or dispose of personal  
11 property located in, or located outside and assigned to, a school  
12 that is subject to this chapter.

13 (d) If the state board determines that a school corporation has  
14 taken an action prohibited under subsections (a) through (c), the  
15 state board may take one (1) or more of the following actions:

16 (1) Order the department to withhold federal or state funds to  
17 which the school corporation would otherwise be entitled to  
18 facilitate the full implementation of the special management  
19 team's operation of a school, the lead partner's assistance, or  
20 other intervention.

21 (2) Authorize the department to pursue any available legal or  
22 equitable remedies.

23 (3) Amend the intervention.

24 (4) Order the special management team or lead partner to  
25 carry out the intervention notwithstanding the school  
26 corporation's adverse action.

27 SECTION 17. IC 20-31-9.5-10 IS ADDED TO THE INDIANA  
28 CODE AS A NEW SECTION TO READ AS FOLLOWS  
29 [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) A school corporation**  
30 **may not change the assignment of students to schools in the school**  
31 **corporation in a manner that changes significantly the number or**  
32 **grade levels of students assigned to a school that is subject to this**  
33 **chapter without the agreement of the special management team**  
34 **assigned to the school.**

35 (b) If the special management team agrees to accept additional  
36 students under this chapter, the special management team may  
37 apply to the state board for, and the state board may determine  
38 that the special management team needs, additional funds to

1 operate the school.

2 (c) The department shall:

3 (1) withhold the amount of funds determined under  
4 subsection (b) from state support that would otherwise be  
5 distributed to the school corporation; and

6 (2) distribute the amount of funds determined under  
7 subsection (b) to the special management team.

8 SECTION 18. IC 20-31-9.5-11 IS ADDED TO THE INDIANA  
9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
10 [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) A special management  
11 team shall comply with IC 5-14-1.5 and IC 5-14-3.**

12 (b) A special management team shall comply with the financial  
13 reporting requirements established by the state board of accounts  
14 under IC 5-11-1.

15 SECTION 19. IC 20-32-8.5-2, AS ADDED BY P.L.109-2010,  
16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2012]: **Sec. 2. (a)** The plan required by this chapter must  
18 include the following:

19 (1) Reading skill standards for grade 1 through grade 3.

20 (2) An emphasis on a method for making determinant evaluations  
21 by grade 3 that might require remedial action for the student,  
22 including retention as a last resort, after other methods of  
23 remediation have been evaluated or used, or both, if reading skills  
24 are below the standard. Appropriate consultation with parents or  
25 guardians must be part of the plan.

26 (3) The fiscal impact of each component of the plan, if any. In  
27 determining whether a component has a fiscal impact,  
28 consideration shall be given to whether the component will  
29 increase costs to the state or a school corporation or require the  
30 state or school corporation to reallocate resources.

31 (b) **For a charter school, as defined in IC 20-24-1-4, the plan  
32 must include and may only include a method for making  
33 determinant evaluations of reading skills by grade 3 and retention  
34 as a last resort for students reading below standard as measured  
35 by the evaluation or assessment.**

36 SECTION 20. IC 20-33-2-28.6 IS ADDED TO THE INDIANA  
37 CODE AS A NEW SECTION TO READ AS FOLLOWS  
38 [EFFECTIVE JULY 1, 2012]: **Sec. 28.6. (a) This section applies to a**

1 high school student who is transferring to a nonaccredited  
2 nonpublic school located in a private residence.  
3 (b) Before a student withdraws from a public school, the student  
4 and the parent or guardian of the student must present an  
5 education plan to the principal of the public school. The principal  
6 must inform the student and the parent or guardian of the student  
7 of the parent's or guardian's minimum educational responsibilities  
8 for the student, including compulsory attendance, and that failure  
9 to ensure compliance with the minimum educational  
10 responsibilities could result in a charge of neglect of a dependent  
11 under IC 35-46-1-4. If the student and the parent or guardian of  
12 the student fail to provide an education plan to the principal, the  
13 principal shall report the student to the bureau of motor vehicles  
14 for action under section 28.5(g) of this chapter."

15 Page 8, after line 8, begin a new paragraph and insert:  
16 "SECTION 24. An emergency is declared for this act."  
17 Renumber all SECTIONS consecutively.  
(Reference is to SB 384 as printed January 27, 2012.)

**and when so amended that said bill do pass.**

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Representative Behning