



February 19, 2013

# HOUSE BILL No. 1334

DIGEST OF HB 1334 (Updated February 19, 2013 1:03 pm - DI 116)

**Citations Affected:** IC 4-13; IC 6-3; IC 20-28; IC 20-29; IC 20-31.

**Synopsis:** Various education matters. Provides that a teacher is entitled to an income tax deduction for certain qualified education expenditures. Provides that the amount of the deduction is the lesser of: (1) the amount of the qualified education expenditure; or (2) \$1,000. Permits the department of administration to contract for the availability of personal liability insurance for public and nonpublic school teachers in Indiana. Prohibits a school employer from deducting union dues from a teacher's salary. Repeals a provision allowing a school employer to deduct union dues from a teacher's salary. Provides that if a certificated employee is required to renew the certificated employee's license in the same year the certificated employee receives a designation as highly effective, the certificated employee is not subject to the continuing education requirements in order to renew the certificated employee's teaching license. Provides that if a certificated employee is required to renew the certificated employee's license in the same year the certificated employee receives a designation as effective, the certificated employee is only required to complete either: (1) three (3) hours of college or university course work; or (2) fifty percent (50%) of the professional growth experience growth points; required to renew the certificated employee's teaching license. Provides that a governing body may request the state board to waive any rule adopted by the state board for a school contained in the school corporation if the school has been placed in the two highest categories or designations of school performance.

**Effective:** January 1, 2013 (retroactive); July 1, 2013.

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**Thompson**

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January 17, 2013, read first time and referred to Committee on Education.  
February 19, 2013, amended, reported — Do Pass.

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HB 1334—LS 7352/DI 97+



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February 19, 2013

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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## HOUSE BILL No. 1334

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 4-13-1-17, AS AMENDED BY P.L.35-2012,  
2 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2013]: Sec. 17. (a) A state agency may not purchase insurance  
4 to cover loss or damage to property.  
5 (b) This section does not prohibit any of the following:  
6 (1) The purchase of title insurance by a state agency.  
7 (2) The purchase of insurance by a body corporate and politic.  
8 (3) The purchase of insurance to meet requirements for receipt of  
9 federal funds by a state agency.  
10 (4) The requiring of contractors to carry insurance.  
11 (5) The purchase of insurance to cover loss or damage to real  
12 property owned by the Indiana public retirement system.  
13 (6) The purchase of insurance to cover loss or destruction of  
14 money or securities under the control of the treasurer of state.  
15 (7) The purchase of insurance by a state agency to cover loss or  
16 damage to exhibits, artifacts, or other materials that are loaned to  
17 the agency.

HB 1334—LS 7352/DI 97+



1 (8) The purchase of casualty and liability insurance for foster  
2 parents (as defined in IC 27-1-30-4) on a group basis.

3 **(9) The purchase of personal liability insurance under**  
4 **IC 4-13-20.**

5 SECTION 2. IC 4-13-20 IS ADDED TO THE INDIANA CODE AS  
6 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
7 1, 2013]:

8 **Chapter 20. Teacher Liability Insurance**

9 **Sec. 1. As used in this chapter, "personal liability" means**  
10 **liability incurred by a teacher in the performance of the teacher's**  
11 **duties.**

12 **Sec. 2. As used in this chapter, "teacher" means a professional**  
13 **person whose:**

14 **(1) position in a public or nonpublic school requires certain**  
15 **educational preparation and licensing; and**

16 **(2) primary responsibility is the instruction of students who**  
17 **attend kindergarten through grade 12 in a public or**  
18 **nonpublic school.**

19 **Sec. 3. The Indiana department of administration may contract**  
20 **with at least one (1) personal liability insurer to allow any teacher**  
21 **to purchase coverage under a personal liability insurance policy**  
22 **issued by the insurer.**

23 **Sec. 4. Any teacher in Indiana may, at any time, purchase**  
24 **coverage under a personal liability insurance policy for which the**  
25 **Indiana department of administration has contracted under section**  
26 **3 of this chapter.**

27 **Sec. 5. A teacher purchasing coverage under this chapter shall**  
28 **pay the full premium for the teacher's coverage.**

29 SECTION 3. IC 6-3-2-26 IS ADDED TO THE INDIANA CODE  
30 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
31 JANUARY 1, 2013 (RETROACTIVE)]: **Sec. 26. (a) This section**  
32 **applies to a taxable year beginning after December 31, 2012.**

33 **(b) The following definitions apply throughout this section:**

34 **(1) "Elementary school" has the meaning set forth in**  
35 **IC 20-18-2-4.**

36 **(2) "Qualified education expenditure" means books, computer**  
37 **equipment or software, textbooks, workbooks, curricula,**  
38 **supplies, and other written materials used primarily for**  
39 **academic instruction or for academic tutoring, or both, that**  
40 **the teacher uses to provide instruction in a qualified school.**

41 **(3) "Qualified school" means an elementary or secondary**  
42 **school that is:**

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- 1 (A) a public school, including a charter school; or  
 2 (B) an accredited nonpublic school (as defined in  
 3 IC 21-7-13-4).  
 4 (4) "Secondary school" has the meaning set forth in  
 5 IC 20-18-2-18.  
 6 (5) "Teacher" means a taxpayer whose position in a school  
 7 requires certain educational preparation and licensing and  
 8 whose primary responsibility is the instruction of students.  
 9 The term includes the following:  
 10 (A) A teacher or instructor.  
 11 (B) A principal.  
 12 (C) A librarian.  
 13 (D) A counselor.  
 14 (c) A teacher who makes an unreimbursed education  
 15 expenditure during the taxpayer's taxable year is entitled to a  
 16 deduction against the teacher's adjusted gross income in the  
 17 taxable year.  
 18 (d) The amount of the deduction is the lesser of:  
 19 (1) The amount of the qualified education expenditure made  
 20 by the teacher; or  
 21 (2) one thousand dollars (\$1,000).  
 22 (e) To receive the deduction provided by this section, a taxpayer  
 23 must claim the deduction on the taxpayer's annual state tax return  
 24 in the manner prescribed by the department.  
 25 SECTION 4. IC 20-28-11.5-10 IS ADDED TO THE INDIANA  
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 27 [EFFECTIVE JULY 1, 2013]: **Sec. 10. (a) Notwithstanding any other**  
 28 **law or rule, if a certificated employee is required to renew the**  
 29 **certificated employee's license in the same year the certificated**  
 30 **employee receives a designation as highly effective, the certificated**  
 31 **employee is not subject to the continuing education requirements**  
 32 **provided in 515 IAC 1-7-14 in order to renew the certificated**  
 33 **employee's teaching license.**  
 34 (b) Notwithstanding any other law or rule, if a certificated  
 35 employee is required to renew the certificated employee's license  
 36 in the same year the certificated employee receives a designation  
 37 as effective, the certificated employee is only required to complete  
 38 either:  
 39 (1) three (3) hours of college or university course work; or  
 40 (2) fifty percent (50%) of the professional growth experience  
 41 growth points necessary under 515 IAC 1-7-14;  
 42 required to renew the certificated employee's teaching license.



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1 SECTION 5. IC 20-29-5-6 IS REPEALED [EFFECTIVE JULY 1,  
2 2013]. Sec. 6: (a) The school employer shall, on receipt of the written  
3 authorization of a school employee:

4 (1) deduct from the pay of the employee any dues designated or  
5 certified by the appropriate officer of a school employee  
6 organization that is an exclusive representative of any employees  
7 of the school employer; and

8 (2) remit the dues described in subdivision (1) to the school  
9 employee organization.

10 (b) Deductions under this section must be consistent with:

- 11 (1) IC 22-2-6;
- 12 (2) IC 22-2-7; and
- 13 (3) IC 20-28-9-18.

14 SECTION 6. IC 20-29-5-6.5 IS ADDED TO THE INDIANA CODE  
15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
16 1, 2013]: **Sec. 6.5. A school employer may not deduct from the pay  
17 of a school employee any dues payable to a school employee  
18 organization.**

19 SECTION 7. IC 20-31-10.5 IS ADDED TO THE INDIANA CODE  
20 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
21 JULY 1, 2013]:

22 **Chapter 10.5. High Performing Schools**

23 **Sec. 1. As used in this chapter, "high performing school" means**  
24 **a school that for at least two (2) consecutive school years has been**  
25 **placed in the two (2) highest categories or designations of school**  
26 **performance.**

27 **Sec. 2. A governing body may request the state board to waive**  
28 **any rule adopted by the state board for any high performing school**  
29 **contained in the school corporation.**

30 **Sec 3. Upon receiving a governing body's request under section**  
31 **2 of this chapter, the state board shall review the governing body's**  
32 **request.**

33 **Sec. 4. Within ninety (90) days after receiving a request under**  
34 **section 3 of this chapter, the state board shall either approve or**  
35 **deny, in whole or in part, the governing body's request for a**  
36 **waiver.**

37 **Sec. 5. Except as otherwise provided in this section, the state**  
38 **board shall determine how long the waiver shall remain in effect.**  
39 **However, the waiver may only remain in effect for as long as the**  
40 **high performing school continues to be placed in the two (2)**  
41 **highest categories or designations of school performance.**

42 SECTION 8. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1334, 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:

Page 2, after line 28, begin a new paragraph and insert:

"SECTION 3. IC 6-3-2-26 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: **Sec. 26. (a) This section applies to a taxable year beginning after December 31, 2012.**

**(b) The following definitions apply throughout this section:**

**(1) "Elementary school" has the meaning set forth in IC 20-18-2-4.**

**(2) "Qualified education expenditure" means books, computer equipment or software, textbooks, workbooks, curricula, supplies, and other written materials used primarily for academic instruction or for academic tutoring, or both, that the teacher uses to provide instruction in a qualified school.**

**(3) "Qualified school" means an elementary or secondary school that is:**

**(A) a public school, including a charter school; or**

**(B) an accredited nonpublic school (as defined in IC 21-7-13-4).**

**(4) "Secondary school" has the meaning set forth in IC 20-18-2-18.**

**(5) "Teacher" means a taxpayer whose position in a school requires certain educational preparation and licensing and whose primary responsibility is the instruction of students.**

**The term includes the following:**

**(A) A teacher or instructor.**

**(B) A principal.**

**(C) A librarian.**

**(D) A counselor.**

**(c) A teacher who makes an unreimbursed education expenditure during the taxpayer's taxable year is entitled to a deduction against the teacher's adjusted gross income in the taxable year.**

**(d) The amount of the deduction is the lesser of:**

**(1) The amount of the qualified education expenditure made by the teacher; or**

**(2) one thousand dollars (\$1,000).**

**(e) To receive the deduction provided by this section, a taxpayer**

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**must claim the deduction on the taxpayer's annual state tax return in the manner prescribed by the department.**

SECTION 4. IC 20-28-11.5-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 10. (a) Notwithstanding any other law or rule, if a certificated employee is required to renew the certificated employee's license in the same year the certificated employee receives a designation as highly effective, the certificated employee is not subject to the continuing education requirements provided in 515 IAC 1-7-14 in order to renew the certificated employee's teaching license.**

**(b) Notwithstanding any other law or rule, if a certificated employee is required to renew the certificated employee's license in the same year the certificated employee receives a designation as effective, the certificated employee is only required to complete either:**

- (1) three (3) hours of college or university course work; or**
- (2) fifty percent (50%) of the professional growth experience growth points necessary under 515 IAC 1-7-14;**

**required to renew the certificated employee's teaching license.**

SECTION 5. IC 20-29-5-6 IS REPEALED [EFFECTIVE JULY 1, 2013]. **Sec. 6: (a) The school employer shall, on receipt of the written authorization of a school employee:**

- (1) deduct from the pay of the employee any dues designated or certified by the appropriate officer of a school employee organization that is an exclusive representative of any employees of the school employer; and**
- (2) remit the dues described in subdivision (1) to the school employee organization.**

**(b) Deductions under this section must be consistent with:**

- (1) IC 22-2-6;**
- (2) IC 22-2-7; and**
- (3) IC 20-28-9-18.**

SECTION 6. IC 20-29-5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 6.5. A school employer may not deduct from the pay of a school employee any dues payable to a school employee organization.**

SECTION 7. IC 20-31-10.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]:

#### **Chapter 10.5. High Performing Schools**



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**Sec. 1. As used in this chapter, "high performing school" means a school that for at least two (2) consecutive school years has been placed in the two (2) highest categories or designations of school performance.**

**Sec. 2. A governing body may request the state board to waive any rule adopted by the state board for any high performing school contained in the school corporation.**

**Sec. 3. Upon receiving a governing body's request under section 2 of this chapter, the state board shall review the governing body's request.**

**Sec. 4. Within ninety (90) days after receiving a request under section 3 of this chapter, the state board shall either approve or deny, in whole or in part, the governing body's request for a waiver.**

**Sec. 5. Except as otherwise provided in this section, the state board shall determine how long the waiver shall remain in effect. However, the waiver may only remain in effect for as long as the high performing school continues to be placed in the two (2) highest categories or designations of school performance.**

**SECTION 8. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1334 as introduced.)

BEHNING, Chair

Committee Vote: yeas 7, nays 3.

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