
HOUSE BILL No. 1337

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-23; IC 20-24-2.2-2; IC 20-25-3-4; IC 20-26-5-4.5; IC 20-31; IC 20-32.

Synopsis: School accountability and turnaround academies. Provides that academic growth is the primary measure of assessing school performance. Requires the state board of education (state board) to set specific goals for a turnaround academy, and allows the turnaround academy to be operated by a special management team. Provides that a turnaround academy that meets the goals set for it becomes an independent school. Sets forth provisions concerning the operation of a turnaround academy and an independent school. Requires the state board to have performed an annual analysis showing how school corporation spending correlates to student progress, and requires the department of education to include a copy of the annual analysis on the department's Internet web site. Sets forth consequences for schools and school corporations that are in the two lowest categories or designations of school performance, including placing a school corporation into academic receivership. Creates a designation of "high performing school corporation", and provides that certain statutes and rules may be waived for a high performing school corporation. Provides that a waiver of the requirements for graduation for a student must be approved by the state board. Repeals provisions concerning: (1) graduation standards in effect before July 1, 2010; (2) a parent's request to exempt a student from Core 40 requirement; (3) a student not passing at least three Core 40 courses; (4) a student scoring within the twenty-fifth percentile or lower on a graduation examination; and (5) a student whose parent does not attend a meeting with the student and a counselor. Makes conforming amendments.

Effective: July 1, 2013.

Behning

January 17, 2013, read first time and referred to Committee on Education.



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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. 1337



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 20-23-4-28, AS ADDED BY P.L.1-2005,
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2013]: Sec. 28. (a) Subsections (b) through (g) do not apply
4 to a community school corporation created before March 12, 1965. A
5 community school corporation created before March 12, 1965, shall
6 operate in accordance with the plan under which it was created and the
7 statutes applicable to that plan, as if Acts 1965, c.336, s.4 had not been
8 enacted.

9 (b) If the members of the governing body are to be appointed, they
10 shall be appointed in accordance with one (1) of the options described
11 in subsection (c). The option must be set out in the plan with sufficient
12 description to permit the plan to be operable with respect to each
13 community school corporation. The description may be partly or wholly
14 by reference to the applicable option provided in this section.

15 (c) The options described in subsection (b) are the following:
16 (1) Members of the governing body may reside anywhere in the
17 community school corporation.



1 (2) The community school corporation shall be divided into two
 2 (2) or more governing body member districts, any one (1) of
 3 which may embrace the entire community school corporation.
 4 Each member:

- 5 (A) serves from a particular district; and
 6 (B) must be a resident of the district.

7 The plan must set out the number to be appointed from each
 8 district and may provide for an equal number of members from
 9 each district.

10 (d) The plan, under either option in subsection (c), may provide that
 11 the first appointments of the governing body members are for staggered
 12 terms of not more than four (4) years. Thereafter, **except as provided**
 13 **in IC 20-31-9-14 and IC 20-31-9-15**, appointments shall be made for
 14 terms of four (4) years. All terms of office for appointive governing
 15 body members expire June 30 in the applicable year.

16 (e) A plan providing for the appointment of members of the
 17 governing body must designate the appointing authority. The authority
 18 may be the same for each governing body member and must be one (1)
 19 or more of the following:

- 20 (1) The judge of the circuit or superior court.
 21 (2) The city executive.
 22 (3) The legislative body of a city.
 23 (4) The board of commissioners of a county.
 24 (5) The county fiscal body.
 25 (6) The town legislative body.
 26 (7) The township executive.
 27 (8) The township legislative body.
 28 (9) A township executive and legislative body jointly.
 29 (10) More than one (1) township executive and legislative body
 30 jointly.

31 (f) If an appointment is to be made by:

- 32 (1) a body, the appointment must be made by a majority vote of
 33 the body in official session;
 34 (2) township executives, the appointment must be made by a
 35 majority vote of the executives taken in joint session; and
 36 (3) township legislative bodies, the appointment must be made by
 37 a majority vote of the total number of township legislative body
 38 members by a majority vote of the members, taken in joint
 39 session.

40 (g) If a member of the governing body, whether of the interim
 41 governing body or regular governing body, is to be appointed, and the
 42 beginning of the appointive member's term of office coincides with the

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1 date an individual assumes the office of the official who is to make the
2 appointment, the appointment shall be made by the latter individual. If
3 the appointing official or body fails to appoint a member of the first
4 governing body within five (5) days after a community school
5 corporation comes into being, or, for members appointed after the first
6 board is appointed, within five (5) days after a member is to take office,
7 the member of the governing body shall be appointed:

- 8 (1) by the judge of the circuit court; or
- 9 (2) in the case of a united school corporation, by the judge of the
10 circuit court of the county having the most students enrolled in the
11 united school corporation.

12 SECTION 2. IC 20-23-4-30, AS AMENDED BY P.L.179-2011,
13 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2013]: Sec. 30. (a) This section applies to each school
15 corporation.

16 (b) If a tie vote occurs among any of the candidates, the tie vote
17 shall be resolved under IC 3-12-9-4.

18 (c) If after the first governing body takes office, there is a vacancy
19 on the governing body for any reason, including the failure of the
20 sufficient number of petitions for candidates being filed, whether the
21 vacating member was elected or appointed, the remaining members of
22 the governing body, whether or not a majority of the governing body,
23 shall by a majority vote fill the vacancy by appointing a person from
24 within the boundaries of the community school corporation to serve for
25 the term or balance of the term. An individual appointed under this
26 subsection must possess the qualifications provided for a regularly
27 elected or appointed governing body member filling the office. If:

- 28 (1) a tie vote occurs among the members of the governing body
29 under this subsection or IC 3-12-9-4; or
- 30 (2) the governing body fails to act within thirty (30) days after any
31 vacancy occurs;

32 the judge of the circuit court in the county where the majority of
33 registered voters of the school corporation reside shall make the
34 appointment.

35 (d) A vacancy in the governing body occurs if a member ceases to
36 be a resident of any community school corporation. A vacancy does not
37 occur when the member moves from a district of the school corporation
38 from which the member was elected or appointed if the member
39 continues to be a resident of the school corporation.

40 (e) At the first general election in which members of the governing
41 body are elected:

- 42 (1) a simple majority of the candidates elected as members of the

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1 governing body who receive the greatest number of votes shall be
 2 elected for four (4) year terms; and

3 (2) the balance of the candidates elected as members of the
 4 governing body receiving the next greatest number of votes shall
 5 be elected for two (2) year terms.

6 Thereafter, **except as provided in IC 20-31-9-14 and IC 20-31-9-15**,
 7 all school board members shall be elected for four (4) year terms.

8 (f) Elected governing body members take office and assume their
 9 duties on January 1 after their election.

10 SECTION 3. IC 20-23-7-8.1, AS ADDED BY P.L.179-2011,
 11 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2013]: Sec. 8.1. (a) **Except as provided in IC 20-31-9-14**
 13 **and IC 20-31-9-15**, the registered voters of the metropolitan school
 14 district shall elect the members of the metropolitan board of education
 15 at general elections held biennially, beginning with the next general
 16 election that is held more than sixty (60) days after the creation of the
 17 metropolitan school district as provided in this chapter.

18 (b) Each nominee for the board must file a petition of nomination
 19 signed by the nominee and by ten (10) registered voters residing in the
 20 same board member district as the nominee. The petition must be filed
 21 in accordance with IC 3-8-2.5 with the circuit court clerk of each
 22 county in which the metropolitan school district is located.

23 (c) Nominees for the board shall be listed on the general election
 24 ballot:

25 (1) in the form prescribed by IC 3-11-2;

26 (2) by board member districts; and

27 (3) without party designation.

28 The ballot must state the number of board members to be voted on and
 29 the maximum number of members that may be elected from each board
 30 member district as provided under section 5 of this chapter. A ballot
 31 that contains more votes than the maximum number allowed from a
 32 board member district is invalid.

33 (d) The precinct election boards in each county serving at the
 34 general election shall conduct the election for school board members.

35 (e) Voting and tabulation of votes shall be conducted in accordance
 36 with IC 3, and the candidates who receive the most votes are elected to
 37 the board.

38 (f) If there are more candidates from a particular board member
 39 district than may be elected from the board member district under
 40 section 5 of this chapter:

41 (1) the number of candidates elected is the greatest number that
 42 may be elected from the board member district;

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- 1 (2) the candidates elected are those who, among the candidates
 2 from the board member district, receive the most votes; and
 3 (3) the other candidates from the board member district are
 4 eliminated.
- 5 (g) If there is a tie vote among the candidates for the board, the
 6 judge of the circuit court in the county where the majority of the
 7 registered voters of the metropolitan school district reside shall select
 8 one (1) of the candidates who shall be declared and certified elected.
- 9 (h) If, at any time after the first board member election, a vacancy
 10 on the board occurs for any reason, including an insufficient number of
 11 petitions for candidates being filed, and regardless of whether the
 12 vacating member was elected or appointed, the remaining members of
 13 the board, whether or not a majority of the board, shall by a majority
 14 vote fill the vacancy by:
- 15 (1) appointing a person from the board member district from
 16 which the person who vacated the board was elected; or
 17 (2) if the person was appointed, appointing a person from the
 18 board member district from which the last elected predecessor of
 19 the person was elected.
- 20 If a majority of the remaining members of the board is unable to agree
 21 or the board fails to act within thirty (30) days after a vacancy occurs,
 22 the judge of the circuit court in the county where the majority of
 23 registered voters of the metropolitan school district reside shall make
 24 the appointment.
- 25 (i) At a general election held on the earlier of:
- 26 (1) more than sixty (60) days after an elected board member
 27 vacates membership on the board; or
 28 (2) immediately before the end of the term for which the vacating
 29 member was elected;
- 30 a successor to a board member appointed under subsection (h) shall be
 31 elected. Unless the successor takes office at the end of the term of the
 32 vacating member, the member shall serve only for the balance of the
 33 vacating member's term. In an election for a successor board member
 34 to fill a vacancy for a two (2) year balance of a term, candidates for
 35 board membership need not file for or with reference to the vacancy.
 36 However, as required by IC 3-11-2, candidates for at-large seats must
 37 be distinguished on the ballot from candidates for district seats. If there
 38 is more than one (1) at-large seat on the ballot due to this vacancy, the
 39 elected candidate who receives the fewest votes at the election at which
 40 the successor is elected shall serve for a two (2) year term.
- 41 (j) At the first general election where members of the board are
 42 elected under this section, the elected candidates who constitute a

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1 simple majority of the elected candidates and who receive the most
 2 votes shall be elected for four (4) year terms, and the other elected
 3 candidates shall be elected for two (2) year terms.

4 (k) **Except as provided in IC 20-31-9-14 and IC 20-31-9-15,**
 5 board members shall be elected for four (4) year terms after the first
 6 election and shall take office January 1 following their election.

7 SECTION 4. IC 20-23-12-8, AS AMENDED BY P.L.179-2011,
 8 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2013]: Sec. 8. (a) **Except as provided in IC 20-31-9-14 and**
 10 **IC 20-31-9-15,** the term of each person elected to serve on the
 11 governing body is four (4) years.

12 (b) The term of each person elected to serve on the governing body
 13 begins the January 1 that next follows the person's election.

14 SECTION 5. IC 20-23-13-2.1, AS ADDED BY P.L.179-2011,
 15 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2013]: Sec. 2.1. (a) As used in this section, "county election
 17 board" includes a board of elections and registration established under
 18 IC 3-6-5.2.

19 (b) **Except as provided in IC 20-31-9-14 and IC 20-31-9-15,** the
 20 voters of the school corporation shall elect the members of the
 21 governing body at a general election for a term of four (4) years. The
 22 members shall be elected from the city at large without reference to
 23 district.

24 (c) Each candidate for election to the governing body must file a
 25 petition of nomination with the county election board in each county in
 26 which a school corporation subject to this chapter is located. The
 27 petition of nomination must comply with IC 3-8-2.5 and the following
 28 requirements:

29 (1) The petition must be signed by at least two hundred (200)
 30 legal voters of the school corporation.

31 (2) Each petition may nominate only one (1) candidate.

32 (3) The number of petitions signed by a legal voter may not
 33 exceed the number of school trustees to be elected.

34 (d) After all the petitions described in subsection (c) are filed with
 35 the county election board, the board shall publish the names of those
 36 nominated in accordance with IC 5-3-1 and shall certify the
 37 nominations in the manner required by law. IC 3 governs the election
 38 to the extent that it is not inconsistent with this chapter.

39 (e) The county election board shall prepare the ballot for the general
 40 election at which members of the governing body are to be elected so
 41 that the names of the candidates nominated appear on the ballot:

42 (1) in alphabetical order;

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- 1 (2) without party designation; and
 2 (3) in the form prescribed by IC 3-11-2.
- 3 (f) The county election board shall not publish or place on the ballot
 4 the name of a candidate who is not eligible under this chapter for
 5 membership on the governing body.
- 6 (g) Each voter may vote for as many candidates as there are
 7 members of the governing body to be elected.
- 8 SECTION 6. IC 20-23-14-8, AS AMENDED BY P.L.179-2011,
 9 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2013]: Sec. 8. (a) **Except as provided in IC 20-31-9-14 and**
 11 **IC 20-31-9-15**, the term of each person elected to serve on the
 12 governing body is four (4) years.
- 13 (b) The term of each person elected to serve on the governing body
 14 begins on the January 1 that next follows the person's election.
- 15 SECTION 7. IC 20-23-15-11, AS ADDED BY P.L.1-2005,
 16 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2013]: Sec. 11. (a) Except as otherwise provided in this
 18 section **or in IC 20-31-9-14 and IC 20-31-9-15**, a person elected to
 19 serve on the governing body:
- 20 (1) begins the person's term on January 1 of the year following the
 21 person's election; and
 22 (2) serves a four (4) year term.
- 23 (b) The two (2) members of the governing body who were last
 24 selected under the selection process in effect for the school corporation
 25 before a referendum is held under this chapter shall serve as at-large
 26 members through December 31 of the year in which the second general
 27 election is held to elect members of the governing body under this
 28 chapter. However, if this subsection applies to more than two (2)
 29 members, the circuit court judge for the county shall select two (2) of
 30 these members to serve as at-large members through December 31 of
 31 the year in which the second general election is held to elect members
 32 of the governing body under this chapter.
- 33 (c) The terms of all other members of the governing body who were
 34 selected to serve on the governing body before a referendum is held
 35 under this chapter expire December 31 of the year in which the
 36 referendum is held.
- 37 (d) In the initial general election held to elect members of the
 38 governing body under this chapter, five (5) of the members shall be
 39 elected by voters from their districts as follows:
- 40 (1) Three (3) of the members elected shall serve for four (4) year
 41 terms.
 42 (2) Two (2) of the members elected shall serve for two (2) year

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1 terms.

2 (e) In the second general election held to elect members of the
3 governing body under this chapter, four (4) of the members shall be
4 elected as follows:

5 (1) Two (2) of the members shall be elected by voters from their
6 district and shall serve four (4) year terms.

7 (2) Two (2) of the members shall be elected at large and shall
8 serve four (4) year terms.

9 SECTION 8. IC 20-23-17-4, AS ADDED BY P.L.179-2011,
10 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2013]: Sec. 4. **Except as provided in IC 20-31-9-14 and**
12 **IC 20-31-9-15**, the term of each individual chosen to serve on the
13 governing body is four (4) years, beginning January 1 following the
14 individual's election or appointment.

15 SECTION 9. IC 20-23-17.2-8, AS ADDED BY P.L.179-2011,
16 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2013]: Sec. 8. **Except as provided in IC 20-31-9-14 and**
18 **IC 20-31-9-15**, the term of each person elected to serve on the
19 governing body of the school corporation is four (4) years, beginning
20 January 1 following the election.

21 SECTION 10. IC 20-24-2.2-2, AS ADDED BY P.L.91-2011,
22 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2013]: Sec. 2. The minimum standards for renewal and the
24 standards to avoid closure imposed by sponsors on the charter school
25 in the charter school agreement must include a requirement that the
26 charter school not fall within the application of IC 20-31-9-4 (**before**
27 **its expiration on June 30, 2017) or IC 20-31-9-5 (after June 29,**
28 **2017)**, notwithstanding IC 20-31-9-1.

29 SECTION 11. IC 20-25-3-4, AS AMENDED BY P.L.179-2011,
30 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2013]: Sec. 4. (a) **Except as provided in IC 20-31-9-14 or**
32 **IC 20-31-9-15**, the board consists of seven (7) members. A member:

33 (1) must be elected on a nonpartisan basis in general elections
34 held in the county as specified in this section; and

35 (2) serves a four (4) year term.

36 (b) Five (5) members shall be elected from the school board districts
37 in which the members reside, and two (2) members must be elected at
38 large. Not more than two (2) of the members who serve on the board
39 may reside in the same school board district.

40 (c) If a candidate runs for one (1) of the district positions on the
41 board, only eligible voters residing in the candidate's district may vote
42 for that candidate. If a person is a candidate for one (1) of the at-large

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1 positions, eligible voters from all the districts may vote for that
2 candidate.

3 (d) If a candidate files to run for a position on the board, the
4 candidate must specify whether the candidate is running for a district
5 or an at-large position.

6 (e) A candidate who runs for a district or an at-large position wins
7 if the candidate receives the greatest number of votes of all the
8 candidates for the position.

9 (f) Districts shall be established within the school city by the state
10 board. The districts must be drawn on the basis of precinct lines, and
11 as nearly as practicable, of equal population with the population of the
12 largest district not to exceed the population of the smallest district by
13 more than five percent (5%). District lines must not cross precinct
14 lines. The state board shall establish:

15 (1) balloting procedures for the election under IC 3; and

16 (2) other procedures required to implement this section.

17 (g) A member of the board serves under section 3 of this chapter.

18 (h) In accordance with subsection (k), a vacancy in the board shall
19 be filled temporarily by the board as soon as practicable after the
20 vacancy occurs. The member chosen by the board to fill a vacancy
21 holds office until the member's successor is elected and qualified. The
22 successor shall be elected at the next regular school board election
23 occurring after the date on which the vacancy occurs. The successor
24 fills the vacancy for the remainder of the term.

25 (i) An individual elected to serve on the board begins the
26 individual's term on January 1 immediately following the individual's
27 election.

28 (j) Notwithstanding any law to the contrary, each voter must cast a
29 vote for a school board candidate or school board candidates by voting
30 system or paper ballot. However, the same method used to cast votes
31 for all other offices for which candidates have qualified to be on the
32 election ballot must be used for the board offices.

33 (k) If a vacancy in the board exists because of the death of a
34 member, the remaining members of the board shall meet and select an
35 individual to fill the vacancy in accordance with subsection (h) after
36 the secretary of the board receives notice of the death under IC 5-8-6.

37 SECTION 12. IC 20-26-5-4.5, AS ADDED BY P.L.90-2011,
38 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2013]: Sec. 4.5. (a) The superintendent is responsible for
40 selecting and discharging principals, central office administrators,
41 business managers, superintendents of building and grounds, janitors,
42 physicians, dentists, nurses, athletic coaches (whether or not they are

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1 otherwise employed by the school corporation and whether or not they
2 are licensed under IC 20-28-5), and any other employees necessary to
3 the operation of the school corporation, subject to the approval of the
4 governing body.

5 (b) Subject to IC 20-28-7.5, the superintendent and principal are
6 responsible for selecting and discharging teachers, teachers aides,
7 assistant principals, building administrative staff, librarians, and any
8 other employees necessary to the operation of the school, subject to the
9 approval of the governing body.

10 (c) **Notwithstanding subsection (b), a principal has the final**
11 **authority when selecting a teacher:**

12 (1) **with probationary status; or**

13 (2) **whose most recent performance evaluation under**
14 **IC 20-28-11.5 resulted in an ineffective rating;**

15 **to be hired for a position under the principal's oversight.**

16 SECTION 13. IC 20-31-2-1.5 IS ADDED TO THE INDIANA
17 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2013]: **Sec. 1.5. "Academic growth" refers to**
19 **the change in student achievement from one (1) academic year to**
20 **the following academic year, as measured against Indiana**
21 **academic standards.**

22 SECTION 14. IC 20-31-2-1.7 IS ADDED TO THE INDIANA
23 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
24 [EFFECTIVE JULY 1, 2013]: **Sec. 1.7. "Affected student" refers to**
25 **a student enrolled in a school at the time the school is designated as**
26 **a turnaround academy, as measured by the student count**
27 **occurring on the student count date immediately preceding the**
28 **designation.**

29 SECTION 15. IC 20-31-2-6.2 IS ADDED TO THE INDIANA
30 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2013]: **Sec. 6.2. "Independent school" means**
32 **a public elementary school or secondary school established under**
33 **IC 20-31-9-8.**

34 SECTION 16. IC 20-31-2-6.4 IS ADDED TO THE INDIANA
35 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2013]: **Sec. 6.4. "Lead partner" means an**
37 **organization that employs research based strategies to yield**
38 **demonstrable and sustainable results.**

39 SECTION 17. IC 20-31-2-6.6 IS ADDED TO THE INDIANA
40 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2013]: **Sec. 6.6. "Operated turnaround**
42 **academy" refers to a public elementary school or secondary school**

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that:
(1) is subject to IC 20-31-9.5 and to which the state board has assigned a special management team to serve as the public authority having administrative control and direction of the school; and
(2) for the purpose of federal funding and state reporting requirements is considered a local education agency.

SECTION 18. IC 20-31-2-6.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 6.8. "Performance bond" means a surety bond provided by a special management team under IC 20-31-9.5-1 to ensure that a turnaround academy will meet established performance targets.**

SECTION 19. IC 20-31-2-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 7.5. "Quality review" means an evaluation of academic quality indicators conducted by the department and chosen team members of a school.**

SECTION 20. IC 20-31-2-10, AS AMENDED BY P.L.160-2012, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 10. "Turnaround academy" means a school that is subject to IC 20-31-9.5 and for the purpose of federal funding only, and state reporting requirements is considered a local educational agency.**

SECTION 21. IC 20-31-8-1, AS ADDED BY P.L.1-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 1. (a) The performance of a school's students on the ISTEP program test and other assessments recommended by the education roundtable and approved by the state board are the primary and majority means of assessing a school's improvement: academic growth.**

(b) The education roundtable shall examine and make recommendations to the state board concerning:

- (1) performance indicators to be used as a secondary means of determining school progress;
- (2) expected progress levels, ~~continuous improvement measures,~~ **expected levels of academic growth**, distributional performance levels, and absolute performance levels for schools; and
- (3) an orderly transition from ~~the performance based accreditation system existing~~ **school accountability models** to the assessment system set forth in this article.

(c) The education roundtable shall consider methods of measuring

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1 improvement and progress academic growth used in other states in
2 developing recommendations under this section.

3 SECTION 22. IC 20-31-8-2, AS ADDED BY P.L.1-2005,
4 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2013]: Sec. 2. (a) In addition to scores on the ISTEP program
6 test and other assessments, the department shall use the performance
7 indicators developed under section 1 of this chapter and the
8 benchmarks and indicators of performance in each school corporation's
9 annual performance report as a secondary means of assessing the
10 improvement performance of each school and school corporation.

11 (b) **The state board shall adopt rules and** the department shall
12 assess **improvement school performance in a manner that includes**
13 **the following manner: process as a significant portion of the**
14 **determination:**

15 (1) Compare each school and each school corporation with its
16 own prior performance and not to the performance of other
17 schools or school corporations.

18 (2) Compare the results in the annual report under IC 20-20-8
19 with the benchmarks and indicators of performance established in
20 the plan for the same school.

21 (1) **Determine a minimal performance level on ISTEP, as**
22 **recommended by the education roundtable, that reflects**
23 **expected performance at each grade level. With advice from**
24 **the education roundtable, the state board may also determine**
25 **additional performance benchmarks to be used for measuring**
26 **academic growth that are greater or less than the minimal**
27 **performance levels.**

28 (2) **Determine the number of students who exceed the minimal**
29 **performance levels determined under subdivision (1) and**
30 **whose academic growth is sufficient to exceed minimal**
31 **performance levels or higher performance benchmarks in**
32 **future academic years.**

33 (3) **Determine the number of students who did not exceed the**
34 **minimal performance levels determined under subdivision (1)**
35 **but whose academic growth is projected to be sufficient to**
36 **exceed minimal performance levels or to reach higher**
37 **performance benchmarks in future years.**

38 (3) Compare the results for a school by comparing each student's
39 results for each grade with the student's prior year results, with an
40 adjustment for student mobility rate. (4) **Determine each school's**
41 **performance level based on the number of students identified**
42 **under subdivisions (2) and (3).** The education roundtable shall

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1 make recommendations concerning the incorporation of a
 2 statistical adjustment for student mobility rates into the results.

3 ~~(4) Compare the results for a school with the state average and the~~
 4 ~~ninety-fifth percentile level for all assessments and performance~~
 5 ~~indicators. (5) Instead of grade-by-grade assessments at the~~
 6 ~~high school level, the state board, with advice from the~~
 7 ~~education roundtable, may incorporate other performance~~
 8 ~~measures to determine the performance level of a high school.~~

9 **(c) Not later than the 2014-2015 school year, the accountability**
 10 **system for school performance must include a measure of student**
 11 **performance in science. If the statewide assessments for science do**
 12 **not include annual measures of performance, the state board may**
 13 **use pass and fail rates and improvements to pass and fail rates to**
 14 **determine performance only for science assessments. The effect of**
 15 **the science scores on total performance measures must be**
 16 **proportional to the effect of other subjects included in the**
 17 **accountability system for school performance.**

18 SECTION 23. IC 20-31-8-3, AS ADDED BY P.L.1-2005,
 19 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2013]: Sec. 3. The state board shall establish, **with the advice**
 21 **of the education roundtable**, a number of categories or designations
 22 of school **improvement performance** based on the **improvement that**
 23 **a school makes in performance of the measures determined by the**
 24 **board with the advice of the education roundtable. The categories or**
 25 **designations must reflect various levels of improvement. academic**
 26 **growth of the students in each school.**

27 SECTION 24. IC 20-31-8-4, AS ADDED BY P.L.1-2005,
 28 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2013]: Sec. 4. The state board shall place each school in a
 30 category or designation of school **improvement performance** based on
 31 the department's findings from the assessment of **the improvement of**
 32 **each school academic growth** under section 2 of this chapter. **The**
 33 **state board must place those schools that do not show improvement and**
 34 **in which less than ninety percent (90%) of the students meet academic**
 35 **standards in the lowest category or designation.**

36 SECTION 25. IC 20-31-9-2, AS ADDED BY P.L.1-2005,
 37 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2013]: Sec. 2. (a) This section applies the first year that a
 39 school is placed in the lowest category or designation of school
 40 **improvement: performance.**

41 (b) The state board shall place the school and the school corporation
 42 on notice that the school is in the lowest category or designation of

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1 school ~~improvement~~ **performance**. Upon receiving the notice, the
 2 governing body shall:

- 3 (1) issue a public notice of the school's ~~lack of improvement~~;
 4 **categorization or designation**; and
 5 (2) hold a public hearing in which public testimony is received
 6 concerning the ~~lack of improvement~~ **categorization or**
 7 **designation**.

8 (c) The committee shall revise the school's plan. A revision under
 9 this subsection may include any of the following:

- 10 (1) Shifting resources.
 11 (2) Changing personnel.
 12 (3) Requesting the state board to appoint an outside team to
 13 manage the school or assist in the development of a new plan.

14 (d) If the governing body approves a request for the state board to
 15 appoint an outside team under subsection (c)(3), the school is
 16 considered to be placed under section 3 of this chapter.

17 **(e) This section expires June 30, 2014.**

18 SECTION 26. IC 20-31-9-2.2, IS ADDED TO THE INDIANA
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2013]: **Sec. 2.2. (a) Beginning with the**
 21 **categorizations or designations received for the 2013-2014 school**
 22 **year, this section applies the first and second year that a school is**
 23 **placed in either of the two (2) lowest categories or designations of**
 24 **school performance. For purposes of this chapter, placement in the**
 25 **next-to-lowest category or designation of school performance in the**
 26 **2013-2014 school year shall be considered as the first year a school**
 27 **is placed in the category or designation of school performance,**
 28 **regardless of the school's placement in the 2012-2013 school year.**

29 (b) The state board shall place the school and the school
 30 corporation on notice that the school is in one (1) of the two (2)
 31 lowest categories or designations of school performance. Upon
 32 receiving the notice, the governing body shall:

- 33 (1) issue a public notice of the school's designation; and
 34 (2) hold a public hearing in which public testimony is received
 35 concerning the categorization or designation. The governing
 36 body shall forward the minutes of the public meeting to the
 37 state board not later than forty-five (45) days after the public
 38 meeting is held.

39 (c) The committee shall revise the school's plan to define annual
 40 goals, including:

- 41 (1) academic goals, including raising the school's school
 42 performance category or designation by at least two (2) levels;

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- 1 (2) attendance goals for teachers and students;
 2 (3) goals to increase the measures used to determine
 3 placement in a school performance category or designation,
 4 such as graduation rates;
 5 (4) financial management goals; and
 6 (5) any other goals the committee determines are appropriate
 7 for the school.

8 (d) A plan revision under subsection (c) may include any of the
 9 following:

- 10 (1) Shifting resources.
 11 (2) Changing personnel.
 12 (3) Requesting the state board to appoint an outside team to
 13 manage the school or assist in the development of a new plan.

14 (e) The school shall establish a partnership with an educational
 15 service center, a postsecondary educational institution, the
 16 department, or another organization approved by the state board
 17 to receive assistance in implementing the revised plan.

18 (f) If the governing body approves a request for the state board
 19 to appoint an outside team under subsection (d)(3), the school is
 20 subject to section 3.5 of this chapter.

21 SECTION 27. IC 20-31-9-2.5 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2013]: **Sec. 2.5. Beginning with the**
 24 **categorizations or designations received for the 2013-2014 school**
 25 **year and in addition to the requirements of section 2.2 of this**
 26 **chapter, a school that is placed in either of the two (2) lowest**
 27 **categories or designations of school performance for the second or**
 28 **third consecutive year may be subject to one (1) or more of the**
 29 **following actions:**

30 (1) A governing body may petition the state board for
 31 permission to:

- 32 (A) close;
 33 (B) merge with a nearby school that is in a higher category
 34 or designation of school performance;
 35 (C) change the grade configuration of; or
 36 (D) change the attendance zone of;

37 the school. The state board may grant permission to take the
 38 action if the action is in the best interests of the affected
 39 students.

40 (2) The governing body of the school may petition the state
 41 board to immediately restructure the school by presenting a
 42 written plan to the state board setting forth the proposed

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1 **interventions for the school. If the state board approves the**
 2 **petition and accepts the plan, the school:**

3 **(A) operates under the applicable provisions of**
 4 **IC 20-31-9.5; and**

5 **(B) carries forward in the school performance category or**
 6 **designation in which the school is placed at the time the**
 7 **plan is accepted, and is not placed in a different school**
 8 **performance category or designation.**

9 SECTION 28. IC 20-31-9-3, AS AMENDED BY P.L.229-2011,
 10 SECTION 188, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2013]: Sec. 3. (a) This section applies if, in the
 12 third year after initial placement in the lowest category or designation
 13 **of school performance**, a school still remains in the lowest category
 14 or designation **of school performance**.

15 (b) The state board shall establish and assign an expert team to the
 16 school. The expert team:

17 (1) must include representatives from the community or region
 18 that the school serves; and

19 (2) may include:

20 (A) school superintendents, members of governing bodies, and
 21 teachers from school corporations that are in high categories
 22 or designations; and

23 (B) special consultants or advisers.

24 (c) The expert team shall:

25 (1) assist the school in revising the school's plan; and

26 (2) recommend changes in the school that will promote
 27 improvement, including the reallocation of resources or requests
 28 for technical assistance.

29 (d) The governing body of the school corporation in which a school
 30 to which this section applies is located may petition the state board to
 31 immediately restructure the school by presenting a written plan to the
 32 state board setting forth the proposed intervention for the school. If the
 33 state board approves the petition and accepts the plan, the school:

34 (1) operates under the applicable provisions of IC 20-31-9.5; and

35 (2) is carried forward in the same performance category or
 36 designation in which the school is placed at the time the state
 37 board accepts the plan.

38 **(e) This section expires June 30, 2017.**

39 SECTION 29. IC 20-31-9-3.5 IS ADDED TO THE INDIANA
 40 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2013]: **Sec. 3.5. (a) Beginning with the**
 42 **categorizations or designations received for the 2013-2014 school**

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1 year, this section applies if, in the third year after initial placement
 2 in either of the two (2) lowest categories or designations of school
 3 performance, a school remains in either of the two (2) lowest
 4 categories or designations of school performance.

5 (b) The state board shall establish and assign to the school an
 6 expert team to conduct a quality review. The expert team:

7 (1) must include representatives from the community or
 8 region that the school serves; and

9 (2) may include:

10 (A) school superintendents, members of governing bodies,
 11 and teachers from school corporations that are in high
 12 categories or designations of school performance;

13 (B) special consultants or advisers; and

14 (C) members of the school corporation's governing body.

15 (c) The expert team shall:

16 (1) assist the school in revising the school's plan; and

17 (2) recommend changes in the school that will promote
 18 improvement, including the reallocation of resources or
 19 requests for technical assistance.

20 (d) After a review conducted under this section, the department
 21 may offer the affected school corporation the opportunity to enter
 22 into a memorandum of agreement developed by the department.
 23 The memorandum of agreement must include the following:

24 (1) Performance goals the department expects the school to
 25 achieve, including:

26 (A) academic goals, including raising the school's school
 27 performance category or designation by at least two (2)
 28 levels;

29 (B) goals to increase the measures used to determine
 30 placement in a school performance category or
 31 designation, such as graduation rates; and

32 (C) any other goals the expert team determines are
 33 appropriate for the school.

34 (2) Specific interventions, aligned with the findings of the
 35 quality review, to improve the academic outcomes of the
 36 school.

37 (e) A school to which this section applies remains subject to this
 38 section until the school:

39 (1) is placed in the middle category or designation of school
 40 performance, or a higher category or designation of school
 41 performance, for two (2) consecutive school years; or

42 (2) becomes subject to section 4 or 5 of this chapter.

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1 SECTION 30. IC 20-31-9-4, AS AMENDED BY P.L.229-2011,
 2 SECTION 189, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2013]: Sec. 4. (a) This section applies if, in the
 4 fifth year after initial placement in the lowest category or designation
 5 **of school performance**, a school still remains in the lowest category
 6 or designation **of school performance**.

7 (b) The state board shall do the following:

8 (1) Hold at least one (1) public hearing in the school corporation
 9 where the school is located to consider and hear testimony
 10 concerning the following options for school improvement:

11 (A) Merging the school with a nearby school that is in a higher
 12 category.

13 (B) Assigning a special management team to operate all or
 14 part of the school.

15 (C) The department's recommendations for improving the
 16 school.

17 (D) Other options for school improvement expressed at the
 18 public hearing, including closing the school.

19 (E) Revising the school's plan in any of the following areas:

20 (i) Changes in school procedures or operations.

21 (ii) Professional development.

22 (iii) Intervention for individual teachers or administrators.

23 (2) If the state board determines that intervention will improve the
 24 school, implement at least one (1) of the options listed in
 25 subdivision (1).

26 (c) Unless the school is closed or merged, a school that is subject to
 27 ~~improvement~~ **intervention** under this section becomes a turnaround
 28 academy under IC 20-31-9.5.

29 **(d) This section expires June 30, 2017.**

30 SECTION 31. IC 20-31-9-5 IS ADDED TO THE INDIANA CODE
 31 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 32 1, 2013]: **Sec. 5. (a) Beginning with the categorizations or**
 33 **designations received for the 2013-2014 school year, this section**
 34 **applies if, in the fourth year after initial placement in the lowest**
 35 **category or designation of school performance, a school remains in**
 36 **the lowest category or designation of school performance.**

37 (b) The state board shall do the following:

38 (1) **Hold at least one (1) public hearing in the school**
 39 **corporation where the school is located to consider and hear**
 40 **testimony concerning the following options:**

41 (A) **Merging the school with a nearby school that is in a**
 42 **higher category or designation of school performance.**

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- 1 **(B) Assigning a special management team to operate all or**
- 2 **part of the school.**
- 3 **(C) Implementing the department's recommendations for**
- 4 **improving the school.**
- 5 **(D) Closing the school.**
- 6 **(E) Implementing other options for school intervention,**
- 7 **including those expressed at the public hearing.**
- 8 **(F) Closing the school and reopening it as a charter school**
- 9 **or converting the school to a charter school.**
- 10 **(2) If the state board determines that intervention will**
- 11 **improve the school, implement at least one (1) of the options**
- 12 **listed in subdivision (1).**
- 13 **(3) Direct the department to collect student and school**
- 14 **information and data to inform a turnaround plan to be**
- 15 **developed under section 6 of this chapter.**
- 16 **(c) The state board may alter at any time the intervention taken**
- 17 **under this section.**
- 18 SECTION 32. IC 20-31-9-6 IS ADDED TO THE INDIANA CODE
- 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 20 1, 2013]: **Sec. 6. (a) If the state board imposes an intervention**
- 21 **under this chapter, the state board shall determine the number of**
- 22 **years the school or school corporation is subject to the**
- 23 **intervention. The state board may decrease the number of years,**
- 24 **or renew the intervention for additional periods if the state board**
- 25 **considers the renewal to be necessary. Not later than thirty (30)**
- 26 **days after the state board approves the placement of a school or**
- 27 **school corporation in a category or designation of school**
- 28 **performance each year, the state board shall determine whether it**
- 29 **will continue the intervention at each school or school corporation**
- 30 **that is subject to an intervention.**
- 31 **(b) After the state board determines that an intervention is**
- 32 **necessary for a school, the department shall create a turnaround**
- 33 **plan for the school, working with any special management team the**
- 34 **state board wishes to include in the turnaround plan. The**
- 35 **turnaround plan must:**
- 36 **(1) designate the school as a turnaround academy;**
- 37 **(2) explain the intervention to be implemented;**
- 38 **(3) set forth the parties primarily responsible for the**
- 39 **intervention, including any special management teams;**
- 40 **(4) set forth the time period for the intervention;**
- 41 **(5) define annual goals for the turnaround academy,**
- 42 **including:**

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- 1 (A) academic goals, including raising the school's school
- 2 performance category or designation by at least two (2)
- 3 levels;
- 4 (B) attendance goals for teachers and students;
- 5 (C) goals to increase the measures used to determine
- 6 placement in a school performance category or
- 7 designation, such as graduation rate;
- 8 (D) financial management goals; and
- 9 (E) any other goals the department determines are
- 10 appropriate for the school;
- 11 (6) identify the consequences for failing to meet the goals; and
- 12 (7) be approved by the state board.

13 (c) If the state board enters into a contract with a special
 14 management team as a part of a school intervention, the state
 15 board may require the special management team to secure a
 16 performance bond, in an amount determined by the state board,
 17 before the contract is finalized.

18 SECTION 33. IC 20-31-9-7 IS ADDED TO THE INDIANA CODE
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 20 1, 2013]: **Sec. 7. (a) Each year, the state board shall request that the**
 21 **department, another state agency, or a research institute analyze**
 22 **data and information relating to each turnaround academy's**
 23 **attainment of the academy's annual goals.**

24 (b) In the third year of an intervention, the state board shall
 25 determine whether the special management team has reached the
 26 goals identified for the turnaround academy under this chapter. If
 27 the goals have been reached, the state board may have the
 28 performance bond required under section 6 of this chapter set
 29 aside.

30 (c) If, after the period designated for the intervention, the state
 31 board determines that the intervention has failed to reach the goals
 32 set for the turnaround academy, the state board may:

- 33 (1) instruct the department to enter into an agreement with a
- 34 new special management team; or
- 35 (2) implement additional interventions under section 5 of this
- 36 chapter.

37 SECTION 34. IC 20-31-9-8 IS ADDED TO THE INDIANA CODE
 38 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 39 1, 2013]: **Sec. 8. (a) The state board may release a turnaround**
 40 **academy from a special management team:**

- 41 (1) at the end of the term set forth in section 6 of this chapter;
- 42 or

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- 1 (2) earlier than under subdivision (1), if the turnaround
2 academy has attained the goals set.
- 3 (b) When a turnaround academy is released from a special
4 management team, the turnaround academy becomes an
5 independent school, and the department shall assign the
6 independent school a separate school identification number.
- 7 SECTION 35. IC 20-31-9-9 IS ADDED TO THE INDIANA CODE
8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
9 1, 2013]: **Sec. 9. (a) An independent school created under section 8
10 of this chapter:**
- 11 (1) must be nonsectarian and nonreligious;
12 (2) must be open to any student who resides in Indiana;
13 (3) may not establish admission policies or limit student
14 admissions in any manner in which a public school is not
15 allowed to establish admission policies or limit admissions;
16 (4) must offer admission to each student who resides in the
17 independent school's former attendance zone; and
18 (5) except as provided in subsections (b) and (c), must enroll
19 any eligible student who submits a timely application for
20 admission.
- 21 (b) This subsection applies if the number of applicants for a
22 program, class, grade level, or building exceeds the capacity of the
23 program, class, grade level, or building. If an independent school
24 receives a greater number of applications than there are spaces for
25 students:
- 26 (1) subsection (a)(3) and (a)(4) continue to apply; and
27 (2) each timely applicant outside of the former attendance
28 zone of the school must be given an equal chance of admission.
- 29 The independent school must determine which applicant or
30 applicants will be admitted to the program, class, grade level, or
31 building by random drawing in a public meeting.
- 32 (c) An independent school may limit new admissions to:
- 33 (1) ensure that a student who attends the independent school
34 during a school year may continue to attend the independent
35 school in subsequent school years; and
36 (2) allow the siblings of a student who attends the independent
37 school to attend the independent school.
- 38 SECTION 36. IC 20-31-9-10 IS ADDED TO THE INDIANA
39 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 10. (a) An independent school
40 created under section 8 of this chapter shall be governed initially
41 by a governing body appointed as follows:**
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1 (1) If the school is located in:

2 (A) a city, the mayor of the city;

3 (B) a town, the town manager of the town; or

4 (C) an unincorporated area of a county, the county
5 commissioners of the county;

6 in which the school is located shall appoint three (3) members.

7 (2) The mayor of the city or town manager of the town, if any,
8 in which the school is located shall forward at least ten (10)
9 names to the state board within a reasonable time period set
10 by the state board, from which the state board shall appoint
11 two (2) members.

12 (3) The county commissioners of the county in which the
13 school is located shall forward at least ten (10) names to the
14 state board within a reasonable time period set by the state
15 board, from which the state board shall appoint:

16 (A) two (2) members, if the school is located in a city or
17 town; or

18 (B) four (4) members, if the school is located in an
19 unincorporated area of the county.

20 The initial governing body shall determine the length of member
21 terms, term limits, and other governing matters, in accordance
22 with IC 20-23-8-7 through IC 20-23-8-8. The governing body shall
23 submit the organization plan to the state board.

24 (b) The governing body of an independent school created under
25 section 8 of this chapter may do any of the following:

26 (1) Enter into an agreement with the school corporation in
27 which the school is located for the operation of the school.
28 Before an agreement is finalized, the state board:

29 (A) must approve the transfer of operations; and

30 (B) may set requirements for the operation of the school.

31 (2) Join with another independent school created under
32 section 8 of this chapter to form a single school.

33 (3) Apply to an appropriate sponsor to become a charter
34 school.

35 (4) Enter into a contract with a management team to operate
36 the school or any part of the school.

37 (5) Enter into a contract with another school to provide
38 educational services.

39 (6) Operate the school.

40 (c) An independent school created under section 8 of this
41 chapter has the power to:

42 (1) sue and be sued in its own name;

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1 (2) for educational purposes, acquire real and personal
2 property or an interest in real and personal property by
3 purchase, gift, grant, devise, or bequest;

4 (3) convey property; and

5 (4) enter into contracts in its own name, including contracts
6 for services.

7 (d) An independent school created under section 8 of this
8 chapter may not do the following:

9 (1) Charge tuition to any student residing within the school's
10 attendance zone. However, the school may charge tuition for:

11 (A) a preschool program, unless charging tuition for the
12 preschool program is barred under federal law; or

13 (B) a latch key program;

14 if the school provides those programs.

15 (2) Except for a foreign exchange student who is not a United
16 States citizen, enroll a student who is not a resident of
17 Indiana.

18 (e) An independent school created under section 8 of this
19 chapter is not prohibited from delivering instructional services:

20 (1) through the Internet or another online arrangement; or

21 (2) in any manner by computer;

22 if the instructional services are provided to students enrolled in the
23 school in a manner that complies with any procedures adopted by
24 the department concerning online and computer instruction in
25 public schools.

26 (f) An independent school created under section 8 of this
27 chapter shall comply with applicable federal and state laws and
28 with the Constitution of the State of Indiana.

29 (g) The accountability provisions of this chapter apply to an
30 independent school created under section 8 of this chapter.

31 SECTION 37. IC 20-31-9-11 IS ADDED TO THE INDIANA
32 CODE AS A NEW SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2013]: Sec. 11. (a) The state board shall
34 request that the department, another state agency, or a research
35 institute develop and perform an annual analysis showing how
36 school and school corporation spending correlate to student
37 progress. The analysis must identify school buildings and school
38 corporations using resource allocation practices that contribute to
39 high academic performance and cost effective operations. The
40 analysis may include the use of student growth or improvement.

41 (b) The department shall include a copy of the annual analysis
42 on the department's Internet web site.

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1 (c) The state board shall adopt rules under IC 4-22-2 to
2 implement this section.

3 SECTION 38. IC 20-31-9-12 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2013]: Sec. 12. (a) Beginning with the
6 categorizations or designations received for the 2013-2014 school
7 year, this section applies the first year a school corporation is
8 placed in either of the two (2) lowest categories or designations of
9 school performance.

10 (b) The state board shall place the school corporation on notice
11 that it is in one (1) of the two (2) lowest categories or designations
12 of school performance. Upon receiving the notice, the governing
13 body shall:

- 14 (1) issue a public notice of the corporation's categorization or
15 designation;
- 16 (2) hold a public hearing in which public testimony is received
17 concerning the categorization or designation;
- 18 (3) establish prominently on the first page of the governing
19 body's Internet web site notice of the school corporation's
20 placement in one (1) of the two (2) lowest categories or
21 designations of performance;
- 22 (4) create a standing agenda item for all meetings of the
23 governing body to address the school corporation's
24 categorization or designation; and
- 25 (5) record public comments and testimony concerning the
26 school corporation's categorization or designation in the
27 official minutes of the governing body's meetings.

28 The governing body shall send a copy of the meeting minutes to the
29 state board not later than forty-five (45) days after the public
30 meeting required under subdivision (2).

31 (c) The governing body may revise the strategic and continuous
32 school improvement and achievement plan under IC 20-31-5 of any
33 school in the school corporation. A revision of a school's strategic
34 and continuous school improvement and achievement plan may
35 include any of the following:

- 36 (1) Shifting resources.
- 37 (2) Changing personnel.
- 38 (3) Requesting the state board to assist in the development of
39 a new strategic and continuous school improvement and
40 achievement plan.

41 SECTION 39. IC 20-31-9-13 IS ADDED TO THE INDIANA
42 CODE AS A NEW SECTION TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2013]: Sec. 13. (a) This section applies if, in
 2 the second year after a school corporation's initial placement in
 3 either of the two (2) lowest categories or designations of school
 4 performance, a school corporation remains in either of the two (2)
 5 lowest categories or designations of school performance.

6 (b) The state board shall place the school corporation on notice
 7 that it is in one (1) of the two (2) lowest categories or designations
 8 of school performance. Upon receiving the notice, the governing
 9 body shall:

10 (1) issue a public notice of the corporation's categorization or
 11 designation;

12 (2) hold a public hearing in which public testimony is received
 13 concerning the categorization or designation;

14 (3) establish prominently on the first page of the governing
 15 body's Internet web site notice of the school corporation's
 16 placement in one (1) of the two (2) lowest categories or
 17 designations of school performance;

18 (4) create a standing agenda item for all meetings of the
 19 governing body to address the school corporation's
 20 categorization or designation; and

21 (5) record public comments and testimony concerning the
 22 school corporation's categorization or designation in the
 23 official minutes of the governing body's meetings.

24 The governing body shall send a copy of the meeting minutes to the
 25 state board not later than forty-five (45) days after the public
 26 meeting required under subdivision (2).

27 (c) The state board shall establish an expert team and assign the
 28 team to the school corporation to conduct a quality review of the
 29 school corporation. The expert team:

30 (1) must include representatives from the community or
 31 region that the school corporation serves; and

32 (2) may include:

33 (A) school superintendents, members of a school
 34 corporation's governing body, and teachers from a school
 35 corporation that is in a high category or designation of
 36 school performance;

37 (B) special consultants or advisors; and

38 (C) members of the school corporation's governing body.

39 (d) The expert team shall assist the school corporation:

40 (1) in revising the strategic and continuous school
 41 improvement and achievement plan of any school in the
 42 school corporation; and

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- 1 **(2) implementing specific improvements in performance**
- 2 **measures determined by the department.**
- 3 **(e) A school corporation to which this section applies remains**
- 4 **subject to this section until the school corporation:**
- 5 **(1) is placed in a category or designation of school**
- 6 **performance other than the lowest two (2) categories or**
- 7 **designations for two (2) consecutive years; or**
- 8 **(2) becomes subject to section 14 or 15 of this chapter.**
- 9 SECTION 40. IC 20-31-9-14 IS ADDED TO THE INDIANA
- 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 11 [EFFECTIVE JULY 1, 2013]: **Sec. 14. (a) This section applies if, in**
- 12 **the third year after a school corporation's initial placement in the**
- 13 **lowest category or designation of school performance, the school**
- 14 **corporation remains in the lowest category or designation of school**
- 15 **performance.**
- 16 **(b) The state board shall hold at least one (1) public hearing in**
- 17 **the school corporation to take testimony concerning the feasibility**
- 18 **of taking any of the following actions for improving the education**
- 19 **of affected students in the school corporation:**
- 20 **(1) Merging the school corporation with a nearby school**
- 21 **corporation that is not in the lowest two (2) categories or**
- 22 **designations of school performance.**
- 23 **(2) Assigning a special management team or lead partner to**
- 24 **operate all or part of the school corporation.**
- 25 **(3) Implementing the department's recommendations for**
- 26 **improving the school corporation.**
- 27 **(4) Dissolving the governing board of the school corporation**
- 28 **and installing a state appointed governing board.**
- 29 **(5) Transferring the school corporation's authority to another**
- 30 **entity.**
- 31 **(6) Requiring state board approval of the school corporation's**
- 32 **managerial actions, which may include the school**
- 33 **corporation's annual budget and contracts with vendors,**
- 34 **service providers, and employees.**
- 35 **(7) Appointing an academic receiver under IC 20-31-14.**
- 36 **(8) Implementing at least one (1) option under section 4(b)(1)**
- 37 **of this chapter in schools in the school corporation that**
- 38 **become subject to this chapter.**
- 39 **(9) Instructing the department to nullify the school**
- 40 **corporation's eligibility for competitive, discretionary, or**
- 41 **elective grant programs.**
- 42 **(10) Implementing other options for school corporation**

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1 intervention, including those expressed at the public hearing.
 2 (c) Notwithstanding any other law, if the state board determines
 3 that taking at least one (1) of the actions listed in subsection (b) will
 4 improve the school corporation, the state board may take at least
 5 one (1) of the actions listed in subsection (b).

6 SECTION 41. IC 20-31-9-15 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2013]: Sec. 15. (a) This section applies if, in
 9 the fourth year after a school corporation is initially placed in the
 10 lowest two (2) categories or designations of school performance,
 11 the school corporation remains in either of the two (2) lowest
 12 categories or designations of school performance.

13 (b) The state board shall hold at least one (1) public hearing in
 14 the school corporation to take testimony concerning the feasibility
 15 of taking any of the following actions for improving the education
 16 of affected students in the school corporation:

17 (1) Merging the school corporation with a nearby school
 18 corporation that is not in the lowest two (2) categories or
 19 designations of school performance.

20 (2) Assigning a special management team or lead partner to
 21 operate all or part of the school corporation.

22 (3) Implementing the department's recommendations for
 23 improving the school corporation.

24 (4) Dissolving the governing board of the school corporation
 25 and installing a state appointed governing board.

26 (5) Transferring all or part of the school corporation's
 27 authority to another entity.

28 (6) Requiring state board approval of the school corporation's
 29 managerial actions, which may include the school
 30 corporation's annual budget and contracts with vendors,
 31 service providers, and employees.

32 (7) Appointing an academic receiver under IC 20-30-14.

33 (8) Implementing at least one (1) option under section 4(b)(1)
 34 of this chapter in schools in the school corporation that
 35 become subject to this chapter.

36 (9) Instructing the department to nullify the school
 37 corporation's eligibility for competitive, discretionary, or
 38 elective grant programs.

39 (10) Taking other actions to improve the education of affected
 40 students in the school corporation, including those expressed
 41 at the public hearing.

42 (c) Notwithstanding any other law, if the state board determines

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1 **that taking at least one (1) of the actions listed in subsection (b) will**
2 **improve the school corporation, the state board may take at least**
3 **one (1) of the actions listed in subsection (b).**

4 SECTION 42. IC 20-31-9.5-1, AS ADDED BY P.L.229-2011,
5 SECTION 190, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2013]: Sec. 1. (a) None of the following may be
7 considered a school employer under IC 20-29-6 with respect to a
8 turnaround academy:

- 9 (1) The state.
- 10 (2) The state board.
- 11 (3) A special management team assigned by the state board under
- 12 ~~IC 20-31-9-4~~ **IC 20-31-9** to operate a school as a turnaround
- 13 academy.

14 (b) A special management team assigned under ~~IC 20-31-9-4~~
15 **IC 20-31-9** to operate a school as a turnaround academy shall make all
16 personnel decisions in the school. In operating the school as a
17 turnaround academy under this chapter, the special management team
18 is not bound by a contract entered into under IC 20-29.

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

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

24 SECTION 43. IC 20-31-9.5-2, AS ADDED BY P.L.229-2011,
25 SECTION 190, IS AMENDED TO READ AS FOLLOWS
26 [EFFECTIVE JULY 1, 2013]: Sec. 2. (a) If the state board assigns a
27 special management team under ~~IC 20-31-9-4~~ **IC 20-31-9** to operate a
28 school as a turnaround academy, for as long as the special management
29 team operates the turnaround academy:

- 30 (1) the special management team shall continue to use the school
- 31 building, the accompanying real property, and the building's
- 32 contents, equipment, and supplies; ~~and~~
- 33 (2) the school corporation shall continue to:
- 34 (A) **provide the special management team funding to**
- 35 **provide transportation for students attending the turnaround**
- 36 **academy at the same level of service the school corporation**
- 37 **provided before the school became a turnaround academy; and**
- 38 (B) maintain and repair the buildings and grounds consistent
- 39 with the maintenance and repair to the school corporation's
- 40 other buildings and grounds; **and**

41 ~~The school corporation shall consult with the special management~~
42 ~~team regarding these matters.~~

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1 **(3) the special management team shall determine whether the**
 2 **school corporation will provide services or resources to meet**
 3 **the requirements of this section.**
 4 (b) If the special management team contracts ~~with a school~~
 5 ~~corporation~~ for goods and services **with a school corporation that**
 6 **previously operated the school currently operated by the special**
 7 **management team**, the school corporation may not charge the special
 8 management team more for the goods or services than the school
 9 corporation pays for the goods or services.
 10 (c) The special management team and the school corporation's board
 11 shall hold a joint public meeting at least two (2) times each year to
 12 discuss issues and progress concerning the turnaround academy.
 13 SECTION 44. IC 20-31-9.5-3, AS ADDED BY P.L.229-2011,
 14 SECTION 190, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2013]: Sec. 3. (a) Turnaround academies are
 16 eligible to receive building and technology loans administered by the
 17 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 under IC 20-43-6, special**
 35 **education grants under IC 20-43-7, career and technical**
 36 **education grants under IC 20-43-8, primetime program**
 37 **distributions under IC 20-43-9, other tuition support grants**
 38 **under IC 20-43-10, and any grants funded by the general**
 39 **assembly.**
 40 (2) Enter into any contracts necessary to implement the options
 41 for improvement implemented for the school by the state board,
 42 including contracts with a special management team assigned

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1 under ~~IC 20-31-9-4~~ **IC 20-31-9** to operate the school as a **an**
2 **operated** turnaround academy.

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

6 SECTION 45. IC 20-31-9.5-4, AS ADDED BY P.L.229-2011,
7 SECTION 190, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2013]: Sec. 4. **(a)** Any student who lives in the
9 attendance area served by a school that is operated as a turnaround
10 academy under this chapter may attend the turnaround academy. The
11 turnaround academy may not refuse enrollment to a student who lives
12 in the attendance area.

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

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

24 **(d) A school corporation is not required to provide**
25 **transportation for a student who attends a turnaround academy**
26 **and does not live in the attendance zone served by the turnaround**
27 **academy, except as required under 42 U.S.C. 11431, any applicable**
28 **court desegregation order, or the individual education plan of a**
29 **student who receives special education services as required under**
30 **34 CFR 300.320 and 511 IAC 7-32.**

31 SECTION 46. IC 20-31-9.5-8 IS ADDED TO THE INDIANA
32 CODE AS A NEW SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2013]: Sec. 8. **(a) A school corporation shall**
34 **continue debt service payments on the school corporation's debt**
35 **that is attributable to a turnaround academy.**

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

- 39 **(1) The length of the contract.**
- 40 **(2) The level of services provided.**
- 41 **(3) The entity responsible for providing necessary services to**
42 **the school and students in the school.**

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- 1 **(4) Any other provisions the parties consider necessary.**
- 2 **(c) If the state board assigns a lead partner to a school, the**
- 3 **department, the lead partner, and the school corporation shall**
- 4 **enter into a contract that includes the following provisions:**
- 5 **(1) The length of the contract.**
- 6 **(2) Consideration.**
- 7 **(3) Performance goals, which may not be less rigorous than**
- 8 **those established under IC 20-31-8.**
- 9 **(4) Cancellation procedures.**
- 10 **(5) Renewal procedures.**
- 11 **(6) Any other provisions the department and the special**
- 12 **management team consider necessary.**
- 13 **(d) A special management team and a school corporation may**
- 14 **enter into a contract for the school corporation to provide any**
- 15 **services for a school that are in the best interest of the students**
- 16 **who attend the school. A contract shall specify the length of time,**
- 17 **level of services, and entity responsible for providing necessary**
- 18 **services, including the following services:**
- 19 **(1) Food service.**
- 20 **(2) Educational and administrative technology and technology**
- 21 **support.**
- 22 **(3) Special education services.**
- 23 **(4) Career and technical education services.**
- 24 **(5) Custodial services.**
- 25 **(6) Instructional services in a particular curriculum area.**
- 26 **(7) Textbooks and supplemental materials.**
- 27 **(8) Student services.**
- 28 **(9) Police and probation services.**
- 29 **(10) Any other provisions the school corporation and the**
- 30 **special management team consider necessary.**
- 31 **(e) A school corporation and a special management team may**
- 32 **enter into a contract for additional services.**
- 33 **(f) The state board shall resolve any disputes that arise in the**
- 34 **negotiation or execution of a contract under subsections (b), (c),**
- 35 **(d), and (e). The decision of the state board is the final agency**
- 36 **action under IC 4-21.5.**
- 37 **(g) A school corporation in which a special management team**
- 38 **is assigned to operate an operated turnaround academy shall offer**
- 39 **the special management team the opportunity to assume any lease**
- 40 **or contract for equipment, including photocopying equipment and**
- 41 **computer hardware.**
- 42 **SECTION 47. IC 20-31-9.5-9 IS ADDED TO THE INDIANA**

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1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2013]: **Sec. 9. (a) A special management team**
 3 **shall employ teachers, other school employees, and independent**
 4 **contractors that are:**

- 5 (1) described in the contract between the department and the
 6 special management team under section 8 of this chapter; and
 7 (2) necessary for the special management team to fulfill the
 8 special management team's responsibilities under this
 9 chapter.

10 (b) Individuals employed by the special management team
 11 under this section are entitled to participate in insurance benefits
 12 offered by the special management team or offered to state
 13 employees.

14 (c) Individuals employed by the special management team under
 15 this section are entitled to participate in:

- 16 (1) a retirement program offered by the special management
 17 team;
 18 (2) the state teachers' retirement fund created by IC 5-10.4;
 19 or
 20 (3) the public employees' retirement fund created by
 21 IC 5-10.3.

22 SECTION 48. IC 20-31-9.5-10 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2013]: **Sec. 10. (a) A school corporation may**
 25 **not take an action adverse to a special management team's**
 26 **operation of a school, services provided by lead partners, or**
 27 **implementation of an intervention ordered by the state board,**
 28 **including an unreasonable refusal to enter into a contract for**
 29 **services under section 8 of this chapter.**

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

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

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

- 39 (1) Order the department to withhold federal or state funds to
 40 which the school corporation would otherwise be entitled to
 41 facilitate the full implementation of the special management
 42 team's operation of a school, the lead partner's assistance, or

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1 other intervention.

2 (2) Order the department to pursue any available legal or
3 equitable remedies.

4 (3) Amend the intervention.

5 (4) Order the special management team or lead partner to
6 carry out the intervention notwithstanding the school
7 corporation's adverse action.

8 (e) Adverse action under this section may be considered
9 misconduct in office or willful neglect of duty under IC 20-28-5-7.

10 SECTION 49. IC 20-31-9.5-11 IS ADDED TO THE INDIANA
11 CODE AS A NEW SECTION TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2013]: **Sec. 11. A school corporation may not
13 change the assignment of students to schools in the school
14 corporation in a manner that changes significantly the number or
15 grade levels of students assigned to a school that is subject to this
16 chapter without the agreement of the special management team
17 assigned to the school.**

18 SECTION 50. IC 20-31-9.5-12 IS ADDED TO THE INDIANA
19 CODE AS A NEW SECTION TO READ AS FOLLOWS
20 [EFFECTIVE JULY 1, 2013]: **Sec. 12. (a) A special management
21 team shall comply with IC 5-14-1.5 and IC 5-14-3.**

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

25 SECTION 51. IC 20-31-12 IS ADDED TO THE INDIANA CODE
26 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2013]:

28 **Chapter 12. High Performing School Corporations**

29 **Sec. 1. As used in this chapter, "high performing school
30 corporation" means a school corporation:**

31 (1) that for at least two (2) consecutive school years has been
32 placed in the highest category or designation of school
33 performance; and

34 (2) all schools within which have placed in the two (2) highest
35 categories or designations of school performance for at least
36 two (2) consecutive school years.

37 **Sec. 2. The department shall designate a school corporation
38 described in section 1 of this chapter as a high performing school
39 corporation.**

40 **Sec. 3. (a) The state board may waive any rule adopted by the
41 state board for a high performing school corporation.**

42 (b) The state board may waive the following statutes for a high

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- 1 performing school corporation:
- 2 (1) IC 20-30-2-2 (length of student instructional days).
- 3 (2) IC 20-30-2-3 (minimum number of student instructional
- 4 days).
- 5 (3) IC 20-30-2-4 (penalty for failure to conduct minimum
- 6 number of student instructional days).
- 7 (4) IC 20-30-2-7 (minimum length of school term).
- 8 (5) IC 20-30-14-2(6) (application requirements for community
- 9 or volunteer service credits).
- 10 (6) IC 20-31-5-1 through IC 20-31-5-6 (strategic and
- 11 continuous school improvement and achievement plan).

12 (c) The department shall consider the higher performing status
 13 of a high performing school corporation when reviewing the school
 14 corporation's grant applications or applications of schools in the
 15 high performing school corporation.

16 Sec. 4. If a school corporation is placed in one (1) of the four (4)
 17 lowest categories or designations of school performance, or if a
 18 school in the school corporation is placed in one (1) of the three (3)
 19 lowest categories or designations of school performance, the school
 20 corporation is no longer a high performing school corporation, and
 21 any rules or statutes that have been waived for the school
 22 corporation are in effect for the school corporation.

23 Sec. 5. A school corporation and each school within the school
 24 corporation must have full accreditation status for the school
 25 corporation to be designated as a high performing school
 26 corporation.

27 SECTION 52. IC 20-31-13 IS ADDED TO THE INDIANA CODE
 28 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2013]:

30 **Chapter 13. Innovative Plans for Student Performance**

31 **Sec. 1. This chapter applies to:**

- 32 (1) a school corporation that has been designated as a high
- 33 performing school corporation under IC 20-31-12 and chooses
- 34 to implement this chapter; and
- 35 (2) a school approved by the state board to implement this
- 36 chapter after submitting a plan under this chapter.

37 **Sec. 2. (a) IC 20-31 applies to a school corporation or school that**
 38 **implements this chapter. The composition of a local school**
 39 **improvement committee is determined under IC 20-31-5.**

40 (b) The plan developed and implemented by the governing body
 41 under this chapter must contain general guidelines for decisions by
 42 educators in each school to improve student achievement in the

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- 1 school.
- 2 (c) The governing body's plan must provide for the publication
- 3 to other schools in the school corporation, the department, and the
- 4 general community those:
- 5 (1) processes;
- 6 (2) innovations; and
- 7 (3) approaches;
- 8 that have led individual schools in the school corporation to
- 9 significant improvement in student achievement.
- 10 Sec. 3. (a) Educators in each school are responsible for
- 11 improving student achievement in the school and may develop the
- 12 educators' own school plan to achieve improvement that:
- 13 (1) has a cost that does not exceed the amount allocated to the
- 14 school under section 6 of this chapter; and
- 15 (2) is not subject to a collective bargaining agreement under
- 16 IC 20-29.
- 17 (b) Educators may use traditional or innovative techniques that
- 18 the educators believe will:
- 19 (1) best maintain a secure and supportive educational
- 20 environment; and
- 21 (2) improve student achievement.
- 22 Sec. 4. Each school's plan under this chapter may include the
- 23 development and maintenance of efforts to increase involvement by
- 24 parents, the community, or both, in educational activities.
- 25 Sec. 5. School plans under this chapter must promote:
- 26 (1) increased options for; and
- 27 (2) innovative and successful approaches to;
- 28 improving student achievement.
- 29 Sec. 6. The approved general fund budget for each school for a
- 30 school year must be, as nearly as is reasonable and practicable,
- 31 proportionate to the total general fund budget for the school city
- 32 in the same ratio as the school's estimated ADM compares to the
- 33 school city's estimated ADM for that school year.
- 34 Sec. 7. (a) Each school's educators may:
- 35 (1) determine the educational resources, goods, and services
- 36 that are necessary and appropriate for improving student
- 37 performance in the school; and
- 38 (2) obtain or purchase the educational resources, goods, and
- 39 services.
- 40 (b) Purchases and acquisitions under this section are subject to:
- 41 (1) the general guidelines developed by the board; and
- 42 (2) the school's budget.

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1 (c) Educators may choose to allocate additional funds to the
2 salaries of teachers rated as effective or highly effective under
3 IC 20-28-11.5.

4 Sec. 8. Subject to the general guidelines developed by the board
5 and after consulting with the school's teachers, each school's
6 administrators may determine the:

7 (1) sources of; and

8 (2) part of;

9 the school's available budget allocated for noneducational goods
10 and services.

11 Sec. 9. (a) If, as a result of a school's efforts to incur less expense
12 than was budgeted in a fiscal year, the school has excess general
13 fund money after the school's expenses for the fiscal year are paid
14 in full, the school retains control of the excess.

15 (b) The school shall use excess general fund money retained
16 under this section during the following school year to implement
17 the school's plan under this chapter.

18 (c) The board may not consider a school's excess general fund
19 money retained under this section when setting or approving the
20 school's budget for subsequent years.

21 Sec. 10. The state board may waive the following statutes for a
22 high performing school corporation:

23 (1) IC 20-30-2-2 (length of student instructional days).

24 (2) IC 20-30-2-3 (minimum number of student instructional
25 days).

26 (3) IC 20-30-2-4 (penalty for failure to conduct minimum
27 number of student instructional days).

28 (4) IC 20-30-2-7 (minimum length of school term).

29 (5) IC 20-30-14-2(6) (application requirements for community
30 or volunteer service credits).

31 (6) IC 20-31-4-6(3) (curriculum offerings required for full
32 accreditation status).

33 (7) IC 20-31-5-1 through IC 20-31-5-6 (strategic and
34 continuous school improvement and achievement plan).

35 SECTION 53. IC 20-31-14 IS ADDED TO THE INDIANA CODE
36 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2013]:

38 Chapter 14. Academic Receivership

39 Sec. 1. The state board may place a school corporation in
40 academic receivership if the school corporation is subject to
41 IC 20-31-9-14 or IC 20-31-9-15.

42 Sec. 2. (a) Subject to subsection (b), the state board shall select

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1 the academic receiver for a school corporation under this chapter.

2 (b) The state board may grant the power to select an academic
3 receiver for a school corporation to one (1) or more of the
4 following entities, as applicable to the school corporation based on
5 the school corporation's location:

- 6 (1) A judge of a circuit or superior court.
7 (2) The executive of a city.
8 (3) The legislative body of a city.
9 (4) The board of commissioners of a county.
10 (5) The fiscal body of a county.
11 (6) The legislative body of a town.
12 (7) The executive of a township.
13 (8) The legislative body of a township.
14 (9) The executive and legislative body of a township, jointly.
15 (10) The executives and legislative bodies of more than one (1)
16 township, jointly.

17 (c) If the state board grants the power to select an academic
18 receiver to an entity set forth in subsection (b), the state board may
19 maintain the right to approve or reject the entity's selection.

20 (d) An entity that has the ability to select an academic receiver
21 under subsection (b) may elect to serve as the academic receiver.

22 **Sec. 3.** For each year a school corporation is placed in academic
23 receivership, the state board shall require the following:

24 (1) Consideration of:

- 25 (A) personnel;
26 (B) management;
27 (C) plan;
28 (D) policy; and
29 (E) budget;

30 changes for the school to improve student performance at the
31 school.

32 (2) Identification of significant:

- 33 (A) management;
34 (B) personnel;
35 (C) plan;
36 (D) policy; or
37 (E) budget;

38 changes that in the board's judgment must be implemented to
39 improve the school's performance.

40 **Sec. 4.** (a) If a school is placed in academic receivership, the
41 academic receiver must take action to raise the school
42 corporation's level of performance. Actions that the academic

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1 receiver may take to raise the performance of a school corporation
2 in academic receivership include the following:

- 3 (1) Shifting resources.
4 (2) Changing or removing:
5 (A) school principals;
6 (B) teachers;
7 (C) administrators; or
8 (D) other staff.
9 (3) Establishing a new educational plan for the school
10 corporation or schools within the school corporation.
11 (4) Contracting with a:
12 (A) for-profit organization;
13 (B) nonprofit organization; or
14 (C) individual;
15 to manage the school corporation or schools within the school
16 corporation.
17 (5) Canceling, modifying, or renegotiating existing contracts.
18 (6) Modifying the grade configurations of schools in the school
19 corporation.
20 (7) Converting any school in the school corporation to a
21 charter school.
22 (8) Closing any school in the school corporation.
23 (9) Any other management, personnel, or policy changes that
24 the academic receiver expects to:
25 (A) raise the performance of the school; and
26 (B) avoid continuing academic receivership status for the
27 school;
28 in the following school year.
29 (b) If this chapter is inconsistent with any other law relating to:
30 (1) education;
31 (2) teachers; or
32 (3) common schools;

33 this chapter governs.

34 SECTION 54. IC 20-32-2-2.3 IS ADDED TO THE INDIANA
35 CODE AS A NEW SECTION TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2013]: **Sec. 2.3. "Graduation examination"**
37 **refers to the assessment or assessments determined under**
38 **IC 20-32-5-15(2).**

39 SECTION 55. IC 20-32-4-0.3 IS REPEALED [EFFECTIVE JULY
40 1, 2013]. **Sec. 0.3. Notwithstanding the amendments made to section**
41 **† of this chapter by P.L.105-2005, the following apply before July †,**
42 **2010:**



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- 1 (1) To be eligible to graduate from high school, each student is
 2 required to meet:
- 3 (A) the academic standards tested in the graduation
 4 examination; and
- 5 (B) any additional requirements established by the governing
 6 body.
- 7 (2) A student who does not meet the academic standards tested in
 8 the graduation examination shall be given the opportunity to be
 9 tested during each semester of each grade following the grade in
 10 which the student is initially tested until the student achieves a
 11 passing score.
- 12 (3) A student who does not achieve a passing score on the
 13 graduation examination may be eligible to graduate if all the
 14 following occur:
- 15 (A) The principal of the school the student attends certifies
 16 that the student will within one (1) month of the student's
 17 scheduled graduation date successfully complete all
 18 components of the Core 40 curriculum as established by the
 19 Indiana state board of education under IC 20-30-10.
- 20 (B) The student otherwise satisfies all state and local
 21 graduation requirements.
- 22 (4) A student who does not achieve a passing score on the
 23 graduation examination and who does not meet the requirements
 24 of subdivision (3) may be eligible to graduate if the student does
 25 all the following:
- 26 (A) Takes the graduation examination in each subject area in
 27 which the student did not achieve a passing score at least one
 28 (1) time every school year after the school year in which the
 29 student first takes the graduation examination.
- 30 (B) Completes remediation opportunities provided to the
 31 student by the student's school.
- 32 (C) Maintains a school attendance rate of at least ninety-five
 33 percent (95%) with excused absences not counting against the
 34 student's attendance.
- 35 (D) Maintains at least a "C" average or the equivalent in the
 36 courses comprising the credits specifically required for
 37 graduation by rule of the board.
- 38 (E) Obtains a written recommendation from a teacher of the
 39 student in each subject area in which the student has not
 40 achieved a passing score. The recommendation must:
- 41 (i) be concurred in by the principal of the student's school;
 42 and

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- 1 (ii) be supported by documentation that the student has
- 2 attained the academic standard in the subject area based
- 3 upon tests other than the graduation examination or
- 4 classroom work.
- 5 (F) Otherwise satisfies all state and local graduation
- 6 requirements.
- 7 (5) This subdivision applies to a student who is a child with a
- 8 disability (as defined in IC 20-35-1-2). If the student does not
- 9 achieve a passing score on the graduation examination, the
- 10 student's case conference committee may determine that the
- 11 student is eligible to graduate if the case conference committee
- 12 finds the following:
- 13 (A) The student's teacher of record, in consultation with a
- 14 teacher of the student in each subject area in which the student
- 15 has not achieved a passing score, makes a written
- 16 recommendation to the case conference committee. The
- 17 recommendation must:
- 18 (i) be concurred in by the principal of the student's school;
- 19 and
- 20 (ii) be supported by documentation that the student has
- 21 attained the academic standard in the subject area based
- 22 upon tests other than the graduation examination or
- 23 classroom work.
- 24 (B) The student meets all the following requirements:
- 25 (i) Retakes the graduation examination in each subject area
- 26 in which the student did not achieve a passing score as often
- 27 as required by the student's individualized education
- 28 program.
- 29 (ii) Completes remediation opportunities provided to the
- 30 student by the student's school to the extent required by the
- 31 student's individualized education program.
- 32 (iii) Maintains a school attendance rate of at least ninety-five
- 33 percent (95%) to the extent required by the student's
- 34 individualized education program with excused absences not
- 35 counting against the student's attendance.
- 36 (iv) Maintains at least a "C" average or the equivalent in the
- 37 courses comprising the credits specifically required for
- 38 graduation by rule of the board.
- 39 (v) Otherwise satisfies all state and local graduation
- 40 requirements.

41 SECTION 56. IC 20-32-4-1, AS ADDED BY P.L.105-2005,
 42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2013]: Sec. 1. (a) Except as provided in subsection (b), a
2 student must meet:

- 3 (1) the academic standards tested in the graduation examination;
4 and
5 (2) any additional requirements established by the governing body
6 of the student's school corporation;
7 to be eligible to graduate.

8 (b) Except as provided in sections 4, 5, **and 6 7; 8; 9; and 10** of this
9 chapter, beginning with the class of students who expect to graduate
10 during the 2010-2011 school year, each student is required to meet:

- 11 (1) the academic standards tested in the graduation examination;
12 (2) the Core 40 course and credit requirements adopted by the
13 state board under IC 20-30-10; and
14 (3) any additional requirements established by the governing
15 body;
16 to be eligible to graduate.

17 SECTION 57. IC 20-32-4-4, AS AMENDED BY P.L.185-2006,
18 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2013]: Sec. 4. **Beginning with the 2005-2006 school year**, A
20 student who does not achieve a passing score on the graduation
21 examination and who does not meet the requirements of section 1 of
22 this chapter may be eligible to graduate if the student does all the
23 following:

- 24 (1) Takes the graduation examination in each subject area in
25 which the student did not achieve a passing score at least one (1)
26 time every school year after the school year in which the student
27 first takes the graduation examination.
28 (2) Completes remediation opportunities provided to the student
29 by the student's school.
30 (3) Maintains a school attendance rate of at least ninety-five
31 percent (95%) with excused absences not counting against the
32 student's attendance.
33 (4) Maintains at least a "C" average or the equivalent in the
34 courses comprising the credits specifically required for graduation
35 by rule of the state board.
36 (5) Otherwise satisfies all state and local graduation requirements.
37 (6) Either:
38 (A) completes:
39 (i) the course and credit requirements for a general diploma,
40 including the career academic sequence;
41 (ii) a workforce readiness assessment; and
42 (iii) at least one (1) career exploration internship,

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- 1 cooperative education, or workforce credential
 2 recommended by the student's school; or
 3 (B) obtains a written recommendation from a teacher of the
 4 student in each subject area in which the student has not
 5 achieved a passing score on the graduation examination. The
 6 written recommendation must be concurred in by the principal
 7 of the student's school and be supported by documentation that
 8 the student has attained the academic standard in the subject
 9 area based on:
 10 (i) tests other than the graduation examination; or
 11 (ii) classroom work.
- 12 **(7) Is approved to receive a waiver by the state board.**
- 13 SECTION 58. IC 20-32-4-5, AS ADDED BY P.L.1-2005,
 14 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2013]: Sec. 5. (a) This section applies to a student who is a
 16 child with a disability (as defined in IC 20-35-1-2).
 17 (b) If the student does not achieve a passing score on the graduation
 18 examination, the student's case conference committee may determine
 19 that the student is eligible to graduate if the case conference committee
 20 finds the following:
 21 (1) The student's teacher of record, in consultation with a teacher
 22 of the student in each subject area in which the student has not
 23 achieved a passing score, makes a written recommendation to the
 24 case conference committee. The recommendation must:
 25 (A) be concurred in by the principal of the student's school;
 26 and
 27 (B) be supported by documentation that the student has
 28 attained the academic standard in the subject area based on:
 29 (i) tests other than the graduation examination; or
 30 (ii) classroom work.
 31 (2) The student meets all the following requirements:
 32 (A) Retakes the graduation examination in each subject area
 33 in which the student did not achieve a passing score as often
 34 as required by the student's individualized education program.
 35 (B) Completes remediation opportunities provided to the
 36 student by the student's school to the extent required by the
 37 student's individualized education program.
 38 (C) Maintains a school attendance rate of at least ninety-five
 39 percent (95%) to the extent required by the student's
 40 individualized education program with excused absences not
 41 counting against the student's attendance.
 42 (D) Maintains at least a "C" average or the equivalent in the

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1 courses comprising the credits specifically required for
2 graduation by rule of the state board.

3 (E) Otherwise satisfies all state and local graduation
4 requirements.

5 **(F) Is approved to receive a waiver by the state board.**

6 SECTION 59. IC 20-32-4-7 IS REPEALED [EFFECTIVE JULY 1,
7 2013]. Sec. 7: Upon the request of a student's parent, the student may
8 be exempted from the Core 40 curriculum requirement set forth in
9 section 4 of this chapter and be required to complete the general
10 curriculum to be eligible to graduate. Except as provided in section 10
11 of this chapter, the student's parent and the student's counselor (or
12 another staff member who assists students in course selection) shall
13 meet to discuss the student's progress. Following the meeting, the
14 student's parent shall determine whether the student will achieve
15 greater educational benefits by:

16 (1) continuing the general curriculum; or

17 (2) completing the Core 40 curriculum.

18 SECTION 60. IC 20-32-4-8 IS REPEALED [EFFECTIVE JULY 1,
19 2013]. Sec. 8: This section applies to a student who does not pass at
20 least three (3) courses required under the Core 40 curriculum. Except
21 as provided in section 10 of this chapter, the student's parent and the
22 student's counselor (or another staff member who assists students in
23 course selection) shall meet to discuss the student's progress. Following
24 the meeting, the student's parent shall determine whether the student
25 will achieve greater educational benefits by:

26 (1) continuing in the Core 40 curriculum; or

27 (2) completing the general curriculum.

28 SECTION 61. IC 20-32-4-9 IS REPEALED [EFFECTIVE JULY 1,
29 2013]. Sec. 9: This section applies to a student who receives a score on
30 the graduation examination that is in the twenty-fifth percentile or
31 lower when the student takes the graduation examination for the first
32 time. Except as provided in section 10 of this chapter, the student's
33 parent and the student's counselor (or another staff member who assists
34 students in course selection) shall meet to discuss the student's
35 progress. Following the meeting, the student's parent shall determine
36 whether the student will achieve greater educational benefits by:

37 (1) continuing in the Core 40 curriculum; or

38 (2) completing the general curriculum.

39 SECTION 62. IC 20-32-4-10 IS REPEALED [EFFECTIVE JULY
40 1, 2013]. Sec. 10: This section applies if the parent of a student to
41 whom section 8 or 9 of this chapter applies does not attend a meeting
42 with the student and the student's counselor after receiving two (2)

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1 written requests to attend a meeting. If the student's parent does not
 2 attend a meeting described in section 8 or 9 of this chapter, the student
 3 and the student's counselor shall meet and:

4 (1) the student's counselor shall make a recommendation to the
 5 student as to whether the student will achieve greater educational
 6 benefits by:

7 (A) continuing in the Core 40 curriculum; or

8 (B) completing the general curriculum; and

9 (2) the student shall determine which curriculum the student will
 10 complete.

11 SECTION 63. IC 20-32-4-11 IS ADDED TO THE INDIANA
 12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2013]: **Sec. 11. The state board may adopt**
 14 **rules for the consideration of waivers under sections 4 and 5 of this**
 15 **chapter. The rules must provide that waivers may be approved**
 16 **only on the basis of written evidence that each requirement of the**
 17 **section under which the waiver is being sought has been attained**
 18 **and demonstrated.**

19 SECTION 64. IC 20-32-5-15, AS AMENDED BY P.L.229-2011,
 20 SECTION 191, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2013]: Sec. 15. (a) The state ~~superintendent~~
 22 **board shall develop adopt rules establishing an ISTEP testing**
 23 **program testing schedule in which including:**

24 (1) **annual testing for each student in grades 3 6; through 8; and**
 25 **10 must be tested; and**

26 (2) **each student in grade 10 or grade 11 must take a graduation**
 27 **examination: an assessment or set of assessments used to**
 28 **determine readiness for graduation.**

29 (b) The state board shall adopt rules to establish when a student is
 30 considered to be in grade 10 for purposes of initially taking the
 31 graduation examination.

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