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# HOUSE BILL No. 1451

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 20-43.

**Synopsis:** High achiever's award program. Establishes the high achiever's award program. Provides that certain school corporations may receive an additional \$500 for every student who graduates and attends a postsecondary educational institution. Provides that a school corporation may be eligible to receive the high achiever's award if: (1) the school corporation's current ADM is greater than 3,700 and less than 4,100; (2) the percentage of the school corporation's ADM attributable to students eligible for the free and reduced lunch program in calendar year 2010 was less than 20%; (3) the school corporation's enrollment in grades 9 through 12 in the 2012-1013 school year is at least 1,500 but not more than 2,000; and (4) the school corporation's four year graduation rate exceeded 89% for each year in the period 2002 to 2010. Extends, effective June 30, 2013, the expiration date for the state tuition support law from July 1, 2013, to July 1, 2015.

**Effective:** June 30, 2013; January 1, 2014.

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## Candelaria Reardon

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January 22, 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. 1451



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 20-43-1-1, AS AMENDED BY P.L.144-2012,
- 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JUNE 30, 2013]: Sec. 1. This article expires ~~July 1, 2013~~ **July 1, 2015**.
- 4 SECTION 2. IC 20-43-1-15.5 IS ADDED TO THE INDIANA
- 5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 6 [EFFECTIVE JANUARY 1, 2014]: **Sec. 15.5. "High achiever's**
- 7 **award" refers to the amount determined under IC 20-43-11-3.**
- 8 SECTION 3. IC 20-43-2-2, AS AMENDED BY P.L.229-2011,
- 9 SECTION 204, IS AMENDED TO READ AS FOLLOWS
- 10 [EFFECTIVE JANUARY 1, 2014]: Sec. 2. The maximum state
- 11 distribution for a calendar year for all school corporations for the
- 12 purposes described in section 3 of this chapter is:
- 13 (1) six billion two hundred forty-seven million eight hundred
- 14 thousand dollars (\$6,247,800,000) in 2011;
- 15 (2) six billion two hundred seventy-seven million eight hundred
- 16 thousand dollars (\$6,277,800,000) in 2012; and
- 17 (3) six billion three hundred thirty-nine million six hundred



1 thousand dollars (\$6,339,600,000) in 2013 **and each year**  
 2 **thereafter.**

3 SECTION 4. IC 20-43-2-3, AS AMENDED BY P.L.229-2011,  
 4 SECTION 205, IS AMENDED TO READ AS FOLLOWS  
 5 [EFFECTIVE JANUARY 1, 2014]: Sec. 3. If the total amount to be  
 6 distributed:

- 7 (1) as basic tuition support;  
 8 (2) for honors diploma awards;  
 9 (3) for primetime distributions;  
 10 (4) for special education grants; ~~and~~  
 11 (5) for career and technical education grants; **and**  
 12 **(6) for high achiever's awards;**

13 for a particular year exceeds the maximum state distribution for a  
 14 calendar year, the amount to be distributed for state tuition support  
 15 under this article to each school corporation during each of the last six  
 16 (6) months of the year shall be proportionately reduced so that the total  
 17 reductions equal the amount of the excess.

18 SECTION 5. IC 20-43-5-3, AS AMENDED BY P.L.229-2011,  
 19 SECTION 208, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE JANUARY 1, 2014]: Sec. 3. A school corporation's  
 21 complexity index is determined under the following formula:

22 STEP ONE: Determine the greater of zero (0) or the result of the  
 23 following:

24 (1) Determine the percentage of the school corporation's  
 25 students who were eligible for free or reduced price lunches in  
 26 the school year ending in the later of:

- 27 (A) 2011 for the purposes of determining the complexity  
 28 index in 2012 ~~and 2013~~; **and each year thereafter**; or  
 29 (B) the first year of operation of the school corporation.

30 (2) Determine the quotient of:

31 (A) in 2012:

32 (i) two thousand one hundred twenty-nine dollars (\$2,129);  
 33 divided by

34 (ii) four thousand two hundred eighty dollars (\$4,280); and

35 (B) in 2013 **and each year thereafter**:

36 (i) two thousand one hundred ninety dollars (\$2,190);  
 37 divided by

38 (ii) four thousand four hundred five dollars (\$4,405).

39 (3) Determine the product of:

40 (A) the subdivision (1) amount; multiplied by

41 (B) the subdivision (2) amount.

42 STEP TWO: Determine the result of one (1) plus the STEP ONE

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- 1 result.
- 2 STEP THREE: This STEP applies if the STEP TWO result in
- 3 2012 is equal to or greater than at least one and twenty-eight
- 4 hundredths (1.28) and applies if the STEP TWO result in 2013,
- 5 **or each year thereafter**, is at least one and thirty-one hundredths
- 6 (1.31). Determine the result of the following:
- 7 (1) In 2012, subtract one and twenty-eight hundredths (1.28)
- 8 and in 2013, subtract one and thirty-one hundredths (1.31)
- 9 from the STEP TWO result.
- 10 (2) Determine the result of:
- 11 (A) the STEP TWO result; plus
- 12 (B) the subdivision (1) result.

13 The data to be used in making the calculations under STEP ONE must

14 be the data collected in the annual pupil enrollment count by the

15 department.

16 SECTION 6. IC 20-43-5-4, AS AMENDED BY P.L.229-2011,

17 SECTION 209, IS AMENDED TO READ AS FOLLOWS

18 [EFFECTIVE JANUARY 1, 2014]: Sec. 4. A school corporation's

19 foundation amount for a calendar year is the result determined under

20 STEP THREE of the following formula:

- 21 STEP ONE: The STEP ONE amount is:
- 22 (A) in 2012, four thousand two hundred eighty dollars
- 23 (\$4,280); and
- 24 (B) in 2013 **and each year thereafter**, four thousand four
- 25 hundred five dollars (\$4,405).

26 STEP TWO: Multiply the STEP ONE amount by the school

27 corporation's complexity index.

28 STEP THREE: Determine the sum of the STEP TWO amount and

29 the following:

- 30 (A) Zero dollars (\$0), if the school corporation's current ADM
- 31 is less than five hundred (500).
- 32 (B) One hundred fifty dollars (\$150), if the school
- 33 corporation's current ADM is at least five hundred (500) and
- 34 is not more than one thousand (1,000).
- 35 (C) The result of one hundred fifty thousand dollars
- 36 (\$150,000) divided by the school corporation's current ADM,
- 37 if the school corporation's current ADM is more than one
- 38 thousand (1,000).

39 SECTION 7. IC 20-43-5-6, AS AMENDED BY P.L.229-2011,

40 SECTION 210, IS AMENDED TO READ AS FOLLOWS

41 [EFFECTIVE JANUARY 1, 2014]: Sec. 6. (a) A school corporation's

42 transition to foundation amount for a calendar year is equal to the result



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1 determined under STEP TWO of the following formula:

2 STEP ONE: Determine the difference of:

3 (A) the school corporation's foundation amount; minus

4 (B) the lesser of:

5 (i) the school corporation's previous year revenue foundation  
6 amount; or

7 (ii) the result of the school corporation's foundation amount  
8 multiplied by one and two-tenths (1.2).

9 STEP TWO: A school corporation's STEP TWO amount is the  
10 following:

11 (A) For a charter school located outside Marion County that  
12 has previous year revenue that is not greater than zero (0), the  
13 charter school's STEP TWO amount is the quotient of:

14 (i) the school corporation's transition to foundation revenue  
15 for the calendar year where the charter school is located;  
16 divided by

17 (ii) the school corporation's current ADM.

18 (B) For a charter school located in Marion County that has  
19 previous year revenue that is not greater than zero (0), the  
20 charter school's STEP TWO amount is the weighted average  
21 of the transition to foundation revenue for the school  
22 corporations where the students counted in the current ADM  
23 of the charter school have legal settlement, as determined  
24 under item (iv) of the following formula:

25 (i) Determine the transition to foundation revenue for each  
26 school corporation where a student counted in the current  
27 ADM of the charter school has legal settlement.

28 (ii) For each school corporation identified in item (i), divide  
29 the item (i) amount by the school corporation's current  
30 ADM.

31 (iii) For each school corporation identified in item (i),  
32 multiply the item (ii) amount by the number of students  
33 counted in the current ADM of the charter school that have  
34 legal settlement in the particular school corporation.

35 (iv) Determine the sum of the item (iii) amounts for the  
36 charter school.

37 (C) The STEP TWO amount for a school corporation that is  
38 not a charter school described in clause (A) or (B) is the  
39 following:

40 (i) The school corporation's foundation amount for the  
41 calendar year if the STEP ONE amount is zero (0) or  
42 greater.

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- 1 (ii) The amount determined under subsection (b), if the  
 2 school corporation's STEP ONE amount is less than zero (0).  
 3 (b) For the purposes of STEP TWO (C)(ii) in subsection (a),  
 4 determine the result of:  
 5 (1) the result determined for the school corporation under STEP  
 6 ONE (B) of subsection (a); minus  
 7 (2) the result of:  
 8 (A) the absolute value of the STEP ONE amount; divided by  
 9 (B) seven (7) in 2012 and six (6) in 2013 **and each year**  
 10 **thereafter.**  
 11 SECTION 8. IC 20-43-9-6, AS AMENDED BY P.L.229-2011,  
 12 SECTION 217, IS AMENDED TO READ AS FOLLOWS  
 13 [EFFECTIVE JANUARY 1, 2014]: Sec. 6. A school corporation's  
 14 primetime distribution for a calendar year under this chapter is the  
 15 amount determined by the following formula:  
 16 STEP ONE: Determine the applicable target pupil/teacher ratio  
 17 for the school corporation as follows:  
 18 (A) If the school corporation's complexity index is less than  
 19 one and one-tenth (1.1), the school corporation's target  
 20 pupil/teacher ratio is eighteen to one (18:1).  
 21 (B) If the school corporation's complexity index is at least one  
 22 and one-tenth (1.1) but less than one and three-tenths (1.3), the  
 23 school corporation's target pupil/teacher ratio is fifteen (15)  
 24 plus the result determined in item (iii) to one (1):  
 25 (i) Determine the result of one and three-tenths (1.3) minus  
 26 the school corporation's complexity index.  
 27 (ii) Determine the item (i) result divided by two-tenths (0.2).  
 28 (iii) Determine the item (ii) result multiplied by three (3).  
 29 (C) If the school corporation's complexity index is at least one  
 30 and three-tenths (1.3), the school corporation's target  
 31 pupil/teacher ratio is fifteen to one (15:1).  
 32 STEP TWO: Determine the result of:  
 33 (A) the ADM of the school corporation in kindergarten  
 34 through grade 3 for the current school year; divided by  
 35 (B) the school corporation's applicable target pupil/teacher  
 36 ratio, as determined in STEP ONE.  
 37 STEP THREE: Determine the result of:  
 38 (A) the basic tuition support for the year multiplied by  
 39 seventy-five hundredths (0.75); divided by  
 40 (B) the school corporation's ADM.  
 41 STEP FOUR: Determine the result of:  
 42 (A) the STEP THREE result; multiplied by

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- 1 (B) the ADM of the school corporation in kindergarten  
 2 through grade 3 for the current school year.
- 3 STEP FIVE: Determine the result of:  
 4 (A) the STEP FOUR result; divided by  
 5 (B) the staff cost amount.
- 6 STEP SIX: Determine the greater of zero (0) or the result of:  
 7 (A) the STEP TWO amount; minus  
 8 (B) the STEP FIVE amount.
- 9 STEP SEVEN: Determine the result of:  
 10 (A) the STEP SIX amount; multiplied by  
 11 (B) the staff cost amount.
- 12 STEP EIGHT: Determine the greater of the STEP SEVEN amount  
 13 or:  
 14 (A) for 2012, fifty percent (50%) of the school corporation's  
 15 guaranteed primetime amount; or  
 16 (B) for 2013 **and each year thereafter**, zero (0).
- 17 STEP NINE: A school corporation's amount under this STEP is  
 18 the following:  
 19 (A) If the amount the school corporation received under this  
 20 chapter in the previous calendar year is greater than zero (0),  
 21 the amount under this STEP is the lesser of:  
 22 (i) the STEP EIGHT amount; or  
 23 (ii) the amount the school corporation received under this  
 24 chapter for the previous calendar year multiplied by one  
 25 hundred seven and one-half percent (107.5%).  
 26 (B) If the amount the school corporation received under this  
 27 chapter in the previous calendar year is not greater than zero  
 28 (0), the amount under this STEP is the STEP EIGHT amount.
- 29 SECTION 9. IC 20-43-11 IS ADDED TO THE INDIANA CODE  
 30 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 31 JANUARY 1, 2014]:  
 32 **Chapter 11. High Achiever's Award**  
 33 **Sec. 1. This chapter does not apply to a virtual charter school.**  
 34 **Sec. 2. In addition to a basic tuition support distribution, a**  
 35 **school corporation is eligible for a high achiever's award provided**  
 36 **under this chapter if:**  
 37 **(1) the school corporation's current ADM is greater than**  
 38 **three thousand seven hundred (3,700) and less than four**  
 39 **thousand one hundred (4,100);**  
 40 **(2) the percentage of the school corporation's ADM**  
 41 **attributable to students eligible for the free and reduced lunch**  
 42 **program in calendar year 2010 was less than twenty percent**

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1 (20%);  
2 (3) the school corporation's enrollment in grades 9 through 12  
3 in the 2012-2013 school year was at least one thousand five  
4 hundred (1,500) and not more than two thousand (2,000); and  
5 (4) the school corporation's four (4) year graduation rate  
6 exceeded eighty-nine percent (89%) for each year beginning  
7 with 2002 and ending with 2010 under the department's  
8 school data report.  
9 **Sec. 3. A school corporation's high achiever's award for a**  
10 **calendar year is the amount determined under STEP TWO of the**  
11 **following formula:**  
12 **STEP ONE: Determine the number of the school**  
13 **corporation's students who graduated the previous calendar**  
14 **year and attend a postsecondary educational institution as**  
15 **determined in the department's most recent school data**  
16 **report.**  
17 **STEP TWO: Multiply the STEP ONE amount by five**  
18 **hundred dollars (\$500).**

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