

# COMMITTEE REPORT

## MADAM PRESIDENT:

**The Senate Committee on Education and Career Development, to which was referred House Bill No. 1338, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Page 9, line 17, after "a" delete "public".
- 2           Page 11, line 29, after "improvement" insert "**, including any**
- 3 **alternative accountability category or designation,**".
- 4           Page 11, line 35, reset in roman "may".
- 5           Page 11, line 35, delete "shall".
- 6           Page 12, between lines 14 and 15, begin a new line blocked left and
- 7 insert:
- 8 **"A charter school that is closed by the state board under this**
- 9 **section may not be granted a charter by any other authorizer."**
- 10          Page 14, line 19, delete "4" and insert "3".
- 11          Page 14, line 20, delete "deficiencies are identified" and insert
- 12 **"state board suspends the authorizer's authority to authorize new**
- 13 **charter schools in a final order"**.
- 14          Page 14, line 32, delete "the charter school's authorizer is
- 15 decommissioned." and insert **"the state board revokes the**
- 16 **authorizer's authority to function as an authorizer, regardless of**
- 17 **whether the state board has begun the process of winding up**
- 18 **authorization activities of the authorizer."**
- 19          Page 14, line 34, delete "year." and insert **"year containing the date**
- 20 **in which the charter school's application under this subsection is**

1 **disapproved. A charter school that is closed by the state board**  
 2 **under section 3 of this chapter may not be approved by another**  
 3 **authorizer under this subsection."**

4 Page 15, between lines 6 and 7, begin a new paragraph and insert:  
 5 "SECTION 19. IC 20-24-2.3 IS ADDED TO THE INDIANA CODE  
 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2013]:

8 **Chapter 2.3. Indianapolis Charter School Board**

9 **Sec. 1. This chapter applies only to an authorizer that is the**  
 10 **executive of a consolidated city.**

11 **Sec. 2. As used in this chapter, "executive" has the meaning set**  
 12 **forth in IC 36-1-2-5(2).**

13 **Sec. 3. (a) The Indianapolis charter school board is established.**

14 **(b) The Indianapolis charter school board is composed of the**  
 15 **following nine (9) members appointed to four (4) year terms:**

16 **(1) Six (6) members are appointed by the executive.**

17 **(2) Three (3) members are appointed by the president of the**  
 18 **city-county council for the consolidated city.**

19 **(c) The executive shall appoint the chairperson of the**  
 20 **Indianapolis charter school board.**

21 **(d) A majority of the members appointed to the Indianapolis**  
 22 **charter school board constitutes a quorum. The affirmative votes**  
 23 **of a majority of the voting members appointed to the Indianapolis**  
 24 **charter school board are required for the Indianapolis charter**  
 25 **school board to take action.**

26 **Sec. 4. The Indianapolis charter school board, with assistance**  
 27 **from the executive's office, shall establish a process to:**

28 **(1) review a proposal to establish a charter school under**  
 29 **IC 20-24-3-4; and**

30 **(2) make a decision on the proposal and communicate the**  
 31 **Indianapolis charter school board's decision to the executive's**  
 32 **office with respect to the Indianapolis charter school board's**  
 33 **decision to accept or reject the proposal;**

34 **and the executive shall notify an organizer of the Indianapolis**  
 35 **charter school board's decision as required under IC 20-24-3-9.**

36 **Sec. 5. The executive's office shall provide staff to carry out the**  
 37 **duties of the Indianapolis charter school board under this**  
 38 **chapter."**

- 1 Page 15, line 29, delete "governing board," and insert "**organizer**".
- 2 Page 15, line 38, delete "charter school governing" and insert
- 3 "**organizer**".
- 4 Page 15, line 39, delete "body".
- 5 Page 15, line 41, delete "organizer's board of directors" and insert
- 6 "**organizer**".
- 7 Page 21, between lines 28 and 29, begin a new line double block
- 8 indented and insert:
- 9 "**(C) The renewal application must include guidance from**
- 10 **the authorizer, and the guidance must include the**
- 11 **performance criteria that will guide the authorizer's**
- 12 **renewal decisions.**".
- 13 Page 21, line 29, delete "(C)" and insert "**(D)**".
- 14 Page 21, line 38, delete "(D)" and insert "**(E)**".
- 15 Page 22, line 3, after "application." insert "**The March 1 deadline**
- 16 **does not apply to any review or appeal of a final ruling. After the**
- 17 **final ruling is issued, the charter school may obtain further review**
- 18 **by the authorizer of the authorizer's final ruling in accordance**
- 19 **with the terms of the charter school's charter and the protocols of**
- 20 **the authorizer.**".
- 21 Page 23, delete lines 15 through 24, begin a new paragraph and
- 22 insert:
- 23 "SECTION 36. IC 20-24-4-2 IS ADDED TO THE INDIANA CODE
- 24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 25 1, 2013]: **Sec. 2. An organizer may hold one (1) or more charter**
- 26 **contracts. Each charter school that is part of a charter contract**
- 27 **must be separate and distinct from any other charter school.**".
- 28 Page 24, line 3, delete "challenging the rationale for".
- 29 Page 24, line 4, delete "revocation or nonrenewal and".
- 30 Page 24, delete line 6, begin a new line block indented and insert:
- 31 "**(4) allow the organizer access to representation by counsel;**
- 32 **and**".
- 33 Page 24, line 7, delete "(4)" and insert "**(5)**".
- 34 Page 28, delete lines 20 through 42, begin a new paragraph and
- 35 insert:
- 36 "SECTION 46. IC 20-24-7-13, AS AMENDED BY P.L.229-2011,
- 37 SECTION 171, IS AMENDED TO READ AS FOLLOWS
- 38 [EFFECTIVE JULY 1, 2013]: Sec. 13. (a) As used in this section,

1 "virtual charter school" means any charter school, including a  
 2 conversion charter school, that provides for the delivery of more than  
 3 fifty percent (50%) of instruction to students through:

- 4 (1) virtual distance learning;
- 5 (2) online technologies; or
- 6 (3) computer based instruction.

7 (b) ~~Beginning with the 2011-2012 school year~~; A virtual charter  
 8 school may apply for **sponsorship authorization** with any statewide  
 9 **sponsor authorizer** in accordance with the **sponsor's authorizer's**  
 10 guidelines.

11 (c) ~~Before January 1, 2012~~, a virtual charter school is entitled to  
 12 receive funding from the state in an amount equal to the sum of:

13 (1) the product of:

- 14 (A) the number of students included in the virtual charter  
 15 school's ADM; multiplied by
- 16 (B) eighty percent (80%) of statewide average basic tuition  
 17 support.

18 (d) ~~(c) After December 31, 2011~~, **Before July 1, 2013**, a virtual  
 19 charter school is entitled to receive funding from the state in an amount  
 20 equal to the sum of:

21 (1) the product of:

- 22 (A) the number of students included in the virtual charter  
 23 school's ADM; multiplied by
- 24 (B) eighty-seven and five-tenths percent (87.5%) of the  
 25 school's foundation amount determined under IC 20-43-5-4;  
 26 plus

27 (2) the total of any special education grants under IC 20-43-7 to  
 28 which the virtual charter school is entitled.

29 (d) **For a state fiscal year beginning after June 30, 2013, a**  
 30 **virtual charter school is entitled to receive funding from the state**  
 31 **in the manner prescribed under IC 20-43.**

32 (e) ~~After December 31, 2011~~, **For state fiscal years beginning**  
 33 **after June 30, 2013**, a virtual charter school is entitled to receive  
 34 special education grants under IC 20-43-7 calculated in the same  
 35 manner as special education grants are calculated for other school  
 36 corporations.

37 (d) (f) The ~~department~~ **state board** shall adopt rules under  
 38 IC 4-22-2 to govern the operation of virtual charter schools.

- 1           (e) **(g)** Beginning in 2009, The department, **with the approval of**  
 2 **the state board**, shall before December 1 of each year submit an  
 3 annual report to the budget committee concerning the program under  
 4 this section.
- 5           (f) This subsection does not apply to students who were enrolled in  
 6 a virtual charter school during the 2010-2011 school year. Each school  
 7 year, at least sixty percent (60%) of the students who are enrolled in  
 8 virtual charter schools under this section for the first time must have  
 9 been included in the state's ADM count for the previous school year".
- 10           Page 29, delete lines 1 through 25.
- 11           Page 29, delete lines 37 through 42.
- 12           Page 30, delete lines 1 through 12.
- 13           Page 31, line 9, after "if" insert "**after the authorizer has notified**  
 14 **the school and given reasonable time to correct the issue,**".
- 15           Page 31, line 12, after "conditions" insert "**or procedures**".
- 16           Page 31, line 17, after "accepted" insert "**fiscal management and**".
- 17           Page 33, line 27, strike "calendar" and insert "**state fiscal**".
- 18           Page 33, line 28, delete "after December 31," and insert "**in a state**  
 19 **fiscal year beginning after June 30,**".
- 20           Re-number all SECTIONS consecutively.  
 (Reference is to HB 1338 as reprinted February 21, 2013.)

**and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.**

Committee Vote: Yeas 7, Nays 4.

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**Kruse**

**Chairperson**