NEW LAWS AFFECTING SCHOOL CORPORATIONS

PUBLIC LAW 6 – HOUSE ENROLLED ACT 1009 – EFFECTIVE FEBRUARY 22 AND JULY 1, 2012
Technical Corrections - Makes corrections to several sections of the Indiana Code.

PUBLIC LAW 12 – HOUSE ENROLLED ACT 1047 – EFFECTIVE FEBRUARY 29, 2012
Education Study Committee

Establishes the education issues interim study committee to study the feasibility of establishing a process by which residents of a part of an existing school corporation may elect to disannex from the existing school corporation and either annex to another existing school corporation or establish a new school corporation.

PUBLIC LAW 17 – HOUSE ENROLLED ACT 1154 – EFFECTIVE JULY 1, 2012
Public Works Projects

Amends IC 36-1-12-4, IC 36-1-12-4.7, and IC 36-1-12-5 - Repeals IC 36-1-12-22 – Requires preparation of general plans and specifications and advertising for sealed proposals for public works projects of at least $150,000 for all political subdivisions except boards of aviation commissioners and airport authorities. Requires advertising for proposals by boards of aviation commissioners and airport authorities for public works projects of at least $100,000. Raises the threshold for requiring a financial statement, statement of experience, proposed plan for the project, and the equipment that the bidder has available from $100,000 to $150,000. Allows bids to be opened after the time designated if the board makes a written determination that it is in the best interest of the board to delay the opening and the day, time and place of the rescheduled opening are announced at the originally scheduled opening. Eliminates the local Indiana businesses price preference requirement for public works projects.

Public Purchases Law – Amends IC 15-22-15-20.9 – Requires an adjacent county who qualifies for a local Indiana business price preference to be an Indiana county.

PUBLIC LAW 21 – SENATE ENROLLED ACT 231 – EFFECTIVE JULY 1, 2012
Disqualification of Contractors Dealing with Government of Iran

Adds IC 5-22-16.5 – Requires Indiana Department of Administration to develop and publish a list of vendors that would be disqualified due to dealing with Iran. Provides for exceptions of vendors that would be disqualified and the steps that political subdivisions must take in order to do business with these vendors. Provides that a contractor being awarded a contract must certify in writing that the person is not engaged in investment activities in Iran. The certification is to be placed in the contract file.
PUBLIC LAW 24 – SENATE ENROLLED ACT 259 - EFFECTIVE JULY 1, 2012
School Consolidation Executive Session

Amends IC 5-14-1.5-6.1 to allow discussion of strategy with respect to school consolidation to be conducted in an executive session.

PUBLIC LAW 26 – HOUSE ENROLLED ACT 1058 - EFFECTIVE JULY 1, 2012
Adoption of budget for reorganized school

Amends IC 36-1.5-4-7 - Permits two or more school corporations to publish notices, hold public hearings, and take final action for the adoption of property tax levies, property tax rates, and a budget for the reorganized school corporation after the voters approve a plan of reorganization in a general election. Provides that a conversion charter school must publish its estimated annual budget for the ensuing year.

PUBLIC LAW 31 – SENATE ENROLLED ACT 109 – EFFECTIVE JULY 1, 2012
Deposit Accounts

Amends IC 5-13-9-5.3 – Allows a school corporation to pass an ordinance or resolution authorizing the investment in interest bearing deposit accounts in accordance with the following conditions:

1. The funds are initially invested through a depository that is selected by the investing officer.

2. The selected depository arranges for the deposit of the funds in interest bearing deposit accounts in one (1) or more federally insured banks or savings and loan associations, wherever located, for the account of the school corporation.

3. The full amount of the principal and any accrued interest of each deposit are covered by insurance of any federal deposit insurance agency.

4. The selected depository acts as a custodian for the school corporation with respect to the deposits.

5. On the same date that the school corporation’s funds are deposited, the selected depository receives an amount of deposits covered by insurance of any federal deposit insurance agency from customers of other institutions, wherever located, at least equal to the amount of the funds invested by the city or town.

Public funds invested in this manner are not subject to any security or pledging requirements that may otherwise be applicable to the deposit or investment of public funds.
PUBLIC LAW 43 - SENATE ENROLLED ACT 191 – EFFECTIVE JULY 1, 2012
Investments

Adds IC 5-13-9-5.7 – Allows a school corporation to adopt an investment policy authorizing the investment of funds for more than two years and not more than five years.

The policy must:

1. be in writing;
2. be adopted at a public meeting;
3. provide for the investment of public funds with the approval of the investing officer;
4. provide that the investments must be made in accordance with IC 5-13;
5. limit the total investments outstanding to not more than twenty-five percent (25%) of the total portfolio of public funds invested by the city or town, including balances in transaction accounts; and
6. state a date on which the policy expires, which may not exceed four (4) years.

A policy adopted remains in effect only through the date of expiration established in the policy, which may not exceed four (4) years.

A fiscal body that has adopted a written investment policy may adopt an ordinance authorizing its investing officer to make investments having a stated final maturity that is:

1. more than two (2) years; but,
2. not more than five (5) years; after the date of purchase or entry into a repurchase agreement.

An ordinance adopted and the power to make an investment expire on the date on which the policy expires, which may not exceed four (4) years.

After an investment of public funds is made by the investing officer, the total investments of the city or town outstanding may not exceed twenty-five percent (25%) of the total portfolio of public funds invested by the city or town, including balances in transaction accounts. However, an investment made in this manner when the investment is made remains legal if:

1. the investment policy has expired; or
2. a subsequent decrease in the total portfolio of public funds invested by the political subdivision, including balances in transaction accounts, causes the percentage of investments outstanding to exceed twenty-five percent (25%) of the total portfolio of public funds invested by the city or town.

An investing officer may contract with a federally regulated investment advisor or other institutional money manager to make investments under these provisions.
PUBLIC LAW 46 - SENATE ENROLLED ACT 267 - EFFECTIVE JULY 1, 2012
Education Concerning Child Abuse

Adds IC 20-19-3-11 - Requires the department of education, in collaboration with the department of child services and organizations that have expertise in child abuse, including child sexual abuse, to identify or develop model education materials, response policies, and reporting procedures on child abuse, including child sexual abuse, for use by schools for grade 2 through grade 5.

PUBLIC LAW 65 - SENATE ENROLLED ACT 283 - EFFECTIVE JULY 1, 2012
Nonpublic Alternative High Schools; Residential Facilities

Amends IC 20-19-2-10 and IC 20-49-5-3; Adds IC 20-26-11-31 - Requires the department of education to waive accreditation standards for an accredited nonpublic alternative high school that contracts with a school corporation to provide alternative education services for students who: (1) have dropped out of high school; (2) have been expelled; or (3) were not successful in the school corporation; to accommodate the nonpublic alternative high school's program and student population. Provides that a school corporation that enrolls a student who has legal settlement in another school corporation for the student to receive services from a nonpublic alternative high school receives state tuition support for the student. Provides that a student who is placed in a residential facility is entitled to receive certain defined educational services from the school corporation in which the facility is located.

PUBLIC LAW 67 - SENATE ENROLLED ACT 309 – EFFECTIVE JULY 1, 2012
Public Works/Public Purchases - See Public Law 17 for similar provisions.

PUBLIC LAW 75 – HOUSE ENROLLED ACT 1163 – EFFECTIVE JULY 1, 2012
Public Works Projects – Retainage And Payment Bonds

Amends IC 36-1-12-12 and IC 36-1-12-13.1 – Makes technical corrections to the laws dealing with retainage and payment bonds.

PUBLIC LAW 84 – HOUSE ENROLLED ACT 1283 – EFFECTIVE JULY 1, 2012
Record Retention Schedules

Amends IC 5-15-6-2.5 – Requires each county Commission of Public Records to implement local government record retention schedules not more than 30 days after adoption by the State’s Oversight Committee of the Indiana Commission on Public Records (ICPR).

PUBLIC LAW 90 - SENATE ENROLLED ACT 193 – EFFECTIVE JANUARY 1, 2013
Statement Of Economic Interests For Local And School Board Offices

Amends IC 3-8-1-33, IC 3-8-2-11, IC 36-2-2-5, IC 36-2-2-5; Adds IC 3-8-9 – Requires candidates for local or school board office to file a written statement of economic interests with the individual’s declaration of candidacy, petition of nomination, declaration of intent to be a write-in candidate, or certificate of candidate selection. Requires an individual who files a vacancy in an elected local or school board office to file a statement of economic interests not later than 60 days after the individual assumes the office.
PUBLIC LAW 96 - HOUSE ENROLLED ACT 1004 - EFFECTIVE MARCH 16, 2012
Various Election Law Matters

Corrects a reference to the terms of office of school board members to conform the law to the amendments made during the 2011 session that provide that all elected school board members are elected at a general election.

PUBLIC LAW 114 - SENATE ENROLLED ACT 26 – EFFECTIVE JULY 1, 2012
Title 35 Revisions

Adds IC 35-31.5 – Amends several sections of IC 35 – Organizes definitions in Title 35.

PUBLIC LAW 119 - SENATE ENROLLED ACT 115 – EFFECTIVE VARIOUS DATES
Classifications Of Political Subdivisions

Amends several sections of the Indiana Code – Changes population parameters in various statutes to reflect the 2010 decennial census count.

PUBLIC LAW 126 - SENATE ENROLLED ACT 262 – EFFECTIVE JULY 1, 2012
Title 35 Revisions

Adds IC 35-44.1 – Reorganizes certain crimes by relocating and renumbering them as offenses against public administration (IC 35-44) into a new article (IC 35-44.1).

PUBLIC LAW 134 – HOUSE ENROLLED ACT 1003 – EFFECTIVE JULY 1, 2012 AND JANUARY 1, 2013
Public Records/Public Access – Adds IC 5-14-1.5-3.5, IC 5-14-1.5-3.6, IC 5-14-1.5-7.5, IC 5-14-3-9.5 and IC 5-14-4-14 – Amends IC 5-14-1.5-3, IC 5-14-1.5-4, IC 5-14-1.5-5, IC 5-14-1.5-7, IC 5-14-3-3, IC 5-14-3-4, IC 5-14-3-9, and IC 5-15-5.1-1 – Allows a court to impose civil penalties to officers of a public agency or a public agency where an individual with specific intent to violate the law fails to perform a duty under IC 5-14-1.5 by:

1. failing to give proper notice of a regular meeting, special meeting, or executive session;
2. taking final action outside a regular meeting or special meeting;
3. participating in a secret ballot during a meeting;
4. discussing in an executive session subjects not eligible for discussion in an executive session;
5. failing to prepare a memorandum of a meeting, or
6. participating in at least one (1) gathering of a series of gatherings.
PUBLIC LAW 134 (Continued)

States a civil penalty may only be imposed as part of an action filed. A court may not impose a civil penalty unless the public access counselor has issued an advisory opinion:

1. to the complainant and the public agency;
2. that finds that the individual or public agency violated IC 5-14-1.5; and
3. before the action is filed.

If an individual:

1. continues to deny a request that complies with IC 5-14-3-3(b) for inspection or copying of a public record after the public access counselor has issued an advisory opinion:
   A. regarding the request for inspection or copying of the public record; and
   B. that instructs the public agency to allow access to the public record; and
2. denies the request with the specific intent to unlawfully withhold a public record that is subject to disclosure; the individual and the public agency employing the individual are subject to a civil penalty.

If an individual intentionally charges a copying fee that the individual knows exceeds the amount set by statute, fee schedule, ordinance, or court order, the individual is subject to a civil penalty.

A civil penalty may only be imposed as part of an action filed. A court may not impose a civil penalty unless the public access counselor has issued an advisory opinion:

1. to the complainant and the public agency;
2. that instructs the public agency to allow access to the public record; and
3. before the action is filed.

Civil penalties imposed by a court may not be more than $100 for the first violation and not more than $500 for each additional violation. States that an individual is personally liable for a civil penalty that is imposed and that civil penalties imposed against a public agency shall be paid by the public agency’s budget. Creates an education fund for the public access counselor where such civil penalties shall be deposited. Such fund is to be used to train elected officials and the public about public access laws.

PUBLIC LAW 136 – HOUSE ENROLLED ACT 1049 – EFFECTIVE JULY 1, 2012
State Inspector General

Amends IC 5-11-6-1 and IC 5-11-6-3 – Requires the State Board of Accounts to file certain examination reports with the Inspector General.
PUBLIC LAW 137 – HOUSE ENROLLED ACT 1072 – EFFECTIVE VARIOUS DATES

Additional Appropriations - Amends IC 6-1.1-18-5 States that IC 6-1.1-18-5 applies to an additional appropriation by a political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20 or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

Cumulative And Capital Projects Funds – Adds IC 6-1.1-18-12.5 – Changes the formula for calculating adjustments to the minimum permissible tax rate for cumulative and capital projects funds to reflect changes in total assessed value in a taxing unit. Allows for loans from the State general fund to certain eligible local units with cumulative or capital projects funds.

Credit Card Transaction Charges Or Discount Fees - Amends IC 36-1-8-11 – States that if there is a vendor transaction charge or discount fee, whether billed to the political subdivision or municipally owned utility or charged directly to the political subdivision's or municipally owned utility's account, the political subdivision or municipally owned utility may collect from the person using the card an official fee that may not exceed the transaction charge or discount fee charged to the political subdivision or municipally owned utility by bank or credit card vendors. The fee is a permitted additional charge under IC 24-4.5-3-202.

Annual Reports/100-R Reports - Amends IC 5-11-1-4, IC 5-11-13-1, and IC 5-14-3-8-7 – States that the annual report must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed in IC 5-14-3-8-7. Requires all 100-R reports to be filed electronically and to include a statement indicating whether the political subdivision offers a health plan, a pension plan and other benefits to full-time and part-time employees.

PUBLIC LAW 140 - HOUSE ENROLLED ACT 1134 – EFFECTIVE VARIOUS DATES

School Transportation

Amends IC 20-27-5-2 and IC 20-46-5-12 - Provides that no fee may be charged to a parent or student for transportation to and from school if a school corporation provides transportation or contracts with an educational service center to provide transportation. Provides that parent supplemental transportation contracts do not apply to transportation provided by an educational service center. Makes a technical correction concerning school bus replacement plans.

PUBLIC LAW 142 - HOUSE ENROLLED ACT 1169 – EFFECTIVE JULY 1, 2012

School Discipline

Requests the legislative council to establish a study commission on the topic of school discipline best practices.
PUBLIC LAW 144 - HOUSE ENROLLED ACT 1189 – EFFECTIVE VARIOUS DATES
School Finance

Amends IC 20-33-2-10, IC 20-43-1 and IC 20-43-4-3 - Requires an accredited nonpublic school to provide sufficient verbal information to permit a requesting school to which a child transfers to make an appropriate placement decision when the parent of the child is in breach of a contract that conditions release of student records on the payment of outstanding tuition and other fees. Requires the state board of education to conduct a second count of students enrolled in school corporations and charter schools in February of each school year. Expires the school funding formula on July 1, 2013. Transfers the appropriation and funding for charter school start-up grants to the appropriation for state tuition support. Increases the amount of the charter school start-up grant for charter schools that begin operation in calendar year 2012 and provides that the grant is to be paid in six installments with one installment in each of the last six months of calendar year 2012. Specifies that the amount distributed as special grants to school corporations to reflect the savings resulting from the education of students under a choice scholarship rather than in a school corporation are limited only by the state fiscal year appropriation and not the calendar year cap that limits the amount of state tuition support payable in a calendar year.

PUBLIC LAW 145 - HOUSE ENROLLED ACT 1192 - EFFECTIVE MARCH 19, 2012
School Corporation and Local Government Finances

Amends and adds several IC codes - Provides that before January 1, 2014, a school corporation may use the debt restructuring statutes if the school corporation has a circuit breaker impact of at least 20%, as certified by the department of local government finance (DLGF) (rather than 30%, under current law). Provides that if a school corporation that covers its active and retired employees under a state employee health plan consolidates, reorganizes, or merges after May 1, 2012, with a school corporation that does not cover its active and retired employees under a state employee health plan, the school corporation that results from the consolidation, reorganization, or merger must allow an individual for whom the first school corporation had (as of the effective date of the consolidation, reorganization, or merger) health insurance liability under a state employee health plan to continue the individual's coverage under the state employee health plan for at least five years, as long as the individual otherwise remains eligible for coverage under the plan. Provides that a school corporation that carried out a general program in at least one school year beginning after June 30, 2010, to provide transportation to and from school for eligible students must carry out a program to provide transportation to and from school, unless the governing body of the school corporation: (1) approves the termination of the transportation program; and (2) provides public notice of the termination; at least three years before the date after which the transportation will no longer be provided. Allows the department of education to waive these requirements if the department determines that a transportation plan presented by the school corporation, with or without revisions required by the department: (1) will protect the safety of eligible students enrolled in the school corporation; and (2) is otherwise in accordance with applicable law. Provides that before January 1, 2018, costs attributable to transportation may be budgeted in and paid from a school corporation's general fund. Provides that the DLGF may upon petition by a school corporation adjust the school corporation's levy for the school bus replacement fund to reflect the school corporation's school bus acquisition plan. Reduces (by 75% in 2013, 50% in 2014, and 25% in 2015) the amount by which a school corporation must otherwise reduce the school corporation's other levies to offset a pension debt levy, if the school corporation adopts a resolution to apply such a reduction.
PUBLIC LAW 148 - HOUSE ENROLLED ACT 1205 - EFFECTIVE JULY 1, 2012

School Employee Contracts

Adds IC 20-24-9-7, IC 20-26-5-4.7, and IC 20-29-6-19 - Requires a school corporation to give public notice and hold a public meeting pertaining to a proposed superintendent employment contract. Provides that the public meeting must occur at least seven days before a contract for employment is entered. Provides that the governing body is not required to disclose the identity of the candidate for superintendent at the public meeting. Requires that the governing body shall post the provisions of a superintendent's employment contract on the school corporation's internet web site. Requires a school corporation to post the provisions of an employment contract with a certificated employee that is not represented by an exclusive representative on the school corporation's internet web site. Provides that after a governing body and the certified employees' exclusive representative have reached an agreement on a contract, the governing body shall post the contract on the school corporation's internet web site. Requires the organizer of a charter school to publish the names of the members of the charter school's governing body on the school's internet web site.

PUBLIC LAW 160 - HOUSE ENROLLED ACT 1376 – EFFECTIVE VARIOUS DATES

State And Local Administration

Permits augmentation of the appropriation for full-day kindergarten. Changes the amount distributed per child. Establishes the select commission on education to study: (1) the process of adoption and content of rules adopted by the Indiana state board of education concerning categories or designations of school improvement including the matrices used for the A-F designations; and (2) proposed rules, adopted rules, and policies of the department of education and the Indiana state board of education to implement the provisions of P.L.90-2011, concerning teacher evaluations and licensing. Makes changes to the process in which a school corporation may modify the department's model staff performance evaluation plan. Makes changes to the definition of a turnaround academy. Provides that if the state board assigns a special management team to a school, the state board shall enter into a contract with a special management team that includes: (1) a requirement that the special management team and the governing body conduct a public meeting two times each year to provide a report concerning student achievement of affected students; and the condition of the school property and to address issues related to the school property and (2) a requirement that the student instruction must be provided by teachers licensed under IC 20-28-5. Provides that individuals employed by the special management team are entitled to participate in either PERF or TRF. Provides that employees are not required to collectively bargain.