

Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1001

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AN ACT to amend the Indiana Code concerning education and to make an appropriation.

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

SECTION 1. IC 20-19-3.6 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]:

**Chapter 3.6. Virtual Education Program Report**

**Sec. 1. As used in this chapter, "virtual education program" means a program provided by a school corporation in which a student in the program is provided instruction in an interactive learning environment created through technology in which the student is separated from a teacher by time or space, or both.**

**Sec. 2. (a) Before October 1, 2018, each school corporation operating a virtual education program shall submit a report to the department covering the program.**

**(b) The report must include the following:**

- (1) The virtual education program enrollment policy, including the grade levels the program serves.**
- (2) The ADM count for the school corporation.**
- (3) The ADM count of students participating in a virtual education program, including the composition of the legal settlement of the students and the amount and percentage of virtual program instructional time compared to total instructional time spent by students participating in the**

HEA 1001 — CC 1



**program, for each of the following school years:**

- (A) The 2016-2017 school year.**
- (B) The 2017-2018 school year.**
- (C) The 2018-2019 school year.**
- (4) An estimate of the following for the 2019-2020 school year:**
  - (A) The expected ADM count of all students enrolled in the school corporation.**
  - (B) The expected ADM count of students expected to participate in a virtual education program.**
  - (C) The amount and percentage of virtual program instructional time compared to total instructional time to be spent by students expected to participate in a virtual education program.**

**(c) The department shall provide to the budget committee before January 1, 2019, a report covering the information reported by school corporations on virtual education programs for the 2016-2017 school year through the 2018-2019 school year and the 2019-2020 school year estimates.**

**(d) This chapter expires June 30, 2019.**

SECTION 2. IC 20-43-2-2, AS AMENDED BY P.L.205-2013, SECTION 269, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a)** The maximum state distribution for a state fiscal year for all school corporations for the purposes described in section 3 of this chapter is the amount appropriated by the general assembly for those purposes for that state fiscal year.

**(b) If the budget director, after review by the budget committee, makes a determination that the amount of the distribution for a state fiscal year for all school corporations for the purposes described in section 3 of this chapter exceeds the amount appropriated for these purposes for the state fiscal year, the budget agency shall transfer money from the state tuition reserve account to the state general fund to cover the difference. However, the maximum amount that may be transferred to the state general fund for the state fiscal year may not exceed:**

- (1) twenty-five million dollars (\$25,000,000) for the state fiscal year beginning July 1, 2017; and**
- (2) seventy-five million dollars (\$75,000,000) for the state fiscal year beginning July 1, 2018.**

**(c) Any amounts transferred under this section shall be used to augment the appropriation for state tuition support for the state fiscal year and shall be distributed to school corporations to make**



or restore the distributions for the purposes described in section 3 of this chapter.

(d) Transfers under this section are in addition to any transfers made from the state tuition reserve account under IC 4-12-1-15.7 or any other law.

(e) To the extent that the amount appropriated plus the amount transferred is less than the amount that would be distributed under this article, the total amount to be distributed for the purposes described in section 3 of this chapter to each recipient during the remaining months of the state fiscal year shall be proportionately reduced so that the total reductions equal the amount of the excess for the purposes described in section 3 of this chapter.

SECTION 3. IC 20-43-2-3, AS AMENDED BY P.L.213-2015, SECTION 208, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. ~~If the total amount to be distributed:~~ **In determining the total amount to be distributed for purposes of section 2 of this chapter, distributions:**

- (1) as basic tuition support;
- (2) for honors diploma awards;
- (3) for complexity grants;
- (4) for special education grants;
- (5) for career and technical education grants;
- (6) for choice scholarships; and
- (7) for Mitch Daniels early graduation scholarships;

**are to be considered** for a particular state fiscal year. ~~exceeds the amounts appropriated by the general assembly for those purposes for the state fiscal year, the total amount to be distributed for those purposes to each recipient during the remaining months of the state fiscal year shall be proportionately reduced so that the total reductions equal the amount of the excess.~~

SECTION 4. IC 20-43-2-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The amount of the reduction for a particular school corporation under section 3 2 of this chapter is equal to the total amount of the excess determined under section 3 2 of this chapter multiplied by a fraction. The numerator of the fraction is the amount of the distribution for state tuition support that the school corporation would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed for state tuition support to all school corporations if a reduction were not made under this section.

SECTION 5. IC 20-43-4-5, AS AMENDED BY P.L.213-2015,



SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. In determining ADM, each kindergarten pupil **who is at least five (5) years of age on August 1 of a school year** shall be counted as:

- (1) one (1) pupil, if the pupil is enrolled in a full-day kindergarten program; or
- (2) one-half (1/2) pupil, if the pupil is enrolled in a half-day kindergarten program.

If a school corporation commences kindergarten in a school year, the ADM of the current and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils. **A kindergarten pupil who is not at least five (5) years of age on August 1 of a school year may not be counted.**

SECTION 6. **An emergency is declared for this act.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

**HEA 1001 — CC 1**

