



January 8, 2016

HOUSE BILL No. 1003

DIGEST OF HB 1003 (Updated January 6, 2016 12:12 pm - DI 116)

Citations Affected: IC 20-43; noncode.

Synopsis: Teacher evaluations. Provides that, for a state fiscal year beginning July 1, 2015, and ending June 30, 2016, the amount that a school corporation may receive as part of a performance grant relating to test results shall be calculated using the higher of: (1) the percentage of passing scores on ISTEP program tests for the school for the 2013-2014 school year; or (2) the percentage of passing scores on ISTEP program tests for the school for the 2014-2015 school year. Provides that the school corporation shall distribute all stipends from a performance grant to individual teachers within 20 business days of the date the department distributes the performance grant to the school corporation. Provides that ISTEP program test scores or a school's category or designation of school improvement for the 2014-2015 school year may not be used by a school corporation as part of an annual performance evaluation of a particular certificated employee unless the use of the ISTEP program test scores or a school's category or designation of school improvement would improve the particular teacher's annual performance rating.

Effective: July 1, 2015 (retroactive).

Behning

January 5, 2016, read first time and referred to Committee on Education.
January 7, 2016, amended, reported — Do Pass.

HB 1003—LS 6941/DI 116



January 8, 2016

Second Regular Session of the 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1003

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 20-43-10-3, AS AMENDED BY P.L.213-2015,
2 SECTION 226, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2015 (RETROACTIVE)]; Sec. 3. (a) As used
4 in this section, "achievement test" means a:
5 (1) test required by the ISTEP program; or
6 (2) Core 40 end of course assessment for the following:
7 (A) Algebra I.
8 (B) English 10.
9 (C) Biology I.
10 (b) As used in this section, "graduation rate" means the percentage
11 graduation rate for a high school in a school corporation as determined
12 under IC 20-26-13-10 but adjusted to reflect the pupils who meet the
13 requirements of graduation under subsection (c).
14 (c) As used in this section, "test" means either:
15 (1) a test required by the ISTEP program; or
16 (2) a Core 40 end of course assessment.
17 in the school year ending in the immediately preceding state fiscal year

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1 or; for purposes of a school year to school year comparison; in the
2 school year immediately preceding that school year.

3 (d) A pupil meets the requirements of graduation for purposes of
4 this section if the pupil successfully completed:

5 (1) a sufficient number of academic credits, or the equivalent of
6 academic credits; and

7 (2) the graduation examination required under IC 20-32-3 through
8 IC 20-32-5;

9 that resulted in the awarding of a high school diploma or an academic
10 honors diploma to the pupil for the school year ending in the
11 immediately preceding state fiscal year.

12 (e) Determinations for a school for a state fiscal year must be made
13 using:

14 (1) the count of tests passed compared to the count of tests taken
15 throughout the school;

16 (2) the graduation rate in the high school; and

17 (3) the count of pupils graduating in the high school.

18 (f) In determining grants under this section, a school corporation
19 may qualify for the following two (2) grants each year:

20 (1) One (1) grant under subsection (h), (i), or (j).

21 (2) One (1) grant under subsection (k), (l), or (m).

22 (g) The sum of the two (2) grant amounts described in subsection
23 (f), as determined for a school corporation under this section,
24 constitutes an annual performance grant that is in addition to state
25 tuition support. The annual performance grant for a state fiscal year
26 shall be distributed to the school corporation before December 5 of that
27 state fiscal year. If the:

28 (1) total amount to be distributed as performance grants for a
29 particular state fiscal year exceeds the amount appropriated by the
30 general assembly for performance grants for that state fiscal year,
31 the total amount to be distributed as performance grants to school
32 corporations shall be proportionately reduced so that the total
33 reduction equals the amount of the excess. The amount of the
34 reduction for a particular school corporation is equal to the total
35 amount of the excess multiplied by a fraction. The numerator of
36 the fraction is the amount of the performance grant that the school
37 corporation would have received if a reduction were not made
38 under this section. The denominator of the fraction is the total
39 amount that would be distributed as performance grants to all
40 school corporations if a reduction were not made under this
41 section; and

42 (2) total amount to be distributed as performance grants for a



1 particular state fiscal year is less than the amount appropriated by
2 the general assembly for performance grants for that state fiscal
3 year, the total amount to be distributed as performance grants to
4 school corporations for that particular state fiscal year shall be
5 proportionately increased so that the total amount to be
6 distributed equals the amount of the appropriation for that
7 particular state fiscal year.

8 The performance grant received by a school corporation shall be
9 allocated among and used only to pay cash stipends to all teachers who
10 are rated as effective or as highly effective and employed by the school
11 corporation as of December 1. The lead school corporation or interlocal
12 cooperative administering a cooperative or other special education
13 program or administering a career and technical education program,
14 including programs managed under IC 20-26-10, IC 20-35-5, IC 20-37,
15 or IC 36-1-7, shall award performance stipends to and carry out the
16 other responsibilities of an employing school corporation under this
17 section for the teachers in the special education program or career and
18 technical education program. The amount of the distribution from an
19 annual performance grant to an individual teacher is determined at the
20 discretion of the governing body of the school corporation. The
21 governing body shall differentiate between the amount of the stipend
22 awarded to a teacher rated as a highly effective teacher and a teacher
23 rated as an effective teacher and may differentiate between school
24 buildings. A stipend to an individual teacher in a particular year is not
25 subject to collective bargaining and is in addition to the minimum
26 salary or increases in salary set under IC 20-28-9-1.5. In addition, an
27 amount determined under the policies adopted by the governing body
28 but not exceeding fifty percent (50%) of the amount of a stipend to an
29 individual teacher in a particular state fiscal year beginning after June
30 30, 2015, becomes a permanent part of and increases the base salary of
31 the teacher receiving the stipend for school years beginning after the
32 state fiscal year in which the stipend is received. The addition to base
33 salary under this section is not subject to collective bargaining, is
34 payable from funds other than the performance grant, and is in addition
35 to the minimum salary and increases in salary set under IC 20-28-9-1.5.
36 The school corporation shall complete the appropriation process for all
37 stipends from a performance grant to individual teachers before
38 December 31 of the state fiscal year in which the performance grant is
39 distributed to the school corporation and distribute all stipends from a
40 performance grant to individual teachers before the immediately
41 following January 31. Any part of the performance grant not distributed
42 as stipends to teachers before February must be returned to the



1 department on the earlier of the date set by the department or June 30
2 of that state fiscal year.

3 (h) **Except as provided in subsection (n)**, a school qualifies for a
4 grant under this subsection if the school has more than seventy-five
5 percent (75%) but less than ninety percent (90%) of the tests taken in
6 the school year ending in the immediately preceding state fiscal year
7 that receive passing scores. The grant amount for the state fiscal year
8 is:

9 (1) the count of the school's passing scores on tests in the school
10 year ending in the immediately preceding state fiscal year;
11 multiplied by

12 (2) twenty-three dollars and fifty cents (\$23.50).

13 (i) **Except as provided in subsection (n)**, a school qualifies for a
14 grant under this subsection if the school has at least ninety percent
15 (90%) of the tests taken in the school year ending in the immediately
16 preceding state fiscal year that receive passing scores. The grant
17 amount for the state fiscal year is:

18 (1) the count of the school's passing scores on tests in the school
19 year ending in the immediately preceding state fiscal year;
20 multiplied by

21 (2) forty-seven dollars (\$47).

22 (j) This subsection does not apply to a school corporation in its first
23 year of operation or to a school corporation that is entitled to a
24 distribution under subsection (h) or (i). **Except as provided in**
25 **subsection (n)**, a school qualifies for a grant under this subsection if
26 the school's school year over school year percentage growth rate of
27 achievement tests receiving passing scores was at least one percent
28 (1%), comparing the school year ending in the immediately preceding
29 state fiscal year to the school year immediately preceding that school
30 year. The grant amount for the state fiscal year is:

31 (1) the count of the school corporation's pupils who had a passing
32 score on their achievement test in the school year ending in the
33 immediately preceding state fiscal year; multiplied by

34 (2) one hundred sixty dollars (\$160).

35 (k) A school qualifies for a grant under this subsection if the school
36 had a graduation rate of ninety percent (90%) or more for the school
37 year ending in the immediately preceding state fiscal year. The grant
38 amount for the state fiscal year is:

39 (1) the count of the school corporation's pupils who met the
40 requirements for graduation for the school year ending in the
41 immediately preceding state fiscal year; multiplied by

42 (2) one hundred seventy-six dollars (\$176).



1 (l) A school qualifies for a grant under this subsection if the school
 2 had a graduation rate greater than seventy-five percent (75%) but less
 3 than ninety percent (90%) for the school year ending in the
 4 immediately preceding state fiscal year. The grant amount for the state
 5 fiscal year is:

6 (1) the count of the school corporation's pupils who met the
 7 requirements for graduation for the school year ending in the
 8 immediately preceding state fiscal year; multiplied by

9 (2) eighty-eight dollars (\$88).

10 (m) This subsection does not apply to a school in its first year of
 11 operation or to a school corporation that is entitled to a distribution
 12 under subsection (k) or (l). A school qualifies for a grant under this
 13 subsection if the school's school year over school year percentage
 14 growth in its graduation rate is at least one percent (1%), comparing the
 15 graduation rate for the school year ending in the immediately preceding
 16 state fiscal year to the graduation rate for the school year immediately
 17 preceding that school year. The grant amount for the state fiscal year
 18 is:

19 (1) the count of the school corporation's pupils who met the
 20 requirements for graduation in the school year ending in the
 21 immediately preceding state fiscal year; multiplied by

22 (2) one thousand dollars (\$1,000).

23 **(n) This subsection applies to the state fiscal year beginning July**
 24 **1, 2015, and ending June 30, 2016. Notwithstanding subsection (h),**
 25 **(i), or (j), the amount of the grant described in subsection (h), (i),**
 26 **or (j) shall be calculated using the higher of:**

27 **(1) the percentage of passing scores on ISTEP program tests**
 28 **for the school for the 2013-2014 school year; or**

29 **(2) the percentage of passing scores on ISTEP program tests**
 30 **for the school for the 2014-2015 school year.**

31 **Notwithstanding subsection (g), the school corporation shall**
 32 **distribute all stipends from a performance grant to individual**
 33 **teachers within twenty (20) business days of the date the**
 34 **department distributes the performance grant to the school**
 35 **corporation.**

36 ~~(n)~~ **(o)** This section expires June 30, 2017.

37 SECTION 2. [EFFECTIVE JULY 1, 2015 (RETROACTIVE)] **(a)**
 38 **The definitions in IC 20 apply throughout this SECTION.**

39 **(b) Notwithstanding IC 20-28-11.5-4 or 511 IAC 10-6-4, ISTEP**
 40 **program test scores or a school's category or designation of school**
 41 **improvement under IC 20-31-8 for the 2014-2015 school year,**
 42 **based on the ISTEP program test taken in the spring of 2015, may**



1 not be used by a school corporation as part of an annual
2 performance evaluation of a particular certificated employee
3 under a performance plan developed under IC 20-28-11.5-4 unless
4 the use of the ISTEP program test scores or a school's category or
5 designation of school improvement under IC 20-31-8 for the
6 2014-2015 school year would improve the particular certificated
7 employee's annual performance rating. If ISTEP program test
8 scores or a school's category or designation of school improvement
9 is not used in a particular certificated employee's annual
10 performance evaluation, the weight of all other measures used in
11 the certificated employee's annual performance evaluation must be
12 proportionately increased to replace measures based on the ISTEP
13 program test or the school's category or designation of school
14 improvement.

15 (c) This SECTION expires July 1, 2016.
16 SECTION 3. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1003, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, delete lines 37 through 42, begin a new paragraph and insert:

"SECTION 2. [EFFECTIVE JULY 1, 2015 (RETROACTIVE)] (a) **The definitions in IC 20 apply throughout this SECTION.**

(b) Notwithstanding IC 20-28-11.5-4 or 511 IAC 10-6-4, ISTEP program test scores or a school's category or designation of school improvement under IC 20-31-8 for the 2014-2015 school year, based on the ISTEP program test taken in the spring of 2015, may not be used by a school corporation as part of an annual performance evaluation of a particular certificated employee under a performance plan developed under IC 20-28-11.5-4 unless the use of the ISTEP program test scores or a school's category or designation of school improvement under IC 20-31-8 for the 2014-2015 school year would improve the particular certificated employee's annual performance rating. If ISTEP program test scores or a school's category or designation of school improvement is not used in a particular certificated employee's annual performance evaluation, the weight of all other measures used in the certificated employee's annual performance evaluation must be proportionately increased to replace measures based on the ISTEP program test or the school's category or designation of school improvement.

(c) This SECTION expires July 1, 2016."

Page 6, delete lines 1 through 15.

and when so amended that said bill do pass.

(Reference is to HB 1003 as introduced.)

BEHNING

Committee Vote: yeas 12, nays 0.

