

March 31, 2017

ENGROSSED HOUSE BILL No. 1003

DIGEST OF HB 1003 (Updated March 29, 2017 2:52 pm - DI 110)

Citations Affected: IC 20-18; IC 20-19; IC 20-20; IC 20-24; IC 20-24.2; IC 20-26; IC 20-28; IC 20-30; IC 20-31; IC 20-32; IC 20-33; IC 20-35; IC 20-43; IC 20-51; noncode.

Synopsis: Student assessments. Replaces the ISTEP test program after June 30, 2018, with a new statewide assessment program to be known as Indiana's Learning Evaluation Assessment Program to be known (ILEARN). Provides, beginning after June 30, 2017, that a high school must administer an end of course assessments in the subjects of: (1) English 10; (2) biology I; and (3) algebra I. Repeals a provision defining the ISTEP program. Makes conforming amendments.

Effective: Upon passage; July 1, 2017.

Behning, Brown T

(SENATE SPONSORS — KRUSE, BASSLER)

January 12, 2017, read first time and referred to Committee on Education. February 13, 2017, amended, reported — Do Pass. February 16, 2017, read second time, amended, ordered engrossed. February 17, 2017, engrossed. February 20, 2017, read third time, passed. Yeas 67, nays 31.

SENATE ACTION February 23, 2017, read first time and referred to Committee on Education and Career Development. March 30, 2017, amended, reported favorably — Do Pass.



March 31, 2017

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

ENGROSSED 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 20-18-2-6, AS ADDED BY P.L.1-2005, SECTION
2	2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
3	PASSAGE]: Sec. 6. "Graduation examination" means:
4	(1) for school years ending before July 1, 2018, the test
5	designated by the board under the ISTEP program; and
6	(2) for school years beginning after June 30, 2018, the
7	nationally recognized college entrance assessment designated
8	by the state board under IC 20-32-5.1.
9	SECTION 2. IC 20-18-2-10 IS REPEALED [EFFECTIVE JULY 1,
10	2017]. Sec. 10. "ISTEP program" refers to the Indiana statewide testing
11	for educational progress program developed and administered under
12	IC 20-32-5.
13	SECTION 3. IC 20-18-2-20.7 IS ADDED TO THE INDIANA
14	CODE AS A NEW SECTION TO READ AS FOLLOWS
15	[EFFECTIVE UPON PASSAGE]: Sec. 20.7. (a) Except as provided
16	in subsection (b), "statewide assessment program" refers to:
17	(1) for school years ending before July 1, 2018, the ISTEP



1 program under IC 20-32-5; and 2 (2) for school years beginning after June 30, 2018, the 3 Indiana's Learning Evaluation Assessment Readiness 4 Network (ILEARN) program under IC 20-32-5.1. 5 (b) For purposes of IC 20-28-11.5 and for school years 6 beginning after June 30, 2018, "statewide assessment program" 7 does not include end of course assessments administered under 8 IC 20-32-5.1. 9 SECTION 4. IC 20-19-2-8, AS AMENDED BY P.L.286-2013, 10 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 11 UPON PASSAGE]: Sec. 8. (a) In addition to any other powers and 12 duties prescribed by law, the state board shall adopt rules under 13 IC 4-22-2 concerning, but not limited to, the following matters: 14 (1) The designation and employment of the employees and 15 consultants necessary for the department. The state board shall fix 16 the compensation of employees of the department, subject to the 17 approval of the budget committee and the governor under 18 IC 4-12-2. 19 (2) The establishment and maintenance of standards and 20 guidelines for media centers, libraries, instructional materials 21 centers, or any other area or system of areas in a school where a 22 full range of information sources, associated equipment, and 23 services from professional media staff are accessible to the school 24 community. With regard to library automation systems, the state 25 board may only adopt rules that meet the standards established by 26 the state library board for library automation systems under 27 IC 4-23-7.1-11(b). 28 (3) The establishment and maintenance of standards for student 29 personnel and guidance services. 30 (4) The inspection of all public schools in Indiana to determine 31 the condition of the schools. The state board shall establish 32 standards governing the accreditation of public schools. 33 Observance of: 34 (A) IC 20-31-4; 35 (B) IC 20-28-5-2; 36 (C) IC 20-28-6-3 through IC 20-28-6-7; 37 (D) IC 20-28-11.5; and 38 (E) IC 20-31-3, IC 20-32-4, IC 20-32-5 (for school years 39 ending before July 1, 2018), IC 20-32-5.1 (for school years beginning after June 30, 2018), and IC 20-32-8; 40 41 is a prerequisite to the accreditation of a school. Local public 42 school officials shall make the reports required of them and



1 otherwise cooperate with the state board regar	e .
2 inspections. Nonpublic schools may also request	-
3 for classification purposes. Compliance with the bu	U
4 guidelines adopted by the state board is not a p	prerequisite of
5 accreditation.	
6 (5) The distribution of funds and revenues approp	priated for the
7 support of schools in the state.	
8 (6) The state board may not establish an accreditat	
9 nonpublic schools that is less stringent than the	e accreditation
10 system for public schools.	
11 (7) A separate system for recognizing nonpublic	schools under
12 IC 20-19-2-10. Recognition of nonpublic school	ols under this
13 subdivision constitutes the system of regulatory	standards that
14 apply to nonpublic schools that seek to qualify for	the system of
15 recognition.	
16 (8) The establishment and enforcement of s	standards and
17 guidelines concerning the safety of students pa	articipating in
18 cheerleading activities.	
19 (9) Subject to IC 20-28-2, the preparation and	l licensing of
20 teachers.	C
21 (b) Before final adoption of any rule, the state board	d shall make a
finding on the estimated fiscal impact that the rule will h	
23 corporations.	
24 SECTION 5. IC 20-19-2-14, AS AMENDED BY	P.L.286-2013.
25 SECTION 12, IS AMENDED TO READ AS FOLLOWS	,
26 UPON PASSAGE]: Sec. 14. The state board shall do th	-
27 (1) Establish the educational goals of the stat	•
28 standards and objectives for local school corporat	
29 (2) Assess the attainment of the established goals.	
30 (3) Assure compliance with established standards a	
31 (4) Coordinate with the commission for high	-
32 (IC 21-18-1) and the department of workforce	
33 (IC 22-4.1-2) to develop entrepreneurship educatio	•
34 elementary and secondary education, higher e	
35 individuals in the work force.	,
36 (5) Make recommendations to the governor and gen	neral assembly
37 concerning the educational needs of the state, inclu	
38 needs.	
39 (6) Provide for reviews to ensure the validity and re	eliability of the
40 ISTEP statewide assessment program.	
41 SECTION 6. IC 20-20-8-6, AS AMENDED BY	
$- \pm i$ $$	Y P.L.2-2007.



 [EFFECTIVE UPON PASSAGE]: Sec. 6. A report must c following: 	ontain the
3 (1) The information listed in section 8 of this chapter 1	for each of
4 the preceding three (3) years.	
 4 the preceding three (3) years. 5 (2) Additional components determined under section 7 	7(4) of this
6 chapter.	
7 (3) Additional information or explanation that the gover	rning body
8 wishes to include, including the following:	
9 (A) Results of nationally recognized assessments of	of students
10 under programs other than the ISTEP statewide as	ssessment
11 program that a school corporation, including a char	ter school,
12 uses to determine if students are meeting or	exceeding
13 academic standards in grades that are tested under	the ISTEP
14 statewide assessment program.	
15 (B) Results of assessments of students under progr	
16 than the ISTEP statewide assessment program that	
17 corporation uses to determine if students are n	-
18 exceeding academic standards in grades that are	not tested
19 under the ISTEP statewide assessment program.	
20 (C) The number and types of staff professional dev	velopment
21 programs.	
22 (D) The number and types of partnerships	with the
23 community, business, or postsecondary education.	
24 (E) Levels of parental participation.	
25 SECTION 7. IC 20-20-8-8, AS AMENDED BY THE TEC	
26 CORRECTIONS BILL OF THE 2017 GENERAL ASSEM	
27 AMENDED TO READ AS FOLLOWS [EFFECTIV 28 DASSACE] See 8 (c) The report must include the	
PASSAGE]: Sec. 8. (a) The report must include theinformation:	following
30 (1) Student enrollment.	
31 (2) Graduation rate (as defined in IC 20-26-13-6) and the
32 graduation rate excluding students that receive a g	·
33 waiver under IC 20-32-4-4.	siaduation
34 (3) Attendance rate.	
35 (4) The following test scores, including the num	mber and
36 percentage of students meeting academic standards:	und und
37 (A) All state standardized assessment scores.	
38 (B) Scores for assessments under IC 20-32-5-21 (before its
 39 expiration on July 1, 2018), if appropriate. 	
40 (C) For a freeway school, scores on a locally	y adopted
41 assessment program, if appropriate.	/ I''''
42 (5) Average class size.	



1	(6) The school's performance category or designation of school
2	improvement assigned under IC 20-31-8.
3	(7) The number and percentage of students in the following
4	groups or programs:
5	(A) Alternative education, if offered.
6	(B) Career and technical education.
7	(C) Special education.
8	(D) High ability.
9	(E) Remediation.
10	(F) (E) Limited English language proficiency.
11	(G) (F) Students receiving free or reduced price lunch under
12	the national school lunch program.
12	(H) School flex program, if offered.
13	(8) Advanced placement, including the following:
15	(A) For advanced placement tests, the percentage of students:
16	(i) scoring three (3), four (4), and five (5); and
17	(ii) taking the test.
18	(B) For the Scholastic Aptitude Test:
19	(i) <i>the average</i> test scores for all students taking the test;
20	(i) <i>the average</i> test scores for students completing the
20 21	academic honors diploma program; and
21	(iii) the percentage of students taking the test.
22	(9) Course completion, including the number and percentage of
23	students completing the following programs:
25	(A) Academic honors diploma.
26	(B) Core 40 curriculum.
20 27	(C) Career and technical programs.
28	(10) The percentage of grade 8 students enrolled in algebra I.
20	(10) The percentage of grade of statems enrolled in algebra 1. (11) (10) The percentage of graduates considered college and
30	career ready in a manner prescribed by the state board.
31	$\frac{(12)}{(11)}$ School safety, including:
32	(A) the number of students receiving suspension or expulsion
33	for the possession of alcohol, drugs, or weapons;
34	(B) the number of incidents reported under IC 20-33-9; and
35	(C) the number of bullying incidents reported under
36	IC 20-34-6 by category.
37	(13) (12) Financial information and various school cost factors
38	<i>including the following: required to be provided to the office of</i>
39	management and budget under IC 20-42.5-3-5.
40	(A) Expenditures per pupil.
40	(A) Experiances per pupil. (B) Average teacher salary.
42	(B) Average reacher satury. (C) Remediation funding.
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1 2	(14) Interdistrict and intradistrict student mobility rates, if that
3	<i>information</i> is <i>available</i> .
3 4	$\frac{(15)}{(13)}$ The number and percentage of each of the following within the school componentian:
4 5	within the school corporation:
5 6	(A) Teachers who are certificated employees (as defined in $IC = 20, 20, 2, 4$)
7	IC 20-29-2-4).
8	(B) Teachers who teach the subject area for which the teacher is certified and holds a license.
o 9	
9 10	(C) Teachers with national board certification. (16) (14) The percentage of grade 2 students moding at grade 2
10	$\frac{(16)}{(14)}$ The percentage of grade 3 students reading at grade 3
11	level. (17) (15) The number of students can all d in the line the number d
12	(17) (15) The number of students expelled, <i>including the number</i>
13 14	participating in other recognized education programs during
	<i>their expulsion,</i> including the percentage of students expelled by
15	race, grade, gender, free or reduced price lunch status, and
16 17	eligibility for special education.
17	$\frac{(18)}{(16)}$ (16) Chronic absenteeism, which includes the number of
18	students who have been absent from school for ten percent (10%)
19 20	or more of a school year for any reason. (10) (17) Unbit we have a school includes the number of students
20	$\frac{(19)}{(17)}$ Habitual truancy, which includes the number of students
21	who have been absent ten (10) days or more from school within
22 23	a school year without being excused or without being absent
	under a parental request that has been filed with the school. (20) (10) The membrane fortulation are the larger dense of the school of th
24	$\frac{(20)}{(18)}$ (18) The number of students who have dropped out of
25	school, including the reasons for dropping out, including the
26	percentage of students who have dropped out by race, grade,
27	gender, free or reduced price lunch status, and eligibility for
28	special education. (21) (10) The number of out of school supportions essimple
29	$\frac{(21)}{(19)}$ The number of out of school suspensions assigned,
30	including the percentage of students suspended by race, grade,
31 32	gender, free or reduced price lunch status, and eligibility for
32 33	special education. (22) (20) The number of in school sugmentions essimption
	$\frac{(22)}{(20)}$ The number of in school suspensions assigned,
34	including the percentage of students suspended by race, grade,
35	gender, free or reduced price lunch status, and eligibility for
36 37	special education. (22) (21) The number of student work normalis revelsed
	$\frac{(23)}{(21)}$ The number of student work permits revoked.
38	$\frac{(24)}{(22)}$ The number of students receiving an international
39 40	baccalaureate diploma.
40 41	(b) Section 3(a) of this chapter does not apply to the publication of information required under this subsection. This subsection applies to
	<i>information required under this subsection.</i> This subsection applies to
42	schools, including charter schools, located in a county having a



1 consolidated city, including schools located in excluded cities (as 2 defined in IC 36-3-1-7). A separate report including the information 3 reported under subsection (a) must be disaggregated by race, grade, 4 gender, free or reduced price lunch status, and eligibility for special 5 education and must be made available on the Internet as provided in 6 section 3(b) of this chapter. 7 SECTION 8. IC 20-20-13-9, AS AMENDED BY P.L.133-2012, 8 SECTION 188, IS AMENDED TO READ AS FOLLOWS 9 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to the 10 4R's technology program described in section 6(a)(1) of this chapter. (b) In addition to any other funds available under this chapter, if 11 12 state funds are transferred under IC 20-32-5-19 (before its expiration 13 on July 1, 2018) to the 4R's technology program: 14 (1) those funds do not revert to the state general fund; 15 (2) those funds shall be made available to the 4R's technology 16 program under this chapter; and 17 (3) the department, upon approval by the governor and the budget 18 agency, shall use those funds to award grants under this section. 19 (c) To be eligible to receive a grant under the program, a school 20 corporation must comply with the following: 21 (1) The school corporation must apply to the department for a 22 grant on behalf of a school within the school corporation to 23 purchase technology equipment. 24 (2) The school corporation must certify the following: 25 (A) That the school will provide every kindergarten and grade 26 1 student at that school the opportunity to learn reading, 27 writing, and arithmetic using technology. 28 (B) That the school will provide daily before or after school 29 technology laboratories for students in grades 1 through 3 who 30 have been identified as needing remediation in reading, 31 writing, or arithmetic. 32 (C) That the school will provide additional technology 33 opportunities, that may include Saturday sessions, for students 34 in other grade levels to use the technology laboratories for 35 remediation in reading, writing, arithmetic, or mathematics. 36 (D) That the school will provide technology opportunities to 37 students that attend remediation programs under IC 20-32-8 (if 38 the school corporation is required to do so) or any other 39 additional summer programs. 40 (E) That the school corporation, either through its own or the 41 school's initiative, is able to provide a part of the costs 42 attributable to purchasing the necessary technology equipment.

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1	(3) The school corporation must include in the application the
2	sources of and the amount of money secured under subdivision
3	(2)(E).
4	(4) The school corporation or the school must:
5	(A) provide teacher training services; or
6	(B) use vendor provided teacher training services.
7	(5) The school corporation must give primary consideration to the
8	purchase of technology equipment that includes teacher training
9	services.
10	(6) The teachers who will be using the technology equipment
11	must support the initiative described in this chapter.
12	(d) Upon review of the applications by the department, the
13	satisfaction of the requirements set forth in subsection (c), and subject
14	to the availability of funds for this purpose, the department shall award
15	to each eligible school corporation a grant to purchase technology
16	equipment under section $6(a)(1)$ of this chapter.
17	(e) The department shall monitor the compliance by the school
18	corporations receiving grants of the matters cited in subsection (c).
19	SECTION 9. IC 20-24-4-1, AS AMENDED BY P.L.5-2015,
20	SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21	UPON PASSAGE]: Sec. 1. (a) A charter must meet the following
22	requirements:
23	(1) Be a written instrument.
24	(2) Be executed by an authorizer and an organizer.
25	(3) Confer certain rights, franchises, privileges, and obligations
26	on a charter school.
27	(4) Confirm the status of a charter school as a public school.
28	(5) Be granted for:
29	(A) not less than three (3) years or more than seven (7) years;
30	and
31	(B) a fixed number of years agreed to by the authorizer and the
32	organizer.
33	(6) Provide for the following:
34	(A) A review by the authorizer of the charter school's
35	performance, including the progress of the charter school in
35 36	
30 37	achieving the academic goals set forth in the charter, at least
	one (1) time in each five (5) year period while the charter is in
38	effect.
39	(B) Renewal, if the authorizer and the organizer agree to renew
40	the charter.
41	(C) The renewal application must include guidance from the
42	authorizer, and the guidance must include the performance



1	criteria that will guide the authorizer's renewal decisions.
2	(D) The renewal application process must, at a minimum,
3	provide an opportunity for the charter school to:
4	(i) present additional evidence, beyond the data contained in
5	the performance report, supporting its case for charter
6	renewal;
7	(ii) describe improvements undertaken or planned for the
8	charter school; and
9	(iii) detail the charter school's plans for the next charter
10	term.
11	(E) Not later than October 1 in the year in which the charter
12	school seeks renewal of a charter, the governing board of a
13	charter school seeking renewal shall submit a renewal
14	application to the charter authorizer under the renewal
15	application guidance issued by the authorizer. The authorizer
16	shall make a final ruling on the renewal application not later
17	than March 1 after the filing of the renewal application. The
18	March 1 deadline does not apply to any review or appeal of a
19	final ruling. After the final ruling is issued, the charter school
20	may obtain further review by the authorizer of the authorizer's
21	final ruling in accordance with the terms of the charter school's
22	charter and the protocols of the authorizer.
23	(7) Specify the grounds for the authorizer to:
24	(A) revoke the charter before the end of the term for which the
25	charter is granted; or
26	(B) not renew a charter.
27 27	(8) Set forth the methods by which the charter school will be held
28	accountable for achieving the educational mission and goals of
29	the charter school, including the following:
30	(A) Evidence of improvement in:
31	(i) assessment measures, including the ISTEP and end of
32	course assessments; statewide assessment program
33	measures;
34	(ii) attendance rates;
35	(iii) graduation rates (if appropriate);
36	(iv) increased numbers of Core 40 diplomas and other
37	college and career ready indicators including advanced
38	placement participation and passage, dual credit
38 39	
39 40	participation and passage, and International Baccalaureate
40 41	participation and passage (if appropriate);
41	(v) increased numbers of academic honors and technical
4 <i>2</i>	honors diplomas (if appropriate);



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1	(vi) student academic growth;
2	(vii) financial performance and stability; and
3	(viii) governing board performance and stewardship,
4	including compliance with applicable laws, rules and
5	regulations, and charter terms.
6	(B) Evidence of progress toward reaching the educational
7	goals set by the organizer.
8	(9) Describe the method to be used to monitor the charter
9	school's:
10	(A) compliance with applicable law; and
11	(B) performance in meeting targeted educational performance.
12	(10) Specify that the authorizer and the organizer may amend the
13	charter during the term of the charter by mutual consent and
14	describe the process for amending the charter.
15	(11) Describe specific operating requirements, including all the
16	matters set forth in the application for the charter.
17	(12) Specify a date when the charter school will:
18	(A) begin school operations; and
19	(B) have students attending the charter school.
20	(13) Specify that records of a charter school relating to the
21	school's operation and charter are subject to inspection and
22	copying to the same extent that records of a public school are
23	subject to inspection and copying under IC 5-14-3.
24	(14) Specify that records provided by the charter school to the
25	department or authorizer that relate to compliance by the
26	organizer with the terms of the charter or applicable state or
20	federal laws are subject to inspection and copying in accordance
28	with IC 5-14-3.
28 29	(15) Specify that the charter school is subject to the requirements
30	of IC 5-14-1.5.
30	(16) This subdivision applies to a charter established or renewed
31 32	
32 33	for an adult high school after June 30, 2014. The charter must
	require:
34	(A) that the school will offer flexible scheduling;
35	(B) that students will not complete the majority of instruction
36	of the school's curriculum online or through remote
37	instruction;
38	(C) that the school will offer dual credit or industry
39	certification course work that aligns with career pathways as
40	recommended by the Indiana career council established by
41	IC 22-4.5-9-3; and
42	(D) a plan:



1 (i) to support successful program completion and to assist 2 transition of graduates to the workforce or to a 3 postsecondary education upon receiving a diploma from the 4 adult high school; and 5 (ii) to review individual student accomplishments and 6 success after a student receives a diploma from the adult 7 high school. 8 (b) A charter school shall set annual performance targets in conjunction with the charter school's authorizer. The annual 9 10 performance targets shall be designed to help each school meet applicable federal, state, and authorizer expectations. 11 12 SECTION 10. IC 20-24-8-5, AS AMENDED BY P.L.141-2016, 13 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 14 UPON PASSAGE]: Sec. 5. The following statutes and rules and 15 guidelines adopted under the following statutes apply to a charter 16 school: 17 (1) IC 5-11-1-9 (required audits by the state board of accounts). 18 (2) IC 20-39-1-1 (unified accounting system). 19 (3) IC 20-35 (special education). 20 (4) IC 20-26-5-10 (criminal history). 21 (5) IC 20-26-5-6 (subject to laws requiring regulation by state 22 agencies). 23 (6) IC 20-28-10-12 (nondiscrimination for teacher marital status). 24 (7) IC 20-28-10-14 (teacher freedom of association). 25 (8) IC 20-28-10-17 (school counselor immunity). 26 (9) For conversion charter schools only if the conversion charter 27 school elects to collectively bargain under IC 20-24-6-3(b), 28 IC 20-28-6, IC 20-28-7.5, IC 20-28-8, IC 20-28-9, and 29 IC 20-28-10. 30 (10) IC 20-33-2 (compulsory school attendance). 31 (11) IC 20-33-3 (limitations on employment of children). 32 (12) IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student 33 due process and judicial review). 34 (13) IC 20-33-8-16 (firearms and deadly weapons). 35 (14) IC 20-34-3 (health and safety measures). (15) IC 20-33-9 (reporting of student violations of law). 36 37 (16) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative 38 observances). 39 (17) IC 20-31-3, IC 20-32-4, IC 20-32-5 (for a school year 40 ending before July 1, 2018), IC 20-32-5.1 (for a school year 41 beginning after June 30, 2018), IC 20-32-8, and IC 20-32-8.5, 42 as provided in IC 20-32-8.5-2(b) (academic standards,



1	accreditation, assessment, and remediation).
2	(18) IC 20-33-7 (parental access to education records).
3	(19) IC 20-31 (accountability for school performance and
4	improvement).
5	(20) IC 20-30-5-19 (personal financial responsibility instruction).
6	(21) IC 20-26-5-37.3, before its expiration (career and technical
7	education reporting).
8	SECTION 11. IC 20-24.2-4-3, AS AMENDED BY P.L.117-2016,
9	SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10	JULY 1, 2017]: Sec. 3. (a) Except as specifically provided in this
11	article and section 4 of this chapter, the following provisions of this
12	title and a rule or guideline adopted by the state board under one (1) of
13	the following provisions of this title do not apply to a qualified district
14	or qualified high school:
15	(1) Provisions that do not apply to school corporations in general.
16	(2) IC 20-20 (programs administered by the state), except for
17	IC 20-20-1 (educational service centers) and IC 20-20-8 (school
18	corporation annual performance report).
19	(3) IC 20-28 (school teachers), except for IC 20-28-3-4 (teacher
20	continuing education), IC 20-28-4-8 (hiring of transition to
21	teaching participants; restrictions), IC 20-28-4-11 (transition to
22	teaching participants; school corporation or subject area;
23	transition to teaching permit), IC 20-28-5-8 (conviction of certain
24	felonies; notice and hearing; permanent revocation of license;
25	data base of school employees who have been reported),
26	IC 20-28-6 (teacher contracts), IC 20-28-7.5 (cancellation of
27	teacher contracts), IC 20-28-8 (contracts with school
28	administrators), IC 20-28-9 (teacher salary and related payments),
29	IC 20-28-10 (conditions of employment), and IC 20-28-11.5 (staff
30	performance evaluations).
31	(4) IC 20-30 (curriculum), except for IC 20-30-3-2 and
32	IC 20-30-3-4 (patriotic commemorative observances),
33	IC 20-30-5-13 (human sexuality instructional requirements), and
34	IC 20-30-5-19 (personal financial responsibility instruction).
35	(5) IC 20-32 (student standards, assessments, and performance),
36	except for IC 20-32-4 (graduation requirements), IC 20-32-5
37	(Indiana statewide testing for educational progress for a school
38	year ending before July 1, 2018), IC 20-32-5.1 (statewide
39	assessment program for a school year beginning after June
40	30, 2018), and IC 20-32-8 (remediation).
41	(6) IC 20-37 (career and technical education).
42	(b) Notwithstanding any other law, a school corporation may not



1	receive a decrease in state funding based upon the school corporation's
2	status as a qualified district or the status of a high school within the
3	school corporation as a qualified high school, or because of the
4	implementation of a waiver of a statute or rule that is allowed to be
5	waived by a qualified district or qualified high school.
6	SECTION 12. IC 20-24.2-4-4, AS AMENDED BY P.L.117-2016,
7	SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8	UPON PASSAGE]: Sec. 4. The following provisions of this title and
9	rules and guidelines adopted under the following provisions of this title
10	apply to a qualified district or qualified high school:
11	IC 20-20-1 (educational service centers).
12	IC 20-20-8 (school corporation annual performance report).
12	IC 20-23 (organization of school corporations).
13	IC 20-26 (school corporation general administrative provisions).
15	IC 20-27 (school transportation).
16	IC 20-28-3-4 (teacher continuing education).
17	IC 20-28-4-8 (hiring of transition to teaching participants;
18	restrictions).
19	IC 20-28-4-11 (transition to teaching participants; school
20	corporation or subject area; transition to teaching permit).
20	IC 20-28-5-8 (conviction of certain felonies; notice and hearing;
22	permanent revocation of license; data base of school employees
23	who have been reported).
23	IC 20-28-6 (teacher contracts).
25	IC 20-28-7.5 (cancellation of teacher contracts).
26	IC 20-28-8 (contracts with school administrators).
20	IC 20-28-9 (teacher salary and related payments).
28	IC 20-28-10 (conditions of employment).
29	IC 20-28-11.5 (staff performance evaluations).
30	IC 20-29 (collective bargaining for teachers).
31	IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative
32	observances).
33	IC 20-30-5-13 (human sexuality instructional requirements).
34	IC 20-30-5-19 (personal financial responsibility instruction).
35	IC 20-301 (accountability for school performance and
36	improvement).
37	IC 20-32-4, IC 20-32-5 (for a school year beginning before July
38	1, 2018), IC 20-32-5.1 (for a school year ending after June 30,
<u>39</u>	2018), and IC 20-32-8 (accreditation, assessment, and
40	remediation), or any other statute, rule, or guideline related to
41	standardized assessments.
Τ1 // 2	IC 20.22 (students: general provisions)

42 IC 20-33 (students: general provisions).



1	IC 20-34-3 (health and safety measures).
2	IC 20-35 (special education).
3	IC 20-36 (high ability students).
4	IC 20-39 (accounting and financial reporting procedures).
5	IC 20-40 (government funds and accounts).
6	IC 20-41 (extracurricular funds and accounts).
7	IC 20-42.5 (allocation of expenditures to student instruction).
8	IC 20-43 (state tuition support).
9	IC 20-44 (property tax levies).
10	IC 20-45 (general fund levies).
11	IC 20-46 (levies other than general fund levies).
12	IC 20-47 (related entities; holding companies; lease agreements).
13	IC 20-48 (borrowing and bonds).
14	IC 20-49 (state management of common school funds; state
15	advances and loans).
16	IC 20-50 (homeless children and foster care children).
17	SECTION 13. IC 20-26-11-32, AS AMENDED BY P.L.39-2014,
18	SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19	UPON PASSAGE]: Sec. 32. (a) This section does not apply to a school
20	corporation if the governing body has adopted a policy of not accepting
21	the transfer of any student who does not have legal settlement within
22	the school corporation.
23	(b) The governing body of a school corporation shall annually
24	establish:
25	(1) except as provided in subsection (m), the number of transfer
26	students the school corporation has the capacity to accept in each
27	grade level; and
28	(2) the date by which requests to transfer into the school
29	corporation must be received by the governing body.
30	(c) After establishing the date under subsection (b)(2), the
31	governing body shall:
32	(1) publish the date on the school corporation's Internet web site;
33	and
34	(2) report the date to the department.
35	(d) The department shall publish the dates received from school
36	corporations under subsection $(c)(2)$ on the department's Internet web
37	site.
38	(e) A student to whom this section applies may not request to
39	transfer under this section primarily for athletic reasons to a school
40	corporation in which the student does not have legal settlement.
41	(f) If the number of requests to transfer into a school corporation
42	received by the date established for the school corporation under



1 subsection (b)(2) exceeds the capacity established for the school 2 corporation under subsection (b)(1), each timely request must be given 3 an equal chance to be accepted, with the exception that a student 4 described in subsection (h) shall be given priority. The governing body 5 must determine which students will be admitted as transfer students to 6 each school building and each grade level within the school corporation 7 by a random drawing in a public meeting. 8 (g) Except as provided in subsections (i), (j), (k), and (m), the 9 governing body of a school corporation may not deny a request for a 10 student to transfer into the school corporation based upon the student's academic record, scores on ISTEP statewide assessment program 11 12 tests, disciplinary record, or disability, or upon any other factor not 13 related to the school corporation's capacity. (h) Except as provided in subsections (i), (j), and (k), the governing 14 15 body of a school corporation may not deny a request for a student to 16 transfer into the school corporation if the student requesting to transfer: 17 (1) is a member of a household in which any other member of the 18 household is a student in the transferee school; or 19 (2) has a parent who is an employee of the school corporation. 20 (i) A governing body of a school corporation may limit the number 21 of new transfers to a school building or grade level in the school 22 corporation: 23 (1) to ensure that a student who attends a school within the school 24 corporation as a transfer student during a school year may 25 continue to attend the school in subsequent school years; and 26 (2) to allow a student described in subsection (h) to attend a 27 school within the school corporation. (i) Notwithstanding subsections (g) and (h), a governing body of a 28 29 school corporation may deny a request for a student to transfer to the 30 school corporation, or establish terms or conditions for enrollment that 31 prevent a student from enrolling in a school, if the student has been 32 suspended (as defined in IC 20-33-8-7) or expelled (as defined in 33 IC 20-33-8-3) during the twelve (12) months preceding the student's 34 request to transfer under this section: 35 (1) for ten (10) or more school days; (2) for a violation under IC 20-33-8-16; 36 37 (3) for causing physical injury to a student, a school employee, or 38 a visitor to the school; or 39 (4) for a violation of a school corporation's drug or alcohol rules. 40 For purposes of subdivision (1), student discipline received under 41 IC 20-33-8-25(b)(7) for a violation described in subdivisions (2) 42 through (4) shall be included in the calculation of the number of school



1 days that a student has been suspended.

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(k) The governing body of a school corporation with a school building that offers a special curriculum may require a student who transfers to the school building to meet the same eligibility criteria required of all students who attend the school building that offers the special curriculum.

(1) The parent of a student for whom a request to transfer is made is
responsible for providing the school corporation to which the request
is made with records or information necessary for the school
corporation to determine whether the request to transfer may be denied
under subsection (j).

(m) Notwithstanding this section, the governing body of a school
 corporation may authorize the school corporation to enter into an
 agreement with an accredited nonpublic school or charter school to
 allow students of the accredited nonpublic school or charter school to
 transfer to a school within the school corporation.

(n) A school corporation that has adopted a policy to not accept student transfers after June 30, 2013, is not prohibited from enrolling a:

(1) transfer student who attended a school within the school corporation during the 2012-2013 school year; or

(2) member of a household in which any other member of the household was a transfer student who attended a school within the school corporation during the 2012-2013 school year.

However, if a school corporation enrolls a student described in subdivision (1) or (2), the school corporation shall also allow a student or member of the same household of a student who attended an accredited nonpublic school within the attendance area of the school corporation during the 2012-2013 school year to enroll in a school within the school corporation.

SECTION 14. IC 20-26-13-5, AS AMENDED BY P.L.286-2013,
SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2017]: Sec. 5. (a) As used in this chapter, "graduation" means
the successful completion by a student of:
(1) a sufficient number of academic credits, or the equivalent of

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

(2) the graduation examination or waiver process required under IC 20-32-3 through IC 20-32-5; **IC 20-32-5.1;**

resulting in the awarding of a high school diploma or an academichonors diploma.

41 (b) The term does not include the granting of a general educational
42 development diploma under IC 20-20-6 (before its repeal) or



1 2	IC 22-4.1-18. SECTION 15. IC 20-26-15-5, AS AMENDED BY P.L.286-2013,
3	SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4	UPON PASSAGE]: Sec. 5. Notwithstanding any other law, the
5	operation of the following is suspended for a freeway school
6	corporation or a freeway school if the governing body of the school
7	corporation elects to have the specific statute or rule suspended in the
8	contract:
9	(1) The following statutes and rules concerning curriculum and
10	instructional time:
11	IC 20-30-2-7
12	IC 20-30-5-8
13	IC 20-30-5-9
14	IC 20-30-5-11
15	511 IAC 6-7-6
16	511 IAC 6.1-5-0.5
17	511 IAC 6.1-5-1
18	511 IAC 6.1-5-2.5
19	511 IAC 6.1-5-3.5
20	511 IAC 6.1-5-4.
21	(2) The following rule concerning pupil/teacher ratios:
22	511 IAC 6.1-4-1.
23	(3) The following statutes and rules concerning curricular
24	materials:
25	IC 20-26-12-24
26	IC 20-26-12-26
27	IC 20-26-12-1
28	IC 20-26-12-2
29	511 IAC 6.1-5-5.
30	(4) 511 IAC 6-7, concerning graduation requirements.
31	(5) IC 20-31-4, concerning the performance based accreditation
32	system.
33	(6) IC 20-32-5 (before its expiration on July 1, 2018),
34	concerning the ISTEP program established under IC 20-32-5-15,
35	if an alternative locally adopted assessment program is adopted
36	under section 6(7) of this chapter.
37	SECTION 16. IC 20-26-15-6, AS AMENDED BY P.L.2-2006,
38	SECTION 135, IS AMENDED TO READ AS FOLLOWS
39	[EFFECTIVE UPON PASSAGE]: Sec. 6. Except as provided in this
40	chapter and notwithstanding any other law, a freeway school
41	corporation or a freeway school may do the following during the
42	contract period:



1	(1) Disregard the observance of any statute or rule that is listed in
2	the contract.
3	(2) Lease school transportation equipment to others for nonschool
4	use when the equipment is not in use for a school corporation
5	purpose, if the lessee has not received a bid from a private entity
6	to provide transportation equipment or services for the same
7	purpose.
8	(3) Replace the budget and accounting system that is required by
9	law with a budget or accounting system that is frequently used in
10	the private business community. The state board of accounts may
11	not go beyond the requirements imposed upon the state board of
12	accounts by statute in reviewing the budget and accounting
13	system used by a freeway school corporation or a freeway school.
14	(4) Establish a professional development and technology fund to
15	be used for:
16	(A) professional development; or
17	(B) technology, including video distance learning.
18	However, any money deposited in the professional development
19	and technology fund for technology purposes must be transferred
20	to the school technology fund.
21	(5) Subject to subdivision (4), transfer funds obtained from
22	sources other than state or local government taxation among any
23	accounts of the school corporation, including a professional
24	development and technology fund established under subdivision
25	(4).
26	(6) Transfer funds obtained from property taxation and from state
27	distributions among the general fund and the school
28	transportation fund, subject to the following:
29	(A) The sum of the property tax rates for the general fund and
30	the school transportation fund after a transfer occurs under this
31	subdivision may not exceed the sum of the property tax rates
32	for the general fund and the school transportation fund before
33	a transfer occurs under this subdivision.
34	(B) This subdivision does not allow a school corporation to
35	transfer to any other fund money from the:
36	(i) capital projects fund; or
37	(ii) debt service fund.
38	(7) Establish a locally adopted assessment program to replace the
39	assessment of students under the ISTEP program established
40	under IC 20-32-5-15 (before its expiration on July 1, 2018),
41	subject to the following:
42	(A) A locally adopted assessment program must be established



1	by the governing body and approved by the department.
2 3	(B) A locally adopted assessment program may use a locally developed test or a nationally developed test.
3 4	(C) Results of assessments under a locally adopted assessment
5	program are subject to the same reporting requirements as
6	results under the ISTEP program (before its expiration on
7	July 1, 2018).
8	(D) Each student who completes a locally adopted assessment
9	program and the student's parent have the same rights to
10	inspection and rescoring:
11	(i) for school years ending before July 1, 2018, as set forth
12	in IC 20-32-5-9; and
13	(ii) for school years beginning after June 30, 2018, as set
14	forth in IC 20-32-5.1.
15	SECTION 17. IC 20-26-15-7, AS ADDED BY P.L.1-2005,
16	SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17	UPON PASSAGE]: Sec. 7. The minimum educational benefits that a
18	freeway school corporation or a freeway school must produce under
19	this chapter are the following:
20	(1) An average attendance rate that increases:
21	(A) not less than two percent (2%) each school year until the
22	average attendance rate is eighty-five percent (85%); and
23	(B) one percent (1%) each school year until the average
24	attendance rate is ninety percent (90%).
25	(2) A successful completion rate of the assessment program by
26	meeting essential standards under the ISTEP statewide
27	assessment program (IC 20-32-5) or a locally adopted assessment
28	program established under section 6(7) of this chapter that
29	increases:
30	(A) not less than two percent (2%) each school year until the
31	successful completion rate is not less than eighty-five percent
32	(85%); and
33	(B) one percent (1%) each school year until the successful
34	completion rate is not less than ninety percent (90%);
35	of the students in the designated grade levels under the ISTEP
36	statewide assessment program $(IC 20-32-5)$ or the locally adopted
37	assessment program that are grades contained in the freeway
38	school corporation or freeway school.
39	(3) Beginning with the class of students who expect to graduate
40	four (4) years after a freeway school corporation or a freeway
41	school that is a high school obtains freeway status, a graduation
42	rate as determined under 511 IAC 6.1-1-2(k) that increases:



1 (A) not less than two percent (2%) each school year until the 2 graduation rate is not less than eighty-five percent (85%); and 3 (B) one percent (1%) each school year until the graduation rate 4 is ninety percent (90%). 5 After a freeway school corporation or a freeway school has achieved 6 the minimum rates required under subdivisions (1) through (3), the 7 freeway school corporation or freeway school must either maintain the 8 minimum required rates or show continued improvement of those rates. 9 SECTION 18. IC 20-28-8-5, AS ADDED BY P.L.1-2005, 10 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 11 UPON PASSAGE]: Sec. 5. The evaluation of a principal's performance 12 may not be based wholly on the ISTEP statewide assessment program 13 test scores under IC 20-32-5 of the students enrolled at the principal's school. However, the ISTEP statewide assessment program test scores 14 15 under IC 20-32-5 of the students enrolled at a principal's school may be considered as one (1) of the factors in the evaluation of the principal's 16 17 overall performance at the school. 18 SECTION 19. IC 20-28-11.5-7, AS ADDED BY P.L.90-2011, 19 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 20 JULY 1, 2017]: Sec. 7. (a) This section applies to any teacher 21 instructing students in a content area and grade subject to 22 IC 20-32-4-1(a)(1), and IC 20-32-5-2 (for a school year ending before 23 July 1, 2018), and IC 20-32-5.1 (for a school year ending after June 24 30, 2018). 25 (b) A student may not be instructed for two (2) consecutive years by two (2) consecutive teachers, each of whom was rated as ineffective 26 27 under this chapter in the school year immediately before the school 28 year in which the student is placed in the respective teacher's class. 29 (c) If a teacher did not instruct students in the school year 30 immediately before the school year in which students are placed in the 31 teacher's class, the teacher's rating under this chapter for the most 32 recent year in which the teacher instructed students, instead of for the 33 school year immediately before the school year in which students are 34 placed in the teacher's class, shall be used in determining whether subsection (b) applies to the teacher. 35 (d) If it is not possible for a school corporation to comply with this 36 37 section, the school corporation must notify the parents of each 38 applicable student indicating the student will be placed in a classroom 39 of a teacher who has been rated ineffective under this chapter. The 40 parent must be notified before the start of the second consecutive 41 school year. 42 SECTION 20. IC 20-30-2-2.2, AS AMENDED BY P.L.233-2015,



1 SECTION 222, IS AMENDED TO READ AS FOLLOWS 2 [EFFECTIVE UPON PASSAGE]: Sec. 2.2. (a) As used in this section, 3 "eligible student" means a student in grade 11 or 12 who has: 4 (1) failed the ISTEP+ graduation exam at least twice; 5 (2) been determined to be chronically absent, by missing ten 6 percent (10%) or more of a school year for any reason; 7 (3) been determined to be a habitual truant, as identified under 8 IC 20-33-2-11; 9 (4) been significantly behind in credits for graduation, as identified by an individual's school principal; 10 (5) previously undergone at least a second suspension from school 11 for the school year under IC 20-33-8-14 or IC 20-33-8-15; 12 13 (6) previously undergone an expulsion from school under IC 20-33-8-14, IC 20-33-8-15, or IC 20-33-8-16; or 14 15 (7) been determined by the individual's principal and the individual's parent or guardian to benefit by participating in the 16 school flex program. 17 (b) An eligible student who participates in a school flex program 18 19 must: 20 (1) attend school for at least three (3) hours of instructional time 21 per school day; 22 (2) pursue a timely graduation; 23 (3) provide evidence of college or technical career education 24 enrollment and attendance or proof of employment and labor that 25 is aligned with the student's career academic sequence under rules established by the Indiana bureau of child labor; 26 27 (4) not be suspended or expelled while participating in a school 28 flex program; 29 (5) pursue course and credit requirements for a general diploma; 30 and 31 (6) maintain a ninety-five percent (95%) attendance rate. 32 (c) A school may allow an eligible student in grade 11 or 12 to 33 complete an instructional day that consists of three (3) hours of instructional time if the student participates in the school flex program. 34 35 SECTION 21. IC 20-30-4-2, AS AMENDED BY P.L.233-2015, SECTION 224, IS AMENDED TO READ AS FOLLOWS 36 37 [EFFECTIVE UPON PASSAGE]: Sec. 2. In consultation with the 38 student's school counselor, after seeking consultation with each 39 student's parents, and not later than the date on which the student 40 completes grade 9, each student shall further develop the graduation plan developed in grade 6 under section 1.5 of this chapter to also 41 42 include the following:





1	(1) The subject and skill areas of interest to the student.
2	(2) A program of study under the college/technology preparation
3	curriculum adopted by the state board under IC 20-30-10-2 for
4	grades 10, 11, and 12 that meets the interests and aptitude of the
5	student.
6	(3) Assurances that, upon satisfactory fulfillment of the plan, the
7	student:
8	(A) is entitled to graduate; and
9	(B) will have taken at least the minimum variety and number
10	of courses necessary to gain admittance to a state educational
11	institution.
12	(4) An indication of assessments (other than ISTEP the statewide
13	assessment program and the graduation examination) that the
14	student plans to take voluntarily during grade 10 through grade
15	12, and which may include any of the following:
16	(A) The SAT Reasoning Test.
17	(B) The ACT test.
18	(C) Advanced placement exams.
19	(D) College readiness exams approved by the department.
20	(E) Workforce readiness exams approved by the department of
21	workforce development established under IC 22-4.1-2.
22	SECTION 22. IC 20-31-3-1, AS AMENDED BY P.L.239-2015,
23	SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24	UPON PASSAGE]: Sec. 1. (a) The state board shall adopt clear,
25	concise, and jargon free state academic standards that are comparable
26	to national and international academic standards and the college and
27	career readiness educational standards adopted under IC 20-19-2-14.5.
28	These academic standards must be adopted for each grade level from
29	kindergarten through grade 12 for the following subjects:
30	(1) English/language arts.
31	(2) Mathematics.
32	(3) Social studies.
33	(4) Science.
34	(b) For grade levels tested under the ISTEP statewide assessment
35	program, the academic standards must be based in part on the results
36	of the ISTEP statewide assessment program.
37	SECTION 23. IC 20-31-4-10, AS ADDED BY P.L.1-2005,
38	SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39	UPON PASSAGE]: Sec. 10. (a) During its onsite evaluation, a review
40	panel shall review the following for a school:
41	(1) Teaching practices and administrative leadership in
42	instruction.
14	



1 (2) Parental and community involvement. 2 (3) Implementation of the ISTEP remediation program under 3 IC 20-32-8 and the educational opportunity program for at-risk 4 children. 5 (4) The homework policy. 6 (b) In addition to its review under subsection (a), the review panel 7 shall verify compliance with the legal standards for accreditation under 8 section 6 of this chapter. SECTION 24. IC 20-31-7-4, AS ADDED BY P.L.1-2005, 9 10 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The student educational achievement 11 12 fund is established to provide funds to stimulate and recognize 13 improved student performance in meeting academic standards under 14 the ISTEP statewide assessment program. The fund is administered by 15 the department. 16 (b) The fund consists of appropriations from the general assembly. 17 (c) Money in the fund at the end of a state fiscal year does not revert 18 to the state general fund. 19 SECTION 25. IC 20-31-7-6, AS AMENDED BY P.L.213-2015, 20 SECTION 193, IS AMENDED TO READ AS FOLLOWS 21 [EFFECTIVE UPON PASSAGE]: Sec. 6. The state board shall 22 establish a system for awarding and distributing grants under this 23 chapter. A system recommended under this section must be based on 24 graduated levels of improvement based on ISTEP statewide 25 assessment program standards and other assessments approved by the 26 state board. 27 SECTION 26. IC 20-31-8-1, AS AMENDED BY P.L.213-2015, 28 SECTION 195, IS AMENDED TO READ AS FOLLOWS 29 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The performance of a 30 school's students on the ISTEP statewide assessment program test and 31 other assessments recommended by the department of education and 32 approved by the state board are the primary and majority means of 33 assessing a school's improvement. 34 (b) The department of education shall examine and make 35 recommendations to the state board concerning: 36 (1) performance indicators to be used as a secondary means of 37 determining school progress; 38 (2) expected progress levels, continuous improvement measures, 39 distributional performance levels, and absolute performance 40 levels for schools; and (3) an orderly transition from the performance based accreditation 41 42 system to the assessment system set forth in this article.



1 (c) The department of education shall consider methods of 2 measuring improvement and progress used in other states in developing 3 recommendations under this section. 4 (d) The department of education may consider: 5 (1) the likelihood that a student may fail a graduation exam and 6 require a graduation waiver under IC 20-32-4-4 or IC 20-32-4-5; 7 and 8 (2) remedial needs of students who are likely to require remedial 9 work while the students attend a postsecondary educational 10 institution or workforce training program; when making recommendations under this section. 11 12 SECTION 27. IC 20-31-8-2, AS AMENDED BY P.L.213-2015, 13 SECTION 196, IS AMENDED TO READ AS FOLLOWS 14 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) In addition to scores on 15 the **ISTEP** statewide assessment program test and other assessments, 16 the department shall use the performance indicators developed by the 17 state board and the benchmarks and indicators of performance in each 18 school corporation's annual performance report as a secondary means 19 of assessing the performance of each school and school corporation. 20 (b) The department shall assess school performance in the following 21 manner: 22 (1) Compare the academic performance and growth of the 23 individual students in each school and each school corporation 24 with the prior academic performance and growth of the individual 25 students in the school or school corporation and not to the 26 performance of other schools or school corporations. 27 (2) Compare the results in the annual report under IC 20-20-8 28 with the benchmarks and indicators of performance established in 29 the plan for the same school. 30 (3) Compare the results for a school by comparing each student's 31 results for each grade with the student's prior year results, with an 32 adjustment for student mobility rate. 33 (4) Compare the results for a school with the state average and the 34 ninety-fifth percentile level for all assessments and performance 35 indicators. 36 SECTION 28. IC 20-31-8-3, AS AMENDED BY P.L.239-2015, 37 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 38 UPON PASSAGE]: Sec. 3. (a) The state board shall establish a number 39 of categories, using an "A" through "F" grading scale, to designate 40 performance based on the individual student academic performance 41 and growth to proficiency in each school. 42 (b) The state board, in consultation with the department, shall define



1 "low population schools" and shall determine the criteria for placing 2 low population schools in categories established under subsection (a). 3 In setting the definition and criteria for low population schools, the 4 state board shall not penalize schools based on population. An eligible 5 school (as defined in IC 20-51-1-4.7) may not be penalized under 6 IC 20-51-4-9 for the sole reason that the eligible school is considered 7 a low population school under this subsection. The state board's 8 definition and criteria may include the placement of a school that fits 9 the state board's definition in a "null" or "no letter grade" category. 10 (c) In developing metrics for the categories established under

(c) In developing metrics for the categories established under
 subsection (a), the state board, in consultation with the department, to
 the extent not inconsistent with federal law, shall consider the severity
 of tested students' disabilities when using ISTEP statewide assessment
 scores as a means of assessing school performance.

SECTION 29. IC 20-32-2-2.3, AS ADDED BY P.L.219-2015,
SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 2.3. "ISTEP "Statewide assessment program
test" includes any statewide, national, or international assessment that
a student is required to complete.

SECTION 30. IC 20-32-5-21.5 IS ADDED TO THE INDIANA
CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: Sec. 21.5. For a school year
beginning after June 30, 2017, each public school, state accredited
nonpublic school, and eligible school (as defined in IC 20-51-1-4.7)
shall administer end of course assessments for the following:

(1) English 10.

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- (2) Biology I.
 - (3) Algebra I.

29 SECTION 31. IC 20-32-5-23, AS ADDED BY P.L.117-2016, 30 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 31 UPON PASSAGE]: Sec. 23. This chapter expires July 1, 2017. 2018. 32 SECTION 32. IC 20-32-5.1 IS ADDED TO THE INDIANA CODE 33 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE 34 **UPON PASSAGE]:** 35 Chapter 5.1. Indiana's Learning Evaluation Assessment 36 **Readiness Network (ILEARN) Program**

Sec. 1. This chapter applies after June 30, 2018.

Sec. 2. The purpose of the Indiana's Learning Evaluation
Assessment Readiness Network (ILEARN) program developed
under this chapter is to establish an assessment system that is
student centered and provides meaningful and timely information
to all stakeholders on both a student's on grade proficiency level



1	and the student's growth toward Indiana's college and career
2	readiness educational standards under IC 20-19-2-14.5.
3	Sec. 3. The Indiana's Learning Evaluation Assessment
4	Readiness Network (ILEARN) program consists of:
5	(1) a statewide assessment described in section 7 or 8 of this
6	chapter;
7	(2) optional benchmark assessments described in section 18 of
8	this chapter;
9	(3) requirements to integrate statewide assessment literacy
10	described in section 19 of this chapter; and
11	(4) any programs or policies approved by the state board that
12	are necessary to carry out this chapter.
13	Sec. 4. To carry out the purposes described in section 2 of this
14	chapter:
15	(1) assessment reporting for assessments developed under this
16	chapter must be:
17	(A) reliable;
18	(B) accurate;
19	(C) user friendly; and
20	(D) timely;
21	(2) the statewide assessment must help students understand
22	their college and career readiness; and
23	(3) the statewide assessment must hold schools accountable
24	for preparing students for college and careers.
25	Sec 5. An assessment developed under this chapter must be
26	aligned to Indiana's college and career readiness educational
27	standards under IC 20-19-2-14.5.
28	Sec. 6. (a) The state board shall:
29	(1) authorize and oversee the department's development and
30	implementation of the Indiana's Learning Evaluation
31	Assessment Readiness Network (ILEARN) program,
32	including:
33 34	(A) subject to subsection (e), establishment of criteria for
34 35	requests for proposals for statewide assessments developed or outborized under this abortory
35 36	or authorized under this chapter; (B) establishment of exiteria for membership of evaluation
30 37	(B) establishment of criteria for membership of evaluation teams; and
38	(C) establishment of criteria for content and format of the
38 39	statewide assessment, including the graduation
40	examination; and
40	(2) require the department to conduct ongoing analysis of
42	whether the statewide assessment results are predictive of
14	mether the state mue assessment results are predictive of



1	success in college and career training programs.
2	(b) The passing scores on a statewide assessment must be
3	determined by statistically valid and reliable methods as
4	determined by independent experts selected by the state board.
5	(c) The state superintendent, with the approval of the state
6	board, is responsible for the development, implementation, and
7	monitoring of the Indiana's Learning Evaluation Assessment
8	Readiness Network (ILEARN) program.
9	(d) The department shall prepare detailed design specifications
10	for the statewide assessment developed under this chapter that
11	must do the following:
12	(1) Take into account the academic standards adopted under
13	IC 20-31-3.
14	(2) Include testing of students' higher level cognitive thinking
15	in each subject area tested.
16	(e) A statewide assessment described in section 7 of this chapter
17	must be in a form that allows the department and the state board
18	to compare the proficiency of Indiana students to the proficiency
19	of students in other states. A statewide assessment may consist of
20	original test items for Indiana's exclusive use if the state board
21	determines that:
22	(1) developing original test items for Indiana's exclusive use
23	will result in cost savings; or
24	(2) it would be impractical to develop a statewide assessment
25	adequately aligned to Indiana's academic standards without
26	including original test items developed for Indiana's exclusive
27	use.
28	Sec. 7. (a) Except as otherwise provided in this chapter and in
29	the manner provided in section 6 of this chapter, the state board is
30	responsible for determining the appropriate subjects, grades, and
31	format of a statewide assessment.
32	(b) For each school year beginning after June 30, 2018, and
33	except as provided in section 12 of this chapter, the statewide
34	assessment must be administered to all students attending a school
35	corporation, charter school, state accredited nonpublic school, or
36	eligible school (as defined in IC 20-51-1-4.7) in grades subject to
37	the statewide assessment required by federal law and in a manner
38	prescribed by the state board.
39	(c) Subject matter tested on the statewide assessment as
40	determined by the state board under subsection (a) must, at a
41	minimum, comply with requirements established under federal law
42	with:



1 (1) math and English/language arts assessed yearly in grades 2 3 through 8, and at least once in grades 9 through 12; and 3 (2) science assessed at least once in grades 3 through 5, grades 4 6 through 9, and grades 10 through 12. 5 (d) For the statewide assessments required in grades 9 through 6 12 under subsection (c), each school corporation, charter school, 7 state accredited nonpublic school, and eligible school (as defined in 8 IC 20-51-1-4.7) shall administer a nationally recognized college 9 entrance assessment designated by the state board unless the state 10 board determines that designating a nationally recognized college 11 entrance assessment is impracticable. 12 (e) The nationally recognized college entrance assessment 13 described in subsection (d) must be administered to a student at the 14 school in which the student is enrolled and during the normal 15 school day. 16 (f) The state board shall establish multiple categories of 17 performance regarding proficiency on the nationally recognized 18 college entrance assessment, including establishing a passing score 19 required to qualify for graduation. 20 (g) The statewide assessment must be administered in a single 21 testing window that must take place at the end of a school year on 22 dates determined by the state board. 23 Sec. 8. (a) Subject to subsections (c) and (d), the department 24 shall require the use of computer or digital technology to complete 25 the statewide assessment described in section 7 of this chapter. 26 (b) Subject to subsections (c) and (d), each school corporation, 27 charter school, state accredited nonpublic school, and eligible 28 school (as defined in IC 20-51-1-4.7) shall allow a student to use 29 computer or digital technology to complete the statewide 30 assessment. 31 (c) The department may waive the requirement under 32 subsection (a) or (b), or both. The state board shall establish the 33 procedures and requirements for the approval or denial of a waiver under this subsection. 34 35 (d) The statewide assessment may use a technology enhanced 36 test question only when the technology enhanced test question is 37 the best way to measure the academic standard being tested. 38 Sec. 9. (a) For each school year beginning after June 30, 2018, 39 a high school shall administer end of course assessments for the 40 following: 41 (1) English 10. 42 (2) Biology I.



(3) Algebra I.

1 2 (b) Students must be eligible to take the end of course 3 assessments described in subsection (a) upon completion of the 4 corresponding course regardless of the student's current grade 5 level. 6 (c) The department shall make available to each school 7 corporation, charter school, state accredited nonpublic school, and 8 eligible school (as defined in IC 20-51-1-4.7) end of course 9 examinations in the areas of: 10 (1) United States history; and 11 (2) United States government. 12 Sec. 10. All assessments approved by the state board under this 13 chapter must comply with each of the following requirements: 14 (1) All assessment data results shall be owned by the school 15 corporation or school that elects to administer the assessment. 16 (2) All assessment data shall be available to the school 17 corporation or school promptly upon request and at no 18 additional charge. 19 (3) The assessment data shall be provided in a manner that 20 permits it to be used with any instructional program. 21 Sec. 11. (a) The governing body of each school corporation or 22 equivalent authority for each charter school, eligible school (as 23 defined in IC 20-51-1-4.7), or state accredited nonpublic school is 24 entitled to acquire at no charge from the department: 25 (1) the statewide assessment; and 26 (2) the scoring reports used by the department. 27 (b) A state accredited nonpublic school or an eligible school (as 28 defined in IC 20-51-1-4.7) shall: 29 (1) administer the statewide assessment to its students at the 30 same time that school corporations administer the test under 31 section 7 of this chapter; and 32 (2) make available to the department the results of the 33 statewide assessment. 34 Sec. 12. (a) A student who is a student with a disability (as 35 defined in IC 20-35-1-8) shall be tested under this chapter with 36 appropriate accommodations as outlined in the student's 37 individualized education program, service plan developed under 38 511 IAC 7-34, or choice scholarship education plan developed 39 under 511 IAC 7-49 in testing materials and procedures unless the 40 individuals who develop the student's individualized education 41 program, service plan, or choice scholarship education plan 42 determine that testing or a part of the testing under this chapter is



1 not appropriate for the student and that an alternate assessment 2 will be used to test the student's achievement. 3 (b) Any decision concerning a student who is a student with a 4 disability (as defined in IC 20-35-1-8) regarding the student's: 5 (1) participation in testing under this chapter; 6 (2) receiving accommodations in testing materials and 7 procedures; 8 (3) participation in remediation under IC 20-32-8; or 9 (4) retention at the same grade level for consecutive school 10 years; 11 must be made in accordance with the student's individualized 12 education program, service plan, or choice scholarship education 13 plan in compliance with the statewide assessment program's policies and federal law. 14 15 Sec. 13. (a) The department shall establish policies and 16 procedures that foster, to the extent possible, the scoring of student 17 responses of an open ended writing assessment on a statewide 18 assessment by Indiana teachers. The teacher may not grade 19 student responses of students who are enrolled in the same school 20 corporation, charter school, state accredited nonpublic school, or 21 eligible school (as defined in IC 20-51-1-4.7) in which the teacher 22 is currently employed. 23 (b) The scoring of student responses under a statewide 24 assessment: 25 (1) must adhere to scoring rubrics and anchor papers; 26 (2) must measure student achievement relative to the 27 academic standards established by the state board; and 28 (3) may not reflect the scorer's judgment of the values 29 expressed by a student in the student's responses. 30 Sec. 14. (a) The proficiency of students under a statewide 31 assessment must be reported to the state board as soon as 32 practicable but not later than August 15 of the year in which the 33 statewide assessment is administered. 34 (b) Reports of student scores on the statewide assessment must 35 be: 36 (1) returned to the school corporation, charter school, state 37 accredited nonpublic school, or eligible school (as defined in 38 IC 20-51-1-4.7) that administered the test; and 39 (2) accompanied by a guide for interpreting scores. 40 (c) Subject to approval by the state board, reports of student 41 results on computer scored items under a statewide assessment 42 may be returned to schools regardless of whether the hand scored

1 items are returned.

2 (d) After reports of final student scores on the statewide 3 assessment are returned to a school corporation, charter school, 4 state accredited nonpublic school, or eligible school (as defined in 5 IC 20-51-1-4.7), the school corporation or school shall promptly do 6 the following: 7 (1) Give each student and the student's parent the student's 8 statewide assessment test scores. 9 (2) Make available for inspection to each student and the 10 student's parent the following: 11 (A) Except as provided in subsection (e), copies of 12 questions that are hand scored. 13 (B) A copy of the student's scored responses. 14 (C) A copy of the anchor papers and scoring rubrics used 15 to score the student's responses. 16 A student's parent may request a rescoring of a student's responses 17 for a statewide assessment, including a student's essay. A student's 18 final score on a rescored statewide assessment must reflect the 19 student's actual score on the rescored statewide assessment 20 regardless of whether the student's score decreased or improved on 21 the rescored assessment. 22 (e) The department shall develop criteria to provide a student's 23 parent the opportunity to inspect questions described in subsection 24 (d)(2)(A) in a manner that will not compromise the validity or 25 integrity of a statewide assessment. 26 (f) A student's statewide assessment scores may not be disclosed 27 to the public. 28 Sec. 15. (a) After a school receives statewide assessment score 29 reports, the school shall offer a parent/teacher conference to 30 discuss a student's statewide assessment results with the following: 31 (1) A parent of a student who requests a parent/teacher 32 conference on the statewide assessment scores of the student. 33 (2) The parent of each student who does not receive a passing 34 score on the test. 35 (b) The department shall provide enrichment resources to 36 parents and students to provide assistance to students in subject 37 matter included in the student's most recently completed statewide 38 assessment. 39 Sec. 16. (a) Each school corporation shall compile the total 40 results of the statewide assessments in a manner that will permit 41 evaluation of learning progress within the school corporation. The

42 school corporation shall make the compilation of test results



available for public inspection and shall provide that compilation to the parent of each student tested under the statewide assessment.

(b) The school corporation shall provide the statewide assessment program test results on a school by school basis to the department upon request.

(c) Upon request by the commission for higher education, the department shall provide statewide assessment results to the commission for those students for whom the commission under 20 U.S.C. 1232g has obtained consent.

10 Sec. 17. (a) The department shall develop a format for the 11 publication by school corporations in an annual performance 12 report required by statute of appropriate academic information 13 required by the department, including statewide assessment scores 14 and information required to be disaggregated by the department 15 under subsection (b), in a manner that a reasonable person can 16 easily read and understand.

17 (b) The department shall disaggregate from the total results of 18 the statewide assessment test results for a school corporation the 19 percentage of students in each school and each grade in the school 20 corporation that are identified as high ability students (as defined 21 by IC 20-36-1-3) by the school corporation who also achieved a 22 score in the highest performance level designated for the statewide 23 assessment. However, this disaggregation is not required in a case 24 in which the results would reveal personally identifiable 25 information about an individual student under the federal Family 26 Education Rights and Privacy Act (20 U.S.C. 1232g et seq.).

27 Sec. 18. (a) The state board shall approve two (2) or more 28 benchmark assessments to identify students that require 29 remediation and provide individual instruction in which a school 30 corporation, charter school, state accredited nonpublic school, or 31 eligible school (as defined in IC 20-51-1-4.7) may receive a grant 32 under subsection (c). The benchmark assessments must be aligned 33 to Indiana's academic standards.

(b) A school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) may elect to administer a benchmark assessment described in subsection (a). If a school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) administers an assessment described in subsection (a), the school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) may prescribe the time and the manner in which the assessment is

EH 1003-LS 7494/DI 116



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2 (c) If a school corporation, charter school, state accredited 3 nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) 4 elects to administer a benchmark assessment described in 5 subsection (a), the school corporation, charter school, state 6 accredited nonpublic school, or eligible school (as defined in 7 IC 20-51-1-4.7) is entitled to receive a grant or reimbursement 8 from the department in an amount not to exceed the cost of the 9 assessment. The department shall provide grants and 10 reimbursements to a school corporation, charter school, state 11 accredited nonpublic school, or eligible school (as defined in 12 IC 20-51-1-4.7) under this section from money appropriated to the 13 department for the purpose of carrying out this section.

Sec. 19. (a) The department, with the approval of the state
board, shall develop and implement programs, policies, and
procedures necessary to carry out this chapter to:

17 (1) continuously improve teacher, student, parent, and18 community understanding of assessment results;

19(2) strategically use data and information from the assessment20results to improve student growth and proficiency of all21students; and

(3) instruct teachers and administrators on how formative
assessment practices can be used on a daily basis during class
instruction.

(b) The department shall establish requirements for teacher
preparation programs (as described in IC 20-28-3-1(b)) under
IC 20-28-3 to improve assessment literacy skills to improve a
teacher preparation program student's ability to strategically use
data and information from assessment results to improve student
growth and proficiency.

31Sec. 20. The state board shall adopt rules under IC 4-22-2 to32implement this chapter.

SECTION 33. IC 20-32-8-11, AS AMENDED BY P.L.233-2015, SECTION 245, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. Notwithstanding the requirements of this chapter, any decisions made with regard to:

(1) attendance in a remediation program;

(2) ISTEP statewide assessment program testing; and

(3) the grade level placement;

for a student who is a student with a disability (as defined in
IC 20-35-1-8) shall be made in accordance with the individualized
education program, state law, and federal law.

EH 1003-LS 7494/DI 116



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1	SECTION 34. IC 20-33-2-13, AS AMENDED BY P.L.222-2015,
2	SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	UPON PASSAGE]: Sec. 13. (a) A school corporation shall record or
4	include the following information in the official high school transcript
5	for a student in high school:
6	(1) Attendance records.
7	(2) The student's latest ISTEP statewide assessment program test
8	results. under IC 20-32-5.
9	(3) Any secondary level and postsecondary level certificates of
10	achievement earned by the student.
11	(4) Immunization information from the immunization record the
12	student's school keeps under IC 20-34-4-1.
12	(5) Any dual credit courses taken that are included in the core
14	transfer library under IC 21-42-5-4.
15	(b) A school corporation may include information on a student's
16	high school transcript that is in addition to the requirements of
17	subsection (a).
18	SECTION 35. IC 20-35-8-1, AS AMENDED BY P.L.229-2011,
19	SECTION 195, IS AMENDED TO READ AS FOLLOWS
20	[EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in
20	subsection (b), if a student with legal settlement in a school corporation
22	is transferred to attend school in another school corporation because of
23	a disability or multiple disabilities, the transferor corporation shall:
24	(1) either:
25	(A) provide; or
26	(B) pay for, in the amount determined under section 2 of this
27	chapter;
28	any transportation that is necessary or feasible, as determined
20 29	under section 2 of this chapter and the rules adopted by the state
30	board; and
31	(2) pay transfer tuition for the student to the transferee
32	corporation in accordance with IC 20-26-11.
33	(b) If the student attends a school operated through:
34	(1) a joint school service and supply program; or
35	(1) a joint school service and supply program, of (2) another cooperative program;
36	involving the school corporation of the student's legal settlement,
37	transportation and other costs shall be made in amounts and at the
38	times provided in the agreement or other arrangement made between
39	the participating school corporations.
40	(c) Student data, including ISTEP statewide assessment program
40 41	testing scores, academic progress, grade level, and graduation date, for
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7∠	a student described in subsection (a) shall be included in



1	determinations for the school corporation in which the student has legal
2	settlement.
$\frac{2}{3}$	SECTION 36. IC 20-43-10-3, AS AMENDED BY P.L.151-2016,
4	SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5	UPON PASSAGE]: Sec. 3. (a) As used in this section, "achievement
6	test" means a
7	(1) test required by the ISTEP statewide assessment program. or
8	(2) Core 40 end of course assessment for the following:
9	(A) Algebra I.
10	(B) English 10.
11	(C) Biology I.
12	(b) As used in this section, "graduation rate" means the percentage
13	graduation rate for a high school in a school corporation as determined
14	under IC 20-26-13-10 but adjusted to reflect the pupils who meet the
15	requirements of graduation under subsection (d).
16	(c) As used in this section, "test" means either:
17	(1) a test required by the ISTEP statewide assessment program.
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19	(2) a Core 40 end of course assessment.
20	(d) A pupil meets the requirements of graduation for purposes of
21	this section if the pupil successfully completed:
22	(1) a sufficient number of academic credits, or the equivalent of
23	academic credits; and
24	(2) the graduation examination required under IC 20-32-3 through
25	IC 20-32-5;
26	that resulted in the awarding of a high school diploma or an academic
27	honors diploma to the pupil for the school year ending in the
28 29	immediately preceding state fiscal year.
29 30	(e) Determinations for a school for a state fiscal year must be made using:
31	(1) the count of tests passed compared to the count of tests taken
32	throughout the school;
33	(2) the graduation rate in the high school; and
34	(3) the count of pupils graduating in the high school.
35	(f) In determining grants under this section, a school corporation
36	may qualify for the following two (2) grants each year:
37	(1) One (1) grant under subsection (h), (i), or (j).
38	(1) Since (1) grant under subsection (h) , (1) , or (p) . (2) One (1) grant under subsection (k) , (1) , or (m) .
39	(g) The sum of the two (2) grant amounts described in subsection
40	(f), as determined for a school corporation under this section,
41	constitutes an annual performance grant that is in addition to state
42	tuition support. After review by the budget committee, the annual



performance grant for a state fiscal year shall be distributed to the school corporation before December 5 of that state fiscal year, unless an extension of the December 5 deadline is approved for that state fiscal year under subsection (o). If the:

5 (1) total amount to be distributed as performance grants for a 6 particular state fiscal year exceeds the amount appropriated by the 7 general assembly for performance grants for that state fiscal year, 8 the total amount to be distributed as performance grants to school 9 corporations shall be proportionately reduced so that the total reduction equals the amount of the excess. The amount of the 10 reduction for a particular school corporation is equal to the total 11 amount of the excess multiplied by a fraction. The numerator of 12 13 the fraction is the amount of the performance grant that the school 14 corporation would have received if a reduction were not made 15 under this section. The denominator of the fraction is the total amount that would be distributed as performance grants to all 16 school corporations if a reduction were not made under this 17 18 section: and

19 (2) total amount to be distributed as performance grants for a 20 particular state fiscal year is less than the amount appropriated by 21 the general assembly for performance grants for that state fiscal 22 year, the total amount to be distributed as performance grants to 23 school corporations for that particular state fiscal year shall be 24 proportionately increased so that the total amount to be 25 distributed equals the amount of the appropriation for that 26 particular state fiscal year.

27 The performance grant received by a school corporation shall be 28 allocated among and used only to pay cash stipends to all teachers who 29 are rated as effective or as highly effective and employed by the school 30 corporation as of December 1. The lead school corporation or interlocal 31 cooperative administering a cooperative or other special education 32 program or administering a career and technical education program, 33 including programs managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award performance stipends to and carry out the 34 35 other responsibilities of an employing school corporation under this 36 section for the teachers in the special education program or career and 37 technical education program. The amount of the distribution from an 38 annual performance grant to an individual teacher is determined at the 39 discretion of the governing body of the school corporation. The 40 governing body shall differentiate between the amount of the stipend 41 awarded to a teacher rated as a highly effective teacher and a teacher rated as an effective teacher and may differentiate between school 42

EH 1003-LS 7494/DI 116



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1 buildings. A stipend to an individual teacher in a particular year is not 2 subject to collective bargaining and is in addition to the minimum 3 salary or increases in salary set under IC 20-28-9-1.5. In addition, an 4 amount determined under the policies adopted by the governing body 5 but not exceeding fifty percent (50%) of the amount of a stipend to an 6 individual teacher in a particular state fiscal year beginning after June 7 30, 2015, becomes a permanent part of and increases the base salary of 8 the teacher receiving the stipend for school years beginning after the 9 state fiscal year in which the stipend is received. The addition to base 10 salary under this section is not subject to collective bargaining, is 11 payable from funds other than the performance grant, and is in addition 12 to the minimum salary and increases in salary set under IC 20-28-9-1.5. 13 The school corporation shall distribute all stipends from a performance grant to individual teachers within twenty (20) business days of the 14 15 date the department distributes the performance grant to the school corporation. Any part of the performance grant not distributed as 16 17 stipends to teachers before February must be returned to the 18 department on the earlier of the date set by the department or June 30 19 of that state fiscal year.

(h) Except as provided in subsection (n), a school qualifies for a
grant under this subsection if the school has more than seventy-two and
five-tenths percent (72.5%) but less than ninety percent (90%) of the
tests taken in the school year ending in the immediately preceding state
fiscal year that receive passing scores. The grant amount for the state
fiscal year is:

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

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

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

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

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

(j) This subsection does not apply to a school corporation in its first
year of operation or to a school corporation that is entitled to a
distribution under subsection (h) or (i). Except as provided in
subsection (n), a school qualifies for a grant under this subsection if the

EH 1003-LS 7494/DI 116



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1 school's school year over school year percentage growth rate of 2 achievement tests receiving passing scores was at least five percent 3 (5%), comparing the school year ending in the immediately preceding 4 state fiscal year to the school year immediately preceding that school 5 year. The grant amount for the state fiscal year is: 6 (1) the count of the school corporation's pupils who had a passing 7 score on their achievement test in the school year ending in the 8 immediately preceding state fiscal year; multiplied by 9 (2) forty-seven dollars (\$47). 10 (k) A school qualifies for a grant under this subsection if the school 11 had a graduation rate of ninety percent (90%) or more for the school year ending in the immediately preceding state fiscal year. The grant 12 13 amount for the state fiscal year is: 14 (1) the count of the school corporation's pupils who met the 15 requirements for graduation for the school year ending in the immediately preceding state fiscal year; multiplied by 16 17 (2) one hundred seventy-six dollars (\$176). 18 (1) A school qualifies for a grant under this subsection if the school 19 had a graduation rate greater than seventy-five percent (75%) but less 20 than ninety percent (90%) for the school year ending in the 21 immediately preceding state fiscal year. The grant amount for the state 22 fiscal year is: 23 (1) the count of the school corporation's pupils who met the 24 requirements for graduation for the school year ending in the 25 immediately preceding state fiscal year; multiplied by (2) eighty-eight dollars (\$88). 26 27 (m) This subsection does not apply to a school in its first year of 28 operation or to a school corporation that is entitled to a distribution 29 under subsection (k) or (l). A school qualifies for a grant under this 30 subsection if the school's school year over school year percentage 31 growth in its graduation rate is at least five percent (5%), comparing 32 the graduation rate for the school year ending in the immediately 33 preceding state fiscal year to the graduation rate for the school year immediately preceding that school year. The grant amount for the state 34 35 fiscal year is: 36 (1) the count of the school corporation's pupils who met the 37 requirements for graduation in the school year ending in the immediately preceding state fiscal year; multiplied by 38 39 (2) one hundred seventy-six dollars (\$176). 40 (n) This subsection applies to the state fiscal year beginning July 1, 2015, and ending June 30, 2016. Notwithstanding subsection (h), (i), 41 42 or (j), the amount of the grant described in subsection (h), (i), or (j)



shall be calculated using the higher of:

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(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.

6 If a grant amount for a school is calculated using the percentage 7 described in subdivision (1), the ISTEP data from the 2013-2014 8 school year shall be used in the calculation of the grant amount, and the 9 grant amount may not exceed the grant amount that the school received 10 for the state fiscal year beginning July 1, 2014, and ending June 30, 2015, or in the case of a currently eligible school that was ineligible for 11 12 a grant in the state fiscal year beginning July 1, 2014, and ending June 13 30, 2015, because the school had not completed the required teacher 14 evaluations, the grant amount that the school would have been entitled 15 to receive for the state fiscal year beginning July 1, 2014, and ending June 30, 2015, if the school had been eligible. The school corporation 16 17 shall distribute all stipends from a performance grant to individual 18 teachers within twenty (20) business days of the date the department 19 distributes the performance grant to the school corporation.

20 (o) The department, after review by the budget committee, may 21 waive the December 5 deadline to distribute an annual performance 22 grant to the school corporation under subsection (g) for that state fiscal 23 year and approve an extension of that deadline to a later date within 24 that state fiscal year, if the department determines that a waiver and 25 extension of the deadline is in the public interest. 26

(p) This section expires June 30, 2017.

27	SECTION 37. IC 20-51-1-4.7, AS AMENDED BY P.L.211-2013,
28	SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29	UPON PASSAGE]: Sec. 4.7. "Eligible school" refers to a public or
30	nonpublic elementary school or high school that:
21	

31 (1) is located in Indiana;

32 (2) requires an eligible choice scholarship student to pay tuition 33 or transfer tuition to attend;

(3) voluntarily agrees to enroll an eligible choice scholarship 34 35 student:

36 (4) is accredited by either the state board or a national or regional 37 accreditation agency that is recognized by the state board;

38 (5) administers the Indiana statewide testing for educational progress (ISTEP) statewide assessment program; under 39 40 IC 20-32-5:

41 (6) is not a charter school or the school corporation in which an 42 eligible choice scholarship student has legal settlement under



1 IC 20-26-11; and 2 (7) submits to the department only the student performance data 3 required for a category designation under IC 20-31-8-3. 4 SECTION 38. IC 20-51-1-6, AS ADDED BY P.L.182-2009(ss), 5 SECTION 364, IS AMENDED TO READ AS FOLLOWS 6 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) "Participating school" 7 refers to a public or nonpublic school that: 8 (1) an eligible student is required to pay tuition or transfer tuition 9 to attend; 10 (2) voluntarily agrees to enroll an eligible student; (3) is accredited by either the state board or a national or regional 11 12 accreditation agency that is recognized by the state board; and (4) administers the tests under the Indiana statewide testing for 13 educational progress (ISTEP) statewide assessment program or 14 15 administers another nationally recognized and norm-referenced 16 assessment of the school's students. (b) The term does not include a public school in a school 17 18 corporation where the eligible student has legal settlement under 19 IC 20-26-11. 20 SECTION 39. [EFFECTIVE UPON PASSAGE] (a) The legislative 21 council is urged to assign to the interim study committee on 22 education established by IC 2-5-1.3-4 for study during the 2017 23 interim of the general assembly the topic of Indiana's laws 24 concerning school certificated employee evaluations. 25 (b) If the topic described in subsection (a) is assigned to the 26 interim study committee on education, the study committee shall, 27 not later than November 1, 2017, issue a final report to the 28 legislative council containing the study committee's findings and 29 recommendations, including any recommended legislation 30 concerning the topic, in an electronic format under IC 5-14-6. 31 (c) This SECTION expires December 31, 2017.

32 SECTION 40. 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 25, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 30. IC 20-32-5-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21.5. For a school year beginning after June 30, 2017, a public school, a state accredited school, or an eligible school (as defined in IC 20-51-1-4.7) shall administer end of course assessments in at least the areas of:

(1) English/language arts;

(2) science; and

(3) algebra I.

subject matter or discipline with regard to the end of course assessment passed by the student.".

Page 25, line 31, delete "IC 20-19-2-4.5" and insert "IC 20-19-2-14.5".

Page 26, line 14, delete "IC 20-19-2-4.5" and insert "IC 20-19-2-14.5".

Page 27, line 10, delete "or".

Page 27, line 10, after "nonpublic school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 27, line 23, delete "or".

Page 27, line 23, after "nonpublic school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 27, line 25, delete "a" and insert "at least one (1) of the following".

Page 27, line 26, delete "assessment" and insert "assessments".

Page 27, line 26, delete ", including the following:" and insert ":".

Page 27, line 29, delete "delete "Advance" and insert "Advanced".

Page 27, between lines 36 and 37, begin a new line block indented and insert:

"(6) The Armed Services Vocational Aptitude Battery.".

Page 27, line 37, delete "(6)" and insert "(7)".

Page 28, line 10, delete "the graduation examination must consist of" and insert "a high school shall administer".

Page 28, line 11, delete "examinations" and insert "assessments".

Page 28, line 16, delete "examinations" and insert "assessments".

Page 28, line 19, delete "examinations" and insert "assessments".



Page 28, line 21, delete "examination" and insert "assessment".

Page 28, line 26, after "before" insert "completing".

Page 28, line 28, delete "examination" and insert "assessment".

Page 28, between lines 30 and 31, begin a new paragraph and insert:

"(d) All assessments approved by the state board under subsection (a) and any other benchmark, interim, or similar type assessments created or provided in conjunction with the statewide assessment described in section 7 of this chapter and used by a school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) must comply with each of the following requirements:

(1) All assessment data results shall be owned by the school corporation or school that elects to administer the assessment.
 (2) All assessment data shall be available to the school corporation or school promptly upon request and at no additional charge.

(3) The assessment data shall be provided in a manner that permits it to be used with any instructional program.".

Page 28, line 31, delete "public school" and insert "school corporation, charter school, eligible school (as defined in IC 20-51-1-4.7),".

Page 28, line 36, after "school" insert "or an eligible school (as defined in IC 20-51-1-4.7)".

Page 29, line 2, after "accommodations" insert "as outlined in the student's individualized education plan or individualized service plan".

Page 29, line 4, after "program" insert "**or individualized service plan**".

Page 29, line 16, after "program" insert "**or individualized service plan**".

Page 29, line 40, after "a school corporation," insert "charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-19-2-14.5),".

Page 29, line 40, after "the school corporation" insert "**or school**". Page 30, line 39, delete "schedule" and insert "**offer**".

Page 31, line 39, delete "guide" and insert "**provide**".

Page 31, line 40, delete "or".

Page 31, line 40, after "nonpublic school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 31, line 42, delete "." and insert "and the statewide assessment described in section 7 of this chapter.".

Page 32, line 1, delete "public or" and insert "school corporation,



43

charter school,".

Page 32, line 1, after "school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 32, line 8, delete "or".

Page 32, line 9, after " school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 32, line 11, delete "or state" and insert "state".

Page 32, line 11, after " school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 32, line 14, delete "or".

Page 32, line 15, after " school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 32, delete lines 18 through 24, begin a new paragraph and insert:

"Sec. 17. (a) The department, with the approval of the state board, shall develop and implement programs, policies, and procedures necessary to carry out this chapter to:

(1) continuously improve teacher, student, parent, and community understanding of assessment results;

(2) strategically use data and information from the assessment results to improve student growth and proficiency of all students; and

(3) instruct teachers and administrators how formative assessment practices can be used on a daily basis during class instruction.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1003 as introduced.)

BEHNING

Committee Vote: yeas 10, nays 2.



HOUSE MOTION

Mr. Speaker: I move that House Bill 1003 be amended to read as follows:

Page 29, between lines 2 and 3, begin a new paragraph and insert:

"(d) The department shall make available to each school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) end of course examinations in the areas of:

(1) United States history; and

(2) United States government.".

Page 29, line 3, delete "(d)" and insert "(e)".

Page 32, line 36, delete "and the statewide assessment" and insert ".".

Page 32, delete line 37.

(Reference is to HB 1003 as printed February 14, 2017.)

COOK

COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred House Bill No. 1003, 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:

Page 1, line 6, delete "test" and insert "nationally recognized college entrance assessment".

Page 1, line 7, delete "or purchased".

Page 1, line 15, delete ""Statewide" and insert "(a) Except as provided in subsection (b), "statewide".

Page 2, between lines 4 and 5, begin a new paragraph and insert:

"(b) For purposes of IC 20-28-11.5 and for school years beginning after June 30, 2018, "statewide assessment program" does not include end of course assessments administered under IC 20-32-5.1.".

Page 11, line 35, delete "(for" and insert "(for".

Page 12, line 34, delete "2018)," and insert "2018),".

Page 25, line 19, delete "a public" and insert "each public".

Page 25, line 19, after "school," delete "a".

Page 25, line 19, after "accredited" insert "nonpublic".



Page 25, line 20, delete "or an" and insert "and".

Page 25, line 21, delete "in at least the areas of:" and insert "**for the following:**

(1) English 10.

(2) Biology I.

(3) Algebra I.".

Page 25, delete lines 22 through 26.

Page 25, line 42, delete "education" and insert "readiness educational".

Page 26, line 3, after "7" insert "or 8".

Page 26, line 5, delete "an".

Page 26, line 5, delete "assessment" and insert "assessments".

Page 26, line 5, delete "16" and insert "18".

Page 26, line 8, delete "17" and insert "19".

Page 26, line 24, delete "education" and insert "readiness educational".

Page 26, line 31, after "(A)" insert "subject to subsection (e),".

Page 27, between lines 13 and 14, begin a new paragraph and insert:

"(e) A statewide assessment described in section 7 of this chapter must be in a form that allows the department and the state board to compare the proficiency of Indiana students to the proficiency of students in other states. A statewide assessment may consist of original test items for Indiana's exclusive use if the state board determines that:

(1) developing original test items for Indiana's exclusive use will result in cost savings; or

(2) it would be impractical to develop a statewide assessment adequately aligned to Indiana's academic standards without including original test items developed for Indiana's exclusive use.".

Page 27, line 14, delete "The" and insert "Except as otherwise provided in this chapter and in the manner provided in section 6 of this chapter, the".

Page 27, line 14, delete ", except as otherwise provided in this".

Page 27, line 15, delete "section and in the manner provided in section 6 of this chapter,".

Page 27, line 19, delete "10" and insert "12".

Page 27, line 25, delete "shall be" and insert "as".

Page 27, delete lines 33 through 42, begin a new paragraph and insert:

"(d) For the statewide assessments required in grades 9 through 12 under subsection (c), each school corporation, charter school,



state accredited nonpublic school, and eligible school (as defined in IC 20-51-1-4.7) shall administer a nationally recognized college entrance assessment designated by the state board unless the state board determines that designating a nationally recognized college entrance assessment is impracticable.

(e) The nationally recognized college entrance assessment described in subsection (d) must be administered to a student at the school in which the student is enrolled and during the normal school day.

(f) The state board shall establish multiple categories of performance regarding proficiency on the nationally recognized college entrance assessment, including establishing a passing score required to qualify for graduation.".

Page 28, delete lines 1 through 12.

Page 28, line 13, delete "(e)" and insert "(g)".

Page 28, between lines 15 and 16, begin a new paragraph and insert:

"Sec. 8. (a) Subject to subsections (c) and (d), the department shall require the use of computer or digital technology to complete the statewide assessment described in section 7 of this chapter.

(b) Subject to subsections (c) and (d), each school corporation, charter school, state accredited nonpublic school, and eligible school (as defined in IC 20-51-1-4.7) shall allow a student to use computer or digital technology to complete the statewide assessment.

(c) The department may waive the requirement under subsection (a) or (b), or both. The state board shall establish the procedures and requirements for the approval or denial of a waiver under this subsection.".

Page 28, line 16, delete "(f)" and insert "(d)".

Page 28, line 16, delete ":".

Page 28, delete lines 17 through 19.

Page 28, line 20, delete "(2)".

Page 28, run in lines 16 through 22.

Page 28, line 23, delete "Sec 8." and insert "Sec. 9.".

Page 28, line 24, delete "in at least" and insert "for the following:

- (1) English 10.
- (2) Biology I.
- (3) Algebra I.".

Page 28, delete lines 25 through 28.

Page 28, delete lines 33 through 42.

Page 29, delete lines 1 through 2.

Page 29, line 3, delete "(d)" and insert "(c)".



Page 29, line 4, delete "or" and insert "and".

Page 29, line 9, delete "(e)" and insert "Sec. 10.".

Page 29, line 9, after "under" insert "this chapter".

Page 29, delete lines 10 through 13.

Page 29, line 14, delete "school, or eligible school (as defined in IC 20-51-1-4.7)".

Page 29, line 23, delete "9" and insert "11".

Page 29, line 23, delete "," and insert "or equivalent authority for each".

Page 29, line 36, delete "10" and insert "12".

Page 29, line 39, delete "plan or individualized" and insert "program,".

Page 29, line 39, after "service plan" insert "**developed under 511** IAC 7-34, or choice scholarship education plan developed under 511 IAC 7-49".

Page 29, line 41, delete "or" and insert ",".

Page 29, line 42, delete "individualized".

Page 29, line 42, after "plan" insert ", or choice scholarship education plan".

Page 30, line 13, delete "or individualized" and insert ",".

Page 30, line 13, after "plan" insert ", or choice scholarship education plan".

Page 30, line 15, delete "11" and insert "13".

Page 30, line 20, after "corporation" insert ", charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7)".

Page 30, line 28, delete "12" and insert "14".

Page 30, line 28, delete "scores of student responses under an" and insert "**proficiency of students under a**".

Page 30, line 29, after "board" insert "**as soon as practicable but**". Page 30, line 29, delete "July" and insert "**August 15**".

Page 30, line 30, delete "1".

Page 30, line 33, after "corporation" insert ", charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7)".

Page 30, between lines 35 and 36, begin a new paragraph and insert:

"(c) Subject to approval by the state board, reports of student results on computer scored items under a statewide assessment may be returned to schools regardless of whether the hand scored items are returned.".

Page 30, line 36, delete "(c)" and insert "(d)".

Page 30, line 36, after "of" insert "final".



Page 30, line 39, delete "IC 20-19-2-14.5)," and insert "IC 20-51-1-4.7),".

Page 31, line 3, delete "(d)," and insert "(e),".

Page 31, line 4, delete "not multiple choice, gridded items," and insert "hand scored.".

Page 31, delete lines 5 through 6.

Page 31, line 11, delete "an" and insert "a".

Page 31, line 16, delete "(d)" and insert "(e)".

Page 31, line 18, delete "(c)(2)(A)" and insert "(d)(2)(A)".

Page 31, line 19, delete "However, the department may".

Page 31, delete lines 20 through 21.

Page 31, line 22, delete "(e)" and insert "(f)".

Page 31, delete lines 24 through 36.

Page 31, line 37, delete "13" and insert "15".

Page 32, line 6, delete "14" and insert "16".

Page 32, line 19, delete "15" and insert "17".

Page 32, line 36, delete "16" and insert "18".

Page 33, line 4, delete "or".

Page 33, line 5, after "school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 33, line 6, delete "or" and insert "state".

Page 33, line 7, after "school" insert ", or eligible school (as defined in IC 20-51-1-4.7)".

Page 33, line 21, delete "17" and insert "19".

Page 33, line 29, after "administrators" insert "on".

Page 33, line 33, delete "defined" and insert "described".

Page 33, line 38, delete "18" and insert "20".

Page 35, line 13, delete ":".

Page 35, line 14, strike "(1)".

Page 35, line 14, delete ";" and insert ".".

Page 35, line 14, strike "or".

Page 35, strike lines 15 through 18.

Page 35, line 23, strike "either:".

Page 35, line 24, strike "(1)".

Page 35, line 24, delete ";" and insert ".".

Page 35, strike lines 25 through 26.

Page 40, line 21, strike ")".

Page 40, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 39. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the interim study committee on education established by IC 2-5-1.3-4 for study during the 2017 interim of the general assembly the topic of Indiana's laws



concerning school certificated employee evaluations.

(b) If the topic described in subsection (a) is assigned to the interim study committee on education, the study committee shall, not later than November 1, 2017, issue a final report to the legislative council containing the study committee's findings and recommendations, including any recommended legislation concerning the topic, in an electronic format under IC 5-14-6.

(c) This SECTION expires December 31, 2017.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1003 as reprinted February 17, 2017.)

KRUSE, Chairperson

Committee Vote: Yeas 7, Nays 4.

