



February 10, 2017

HOUSE BILL No. 1386

DIGEST OF HB 1386 (Updated February 9, 2017 9:08 am - DI 84)

Citations Affected: IC 20-20; IC 20-25.7; IC 20-30.

Synopsis: Competency based education. Establishes the competency based education pilot program (pilot program). Provides that the department of education may award grants under the pilot program for competency based education programs from the innovation network school grant fund. Makes conforming amendments.

Effective: July 1, 2017.

Behning, Jordan, Burton

January 17, 2017, read first time and referred to Committee on Education.
February 9, 2017, reported — Do Pass.

HB 1386—LS 7318/DI 116



February 10, 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.

HOUSE BILL No. 1386

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 20-20-44 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]:
4 **Chapter 44. Competency Based Education Pilot Program**
5 **Sec. 1. As used in this chapter, "competency based education"**
6 **means a system under which a student advances to higher levels of**
7 **learning when the student demonstrates competency in concepts**
8 **and skills regardless of time, place, or pace.**
9 **Sec. 2. As used in this chapter, "program" refers to the**
10 **competency based education pilot program established by section**
11 **3 of this chapter.**
12 **Sec. 3. (a) The competency based education pilot program is**
13 **established to provide grants to schools for designing and**
14 **implementing competency based education models for the**
15 **education of the school's students.**
16 **(b) The program shall be administered by the department. The**
17 **department may award program grants from the innovation**

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1 network school grant fund under IC 20-25.7-7-1.

2 **Sec. 4. (a) To participate in the program, a school corporation,**
3 **public school, or consortium of school corporations or public**
4 **schools must submit an application to the department not later**
5 **than April 1, 2018, on a form and in a manner prescribed by the**
6 **department.**

7 **(b) Not later than July 1, 2018, the department shall select a**
8 **total of not more than five (5) school corporations, public schools,**
9 **or consortiums of school corporations or public schools to**
10 **participate in the program. The department shall require a school**
11 **corporation or public school to agree to an annual performance**
12 **review conducted by the department as a condition of participating**
13 **in the program.**

14 **(c) To participate in the program, an applicant must implement**
15 **a competency based education model throughout at least one (1)**
16 **school. However, the applicant may phase in implementation of the**
17 **competency based education model at the school over a five (5)**
18 **year period.**

19 **Sec. 5. The competency based education offered by a**
20 **participating school corporation or public school must satisfy all**
21 **of the following requirements:**

22 **(1) Students shall advance upon mastery of the subject matter.**

23 **(2) Standards must be broken down into competencies that**
24 **include clear, measurable, transferable learning objectives**
25 **that empower students.**

26 **(3) Assessments must focus on evaluating skills and not**
27 **memorization.**

28 **(4) Students must receive timely, differentiated support based**
29 **on their individual learning needs.**

30 **(5) Learning outcomes must emphasize competencies that**
31 **include application and creation of knowledge, along with the**
32 **development of work-ready skills.**

33 **(6) The competency based education program must**
34 **incorporate partnerships with postsecondary institutions and**
35 **community organizations, including members of industry.**

36 **Sec. 6. A participating school corporation or public school**
37 **remains subject to all accountability requirements in state and**
38 **federal law that are applicable to the school corporation or public**
39 **school.**

40 **Sec. 7. If a school corporation or public school is selected to**
41 **participate in the program or is selected to participate as part of a**
42 **consortium under section 4 of this chapter, each student enrolled**



1 in the school corporation or public school is considered, for
 2 purposes of calculating state tuition support under IC 20-43, to be
 3 a full-time equivalent student in the school corporation or public
 4 school while participating in the competency based education.

5 **Sec. 8. (a)** Not later than January 31, 2019, the department shall
 6 post on its Internet web site a preliminary report that examines the
 7 planning of competency based education in the school
 8 corporations, public schools, or consortiums selected to participate
 9 in the program under section 4 of this chapter.

10 **(b)** Not later than December 31, 2021, the department shall post
 11 on its Internet web site a report that includes all of the following:

12 (1) A review of the competency based education offered by the
 13 school corporations, public schools, or consortiums selected
 14 to participate in the program under section 4 of this chapter.

15 (2) An evaluation of the implementation of competency based
 16 education by the school corporations, public schools, or
 17 consortiums selected to participate in the program and of
 18 student outcomes resulting from the competency based
 19 education.

20 (3) A determination of the feasibility of a funding model that
 21 reflects student achievement outcomes as demonstrated
 22 through competency based education.

23 **Sec. 9.** The state board shall adopt rules under IC 4-22-2
 24 necessary to implement this chapter.

25 SECTION 2. IC 20-25.7-4-3, AS AMENDED BY P.L.118-2016,
 26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2017]: Sec. 3. (a) Two (2) or more teachers and:

- 28 (1) a principal;
 29 (2) a superintendent; or
 30 (3) any combination of individuals described in either subdivision
 31 (1) or (2);

32 who are currently employed by a school corporation may submit a plan
 33 to a board for the establishment of an innovation network school.

34 **(b)** In considering whether to approve a plan submitted under this
 35 section, the board may consider innovations in the following areas:

- 36 (1) Whether the plan:
 37 (A) increases teacher salaries;
 38 (B) achieves financial sustainability for teacher salary
 39 increases under clause (A) by reallocating other funds,
 40 including local, private, state, or federal funds; and
 41 (C) develops measures for determining how the innovations or
 42 teacher empowerment:



- 1 (i) improves the quality of classroom instruction; and
 2 (ii) increases the attractiveness of teaching.
- 3 (2) Class size and schedule.
 4 (3) Length of school day or year.
 5 (4) Use of technology to deliver highly effective instruction.
 6 (5) Staffing models for teachers, paraprofessionals, and
 7 administrators.
 8 (6) Teacher recruitment, training, preparation, and professional
 9 development.
 10 (7) School governance and the roles, responsibilities, and
 11 expectations of principals in innovation network schools.
 12 (8) Preparation and counseling of students for transition to higher
 13 education or careers.
 14 (9) Whether the plan incorporates a school model that uses job
 15 redesign or technology to extend the reach of effective or highly
 16 effective teachers to more students for more pay within budget.
- 17 **(10) Innovations in conjunction with the competency based
 18 education pilot program established under IC 20-20-44.**
- 19 (c) A board that approves a plan under this section may request a
 20 grant from the state board under IC 20-25.7-7 for costs associated with
 21 the development and implementation of a plan developed under this
 22 section. The board shall apply for the grant from the state board in a
 23 manner prescribed by the state board.
- 24 SECTION 3. IC 20-25.7-7-1, AS ADDED BY P.L.214-2015,
 25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2017]: Sec. 1. (a) The innovation network school grant fund
 27 is established to provide grants to:
- 28 (1) an innovation network school established under
 29 IC 20-25.7-4-3; **or**
 30 (2) an innovation network school that participates in the career
 31 pathways pilot program under IC 20-25.7-6; **or**
 32 **(3) a school that participates in the competency based
 33 education pilot program under IC 20-20-44.**
- 34 (b) The fund shall be administered by the state board.
 35 (c) The fund consists of the following:
 36 (1) Appropriations made by the general assembly.
 37 (2) Gifts, grants, or donations.
 38 (3) Interest accruing from investment of money in the fund.
 39 (d) The treasurer of state shall invest the money in the fund not
 40 currently needed to meet the obligations of the fund in the same
 41 manner as other public funds may be invested.
 42 (e) Interest that accrues from investments of the fund shall be



1 deposited in the fund.

2 SECTION 4. IC 20-30-16 IS ADDED TO THE INDIANA CODE
3 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2017]:

5 **Chapter 16. Credit for Competency Based Education**

6 **Sec. 1. This chapter applies to credit based upon a competency
7 based education (as defined in IC 20-20-44-1).**

8 **Sec. 2. A school corporation or charter school shall grant
9 required and elective credit toward a student's diploma for
10 competency based education if the student demonstrates defined
11 levels of proficiency or mastery of Indiana academic standards.
12 Academic credit may be awarded if the student:**

13 **(1) successfully completes classroom or equivalent work
14 designed to measure proficiency or mastery of identified
15 standards;**

16 **(2) successfully passes an appropriate exam designed to
17 measure proficiency or mastery of identified standards;**

18 **(3) provides a collection of work or other assessment evidence
19 that demonstrates proficiency or mastery of identified
20 standards; or**

21 **(4) demonstrates proficiency or mastery of identified
22 standards in a manner provided by the state board.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1386, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1386 as introduced.)

BEHNING

Committee Vote: Yeas 12, Nays 0

