

### **ENGROSSED HOUSE BILL No. 1395**

DIGEST OF HB 1395 (Updated February 17, 2016 2:48 pm - DI 116)

Citations Affected: IC 20-24.2; IC 20-32; noncode.

Synopsis: ISTEP matters. Provides that provisions relating to high ability students apply to performance qualified school districts. Requires that scores of student responses under an ISTEP program test must be reported to the state board of education not later than July 1 of the year in which the ISTEP program test is administered. Provides that the department of education shall release sample essay responses to an ISTEP program test to highlight the accomplishments of students. Provides that the ISTEP program expires July 1, 2017. Establishes a panel to study alternatives to the ISTEP program tests and to make recommendations for replacing the ISTEP program.

Effective: Upon passage; July 1, 2016.

# Behning, Austin, Moed

(SENATE SPONSORS — KRUSE, KENLEY, ROGERS)

January 13, 2016, read first time and referred to Committee on Education.
January 26, 2016, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
January 28, 2016, reported — Do Pass.
February 1, 2016, read second time, amended, ordered engrossed.
February 2, 2016, engrossed. Read third time, passed. Yeas 86, nays 11.

February 18, 2016, amended, reported favorably — Do Pass.



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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1395

A BILL FOR AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-24.2-4-3, AS AMENDED BY P.L.233-2015,
SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2016]: Sec. 3. (a) Except as specifically provided in this
article and section 4 of this chapter, the following provisions of this
title and a rule or guideline adopted by the state board under one (1) of
the following provisions of this title do not apply to a qualified district
or qualified high school:
(1) Provisions that do not apply to school corporations in general.
(2) IC 20-20 (programs administered by the state), except for
IC 20-20-1 (educational service centers) and IC 20-20-8 (school
corporation annual performance report).
(3) IC 20-28 (school teachers), except for IC 20-28-3-4 (teacher
continuing education), IC 20-28-4-8 (hiring of transition to
teaching participants; restrictions), IC 20-28-4-11 (transition to
teaching participants; school corporation or subject area;



1	transition to teaching permit), IC 20-28-5-8 (conviction of certain
2	felonies; notice and hearing; permanent revocation of license;
3	data base of school employees who have been reported),
4	IC 20-28-6 (teacher contracts), IC 20-28-7.5 (cancellation of
5	teacher contracts), IC 20-28-8 (contracts with school
6	administrators), IC 20-28-9 (teacher salary and related payments),
7	IC 20-28-10 (conditions of employment), and IC 20-28-11.5 (staff
8	performance evaluations).
9	(4) IC 20-30 (curriculum), except for IC 20-30-3-2 and
10	IC 20-30-3-4 (patriotic commemorative observances),
11	IC 20-30-5-13 (human sexuality instructional requirements), and
12	IC 20-30-5-19 (personal financial responsibility instruction).
13	(5) IC 20-32 (student standards, assessments, and performance),
14	except for IC 20-32-4 (graduation requirements), IC 20-32-5
15	(Indiana statewide testing for educational progress), and
16	IC 20-32-8 (remediation).
17	(6) IC 20-36 (high ability students).
18	(7) (6) IC 20-37 (career and technical education).
19	(b) Notwithstanding any other law, a school corporation may not
20	receive a decrease in state funding based upon the school corporation's
21	status as a qualified district or the status of a high school within the
22	school corporation as a qualified high school, or because of the
23	implementation of a waiver of a statute or rule that is allowed to be
24	waived by a qualified district or qualified high school.
25	SECTION 2. IC 20-24.2-4-4, AS AMENDED BY P.L.233-2015,
26	SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27	JULY 1, 2016]: Sec. 4. The following provisions of this title and rules
28	and guidelines adopted under the following provisions of this title
29	apply to a qualified district or qualified high school:
30	IC 20-20-1 (educational service centers).
31	IC 20-20-8 (school corporation annual performance report).
32	IC 20-23 (organization of school corporations).
33	IC 20-26 (school corporation general administrative provisions).
34	IC 20-27 (school transportation).
35	IC 20-28-3-4 (teacher continuing education).
36	IC 20-28-4-8 (hiring of transition to teaching participants;
37	restrictions).
38	IC 20-28-4-11 (transition to teaching participants; school
39	corporation or subject area; transition to teaching permit).
40	IC 20-28-5-8 (conviction of certain felonies; notice and hearing;
41	permanent revocation of license; data base of school employees
42	who have been reported).



1	IC 20-28-6 (teacher contracts).
2	IC 20-28-7.5 (cancellation of teacher contracts).
3	IC 20-28-8 (contracts with school administrators).
4	IC 20-28-9 (teacher salary and related payments).
5	IC 20-28-10 (conditions of employment).
6	IC 20-28-11.5 (staff performance evaluations).
7	IC 20-29 (collective bargaining for teachers).
8	IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative
9	observances).
10	IC 20-30-5-13 (human sexuality instructional requirements).
11	IC 20-30-5-19 (personal financial responsibility instruction).
12	IC 20-31 (accountability for school performance and
13	improvement).
14	IC 20-32-4, IC 20-32-5, and IC 20-32-8 (accreditation,
15	assessment, and remediation), or any other statute, rule, or
16	guideline related to standardized assessments.
17	IC 20-33 (students: general provisions).
18	IC 20-34-3 (health and safety measures).
19	IC 20-35 (special education).
20	IC 20-36 (high ability students).
21	IC 20-39 (accounting and financial reporting procedures).
22	IC 20-40 (government funds and accounts).
23	IC 20-41 (extracurricular funds and accounts).
24	IC 20-42.5 (allocation of expenditures to student instruction).
25	IC 20-43 (state tuition support).
26	IC 20-44 (property tax levies).
27	IC 20-45 (general fund levies).
28	IC 20-46 (levies other than general fund levies).
29	IC 20-47 (related entities; holding companies; lease agreements).
30	IC 20-48 (borrowing and bonds).
31	IC 20-49 (state management of common school funds; state
32	advances and loans).
33	IC 20-50 (homeless children and foster care children).
34	SECTION 3. IC 20-32-5-6, AS ADDED BY P.L.1-2005, SECTION
35	16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
36	PASSAGE]: Sec. 6. (a) The scoring of student responses under an
37	ISTEP program test:
38	(1) must measure student achievement relative to the academic
39	standards established by the state board;
40	(2) must adhere to scoring rubrics and anchor papers; and
41	(3) may not reflect the scorer's judgment of the values expressed
42	by a student in the student's responses.



1	(b) The scores of student responses under an ISTEP program
2	test must be reported to the state board not later than July 1 of the
3	year in which the ISTEP program test is administered.
4	SECTION 4. IC 20-32-5-9, AS AMENDED BY P.L.219-2015,
5	SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6	UPON PASSAGE]: Sec. 9. (a) After reports of student scores are
7	returned to a school corporation, the school corporation shall promptly
8	do the following:
9	(1) Give each student and the student's parent the student's ISTEP
10	program test scores.
11	(2) Make available for inspection to each student and the student's
12	parent the following:
13	(A) A copy of all questions that are not multiple choice or true
14	and false and prompts used in assessing the student.
15	(B) A copy of the student's scored responses.
16	(C) A copy of the anchor papers and scoring rubrics used to
17	score the student's responses.
18	A student's parent may request a rescoring of a student's responses to
19	an ISTEP program test, including a student's essay.
20	(b) A student's ISTEP program test scores may not be disclosed to
21	the public.
22	(c) The department shall release sample essay responses to an
23	ISTEP program test to highlight the accomplishments of students.
24	SECTION 5. IC 20-32-5-23 IS ADDED TO THE INDIANA CODE
25	AS A <b>NEW</b> SECTION TO READ AS FOLLOWS [EFFECTIVE
26	UPON PASSAGE]: Sec. 23. This chapter expires July 1, 2017.
27	SECTION 6. [EFFECTIVE UPON PASSAGE] (a) The definitions
28	used in IC 20 apply throughout this SECTION.
29	(b) A panel is established to study alternatives to the ISTEP
30	program tests and to make recommendations for replacing the
31	ISTEP program under IC 20-32-5. The panel shall submit its
32	recommendations in a final report to the governor and, in an
33	electronic format under IC 5-14-6, the general assembly not later
34	than December 1, 2016. The panel shall consider the following
35	when making its recommendations:
36	(1) The feasibility of using existing tests other than the ISTEP
37	program tests, as well as new testing approaches.
38	(2) Reducing testing time.
39	(3) Reducing costs associated with the administration of a
40	statewide assessment.
41	(4) Test transparency and fairness to schools, teachers, and



42

students.

1	(5) The requirements of the Every Student Succeeds Act.
2	(c) The panel consists of the following twenty-two (22) members:
3	(1) The superintendent of public instruction.
4	(2) The commissioner of the department of workforce
5	development.
6	(3) The commissioner of the commission for higher education.
7	(4) The chairperson of the senate education and career
8	development committee.
9	(5) The chairperson of the house of representatives education
10	committee.
11	(6) The governor shall appoint the following five (5) members:
12	(A) One (1) member who serves as chairperson of the
13	panel. The member appointed as chairperson of the panel
14	must be a current or former educator or school
15	administrator.
16	(B) One (1) member who is a teacher.
17	(C) One (1) member who is a principal.
18	(D) One (1) member who is a school superintendent.
19	(E) One (1) member who is a faculty member or researcher
20	at the college or university level and who has expertise in
21	issues related to elementary and secondary education.
22	(7) The president pro tempore of the senate shall appoint the
23	following four (4) members:
24	(A) One (1) member who is a teacher.
25	(B) One (1) member who is a principal.
26	(C) One (1) member who is a school superintendent.
27	(D) One (1) member with technical expertise in
28	standardized testing.
29	(8) The speaker of the house of representatives shall appoint
30	the following four (4) members:
31	(A) One (1) member who is a teacher.
32	(B) One (1) member who is a principal.
33	(C) One (1) member who is a school superintendent.
34	(D) One (1) member with technical expertise in
35	standardized testing.
36	(9) The superintendent of public instruction shall appoint the
37	following four (4) members:
38	(A) One (1) member who is a teacher.
39	(B) One (1) member who is a principal.
40	(C) One (1) member who is a school superintendent.
41	(D) One (1) member who is a faculty member or
42	researcher at the college or university level and who has



1	expertise in issues related to elementary and secondary
2	education.
3	(d) Members appointed under subsection (c) shall be appointed
4	by the member's respective appointing authority not later than
5	May 1, 2016. Each member appointed under subsection (c) serves
6	at the will of the member's appointing authority.
7	(e) A quorum of the panel consists of twelve (12) members.
8	(f) The panel shall meet at the call of the chairperson.
9	(g) The legislative services agency shall provide administrative
10	support for the panel. The state board and the department shall
11	provide research and technical assistance for the panel.
12	(h) Each member of the panel who is not a state employee is
13	entitled to receive both of the following:
14	(1) The minimum salary per diem provided by
15	IC 4-10-11-2.1(b).
16	(2) Reimbursement for travel expenses, as provided in the
17	state travel policies and procedures established by the Indiana
18	department of administration and approved by the budget
19	agency.
20	(i) Each member of the panel who is a state employee is entitled
21	to reimbursement for travel expenses actually incurred in
22	connection with the member's duties, as provided in the state travel
23	policies and procedures established by the Indiana department of
24	administration and approved by the budget agency.
25	(j) Meetings of the panel must comply with IC 5-14-1.5.
26	(k) This SECTION expires January 1, 2017.
27	SECTION 7. [EFFECTIVE JULY 1, 2016] (a) The legislative
28	services agency shall prepare legislation for introduction in the
29	2017 regular session of the general assembly to organize and
30	correct statutes affected by this act.
31	(b) This SECTION expires December 31, 2018.
32	SECTION 8. An emergency is declared for this act.



#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1395, 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 3, between lines 33 and 34, begin a new paragraph and insert: "SECTION 3. IC 20-31-8-4.5 IS REPEALED [EFFECTIVE JULY 1, 2016]. Sec. 4.5. In addition to other benchmarks, performance indicators, and accountability standards developed under this article, the state board shall develop alternative benchmarks, performance indicators, and accountability standards to be used in the assessment of schools that focus exclusively on providing an academic program for students with developmental, intellectual, or behavioral challenges."

Page 4, between lines 23 and 24, begin a new paragraph and insert: "SECTION 6. IC 20-32-5-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 23. This chapter expires July 1, 2017.** 

SECTION 7. IC 20-32-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 5.1. Measuring Kindergarten Through Grade 12 Performance** 

- Sec. 1. (a) As used in this chapter, "committee" refers to the committee on student success established by subsection (b).
- (b) The committee on student success is established to evaluate Indiana's current system for measuring kindergarten through grade 12 performance and to make recommendations regarding its findings to the state board and, in an electronic format under IC 5-14-6, to the general assembly.
- (c) The committee consists of the following twenty-four (24) members:
  - (1) Seven (7) members appointed by the speaker of the house of representatives consisting of the following:
    - (A) One (1) member of the general assembly.
    - (B) One (1) member of the general assembly appointed in consultation with the minority floor leader of the house of representatives.
    - (C) One (1) member who is a school teacher or former school teacher appointed in consultation with the minority floor leader of the house of representatives.
    - (D) One (1) member who is a business leader.
    - (E) One (1) member who is a school administrator or



former school administrator.

- (F) One (1) member who is a member of a school corporation's governing body.
- (G) One (1) member who is a parent with a child who is currently in school.
- (2) Seven (7) members appointed by the president protempore of the senate consisting of the following:
  - (A) One (1) member of the general assembly.
  - (B) One (1) member of the general assembly appointed in consultation with the minority floor leader of the senate.
  - (C) One (1) member who is a school administrator or former school administrator appointed in consultation with the minority floor leader of the senate.
  - (D) One (1) member who is a business leader.
  - (E) One (1) member who is a school teacher or former school teacher.
  - (F) One (1) member who is a member of a school corporation's governing body.
  - (G) One (1) member who is a parent with a child who is currently in school.
- (3) Three (3) members appointed by the governor consisting of the following members:
  - (A) One (1) member who is a school teacher or former school teacher.
  - (B) One (1) member who is a business leader.
  - (C) One (1) member who has technical expertise in standardized testing.
- (4) Three (3) members appointed by the state superintendent consisting of the following members:
  - (A) One (1) member who is a school teacher or former school teacher.
  - (B) One (1) member who is a business leader.
  - (C) One (1) member who has technical expertise in standardized testing.
- (5) A member of the state board, selected by the state board.
- (6) The commissioner for the commission for higher education, or the commissioner's designee.
- (7) The state superintendent, or the state superintendent's designee.
- (8) The commissioner of the department of workforce development, or the commissioner's designee.
- (d) The members described in subsection (c)(1)(A) and (c)(2)(A)



shall serve as co-chairpersons for the committee.

- (e) Members appointed under subsection (c)(1) through (c)(5) shall be appointed by the member's respective appointing authority not later than May 1, 2016. Each member appointed under subsection (c)(1) through (c)(5) serves at the will of the member's appointing authority
- (e) A quorum consists of thirteen (13) members. The affirmative votes of thirteen (13) members are required for the committee to take action on any measure, including the final report.
- (f) Each member of the panel who is not a state employee is entitled to receive both of the following:
  - (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
  - (2) Reimbursement for travel expenses, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
- (g) Each member of the panel who is a state employee is entitled to reimbursement for travel expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
- (h) The committee shall meet as often as is necessary to properly perform its duties.
- (i) The co-chairpersons of the committee may establish one (1) or more subcommittees and shall appoint the members of the subcommittees from among the members of the committee. The co-chairpersons of the committee shall appoint the chair of each subcommittee. The expenses of a subcommittee shall be paid in accordance with subsections (f) and (g).
- (j) The legislative services agency shall provide administrative support for the committee or any subcommittee established under subsection (i). The state board and the department shall provide research and technical assistance for the committee and any subcommittee established under subsection (i).
- (k) On or before November 1, 2016, the committee shall adopt a final report of its findings. A copy of the report shall be submitted to the:
  - (1) governor;
  - (2) state board; and
  - (3) general assembly, in an electronic format under IC 5-14-6.
  - (l) This section expires January 1, 2018.



- Sec. 2. Before July 1, 2017, the state board shall develop Indiana's system for measuring kindergarten through grade 12 performance based on the recommendations of the committee and applicable federal law. The system for measuring performance shall be implemented beginning in the 2017-2018 school year.
- Sec. 3. The state board may adopt rules under IC 4-22-2, including emergency rules in the manner provided under IC 4-22-2-37.1, to implement this chapter."

Page 5, delete lines 2 through 42, begin a new paragraph and insert: "SECTION 8. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 20 apply throughout this SECTION.

- (b) The state board may require the department to enter into an agreement with a third party vendor to rescore the ISTEP program test results of the ISTEP program test that was administered in the spring of 2015.
  - (c) This SECTION expires January 1, 2017.

SECTION 9. [EFFECTIVE JULY 1, 2016] (a) The legislative services agency shall prepare legislation for introduction in the 2017 regular session of the general assembly to organize and correct statutes affected by this act.

(b) This SECTION expires December 31, 2018.".

Delete page 6.

Page 7, delete lines 1 through 6.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1395 as introduced.)

**BEHNING** 

Committee Vote: yeas 12, nays 0.

#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1395, 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 HB1395 as printed January 26, 2016.)

**BROWN T** 

Committee Vote: Yeas 14, Nays 8



EH 1395-LS 7078/DI 116

#### **HOUSE MOTION**

Mr. Speaker: I move that House Bill 1395 be amended to read as follows:

Page 5, line 4, delete "twenty-four (24)" and insert "**twenty-six** (26)".

Page 5, line 37, delete "Three (3)" and insert "Four (4)".

Page 6, between lines 1 and 2, begin a new line double block indented and insert:

"(D) One (1) member representing higher education.".

Page 6, line 2, delete "Three (3)" and insert "Four (4)".

Page 6, between lines 8 and 9, begin a new line double block indented and insert:

"(D) One (1) member representing a school employee organization (as defined in IC 20-29-2-14)."

Page 6, line 23, delete "thirteen (13)" and insert "**fourteen (14)**". Page 6, line 24, delete "thirteen (13)" and insert "**fourteen (14)**".

(Reference is to HB 1395 as printed January 29, 2016.)

**BEHNING** 

### COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred House Bill No. 1395, 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 3, delete lines 34 through 40.

Page 4, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE UPON PASSAGE] (a) The definitions used in IC 20 apply throughout this SECTION.

- (b) A panel is established to study alternatives to the ISTEP program tests and to make recommendations for replacing the ISTEP program under IC 20-32-5. The panel shall submit its recommendations in a final report to the governor and, in an electronic format under IC 5-14-6, the general assembly not later than December 1, 2016. The panel shall consider the following when making its recommendations:
  - (1) The feasibility of using existing tests other than the ISTEP



- program tests, as well as new testing approaches.
- (2) Reducing testing time.
- (3) Reducing costs associated with the administration of a statewide assessment.
- (4) Test transparency and fairness to schools, teachers, and students.
- (5) The requirements of the Every Student Succeeds Act.
- (c) The panel consists of the following twenty-two (22) members:
  - (1) The superintendent of public instruction.
  - (2) The commissioner of the department of workforce development.
  - (3) The commissioner of the commission for higher education.
  - (4) The chairperson of the senate education and career development committee.
  - (5) The chairperson of the house of representatives education committee.
  - (6) The governor shall appoint the following five (5) members:
    - (A) One (1) member who serves as chairperson of the panel. The member appointed as chairperson of the panel must be a current or former educator or school administrator.
    - (B) One (1) member who is a teacher.
    - (C) One (1) member who is a principal.
    - (D) One (1) member who is a school superintendent.
    - (E) One (1) member who is a faculty member or researcher at the college or university level and who has expertise in issues related to elementary and secondary education.
  - (7) The president pro tempore of the senate shall appoint the following four (4) members:
    - (A) One (1) member who is a teacher.
    - (B) One (1) member who is a principal.
    - (C) One (1) member who is a school superintendent.
    - (D) One (1) member with technical expertise in standardized testing.
  - (8) The speaker of the house of representatives shall appoint the following four (4) members:
    - (A) One (1) member who is a teacher.
    - (B) One (1) member who is a principal.
    - (C) One (1) member who is a school superintendent.
    - (D) One (1) member with technical expertise in standardized testing.
  - (9) The superintendent of public instruction shall appoint the



following four (4) members:

- (A) One (1) member who is a teacher.
- (B) One (1) member who is a principal.
- (C) One (1) member who is a school superintendent.
- (D) One (1) member who is a faculty member or researcher at the college or university level and who has expertise in issues related to elementary and secondary education.
- (d) Members appointed under subsection (c) shall be appointed by the member's respective appointing authority not later than May 1, 2016. Each member appointed under subsection (c) serves at the will of the member's appointing authority.
  - (e) A quorum of the panel consists of twelve (12) members.
  - (f) The panel shall meet at the call of the chairperson.
- (g) The legislative services agency shall provide administrative support for the panel. The state board and the department shall provide research and technical assistance for the panel.
- (h) Each member of the panel who is not a state employee is entitled to receive both of the following:
  - (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
  - (2) Reimbursement for travel expenses, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
- (i) Each member of the panel who is a state employee is entitled to reimbursement for travel expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.
  - (j) Meetings of the panel must comply with IC 5-14-1.5.
  - (k) This SECTION expires January 1, 2017.".

Delete pages 5 through 7.

Page 8, delete lines 1 through 13.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1395 as reprinted February 2, 2016.)

KRUSE, Chairperson

Committee Vote: Yeas 8, Nays 3.

