



February 15, 2019

HOUSE BILL No. 1404

DIGEST OF HB 1404 (Updated February 13, 2019 2:31 pm - DI 116)

Citations Affected: IC 20-24; IC 20-30; IC 20-31.

Synopsis: School accountability. Provides that a high school may count a: (1) work based learning course; or (2) career and technical educational course that is an approved course under the rules established by the state board of education; as satisfying an Indiana diploma with a Core 40 with academic honors designation or another designation requirement. Provides that, before July 1, 2022, the state board of education shall establish new standards of measuring school performance. Makes conforming amendments.

Effective: Upon passage; July 1, 2019.

Cook, Behning, Goodin

January 14, 2019, read first time and referred to Committee on Education.
February 14, 2019, amended, reported — Do Pass.

HB 1404—LS 7075/DI 116



February 15, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1404

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 20-24-2.2-2, AS AMENDED BY P.L.250-2017,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2. (a) The minimum standard for renewal and
4 the standard to avoid closure imposed by authorizers on a charter
5 school is a requirement that the charter school not remain in the lowest
6 category or designation of school improvement, including any
7 alternative accountability category or designation, in the third year after
8 initial placement in the lowest category or designation established
9 under IC 20-31-8-4.
10 (b) An authorizer of a charter school that does not meet the
11 minimum standard for charter school renewal described in subsection
12 (a) may petition the state board at any time to request permission to
13 renew the charter school's charter notwithstanding the fact that the
14 charter school does not meet the minimum standard. If timely
15 notification is made, the state board shall hold a hearing to consider the
16 authorizer's request at the state board's next regularly scheduled board
17 meeting.

HB 1404—LS 7075/DI 116



1 (c) In determining whether to grant a request under subsection (b),
2 the state board shall consider the following:

3 (1) Enrollment of students with special challenges, such as drug
4 or alcohol addiction, prior withdrawal from school, prior
5 incarceration, or other special circumstances.

6 (2) High mobility of the student population resulting from the
7 specific purpose of the charter school.

8 (3) Annual improvement in the performance of students enrolled
9 in the charter school, as measured by ~~IC 20-31-8-1~~, **under**
10 **IC 20-31-8**, compared with the performance of students enrolled
11 in the charter school in the immediately preceding school year.

12 (d) After the hearing, the state board must implement one (1) or
13 more of the following actions:

14 (1) Grant the authorizer's request to renew the charter of the
15 charter school. The state board may determine the length of the
16 renewal and any conditions of the renewal placed upon either the
17 charter school or the authorizer.

18 (2) Order the closure of the charter school at the end of the
19 current school year.

20 (3) Order the reduction of any administrative fee collected under
21 IC 20-24-7-4 that is applicable to the charter school identified in
22 subsection (b). The reduction must become effective at the
23 beginning of the month following the month of the authorizer's
24 hearing before the state board.

25 A charter school that is closed by the state board under this section may
26 not be granted a charter by any authorizer.

27 SECTION 2. IC 20-30-10-5, AS AMENDED BY P.L.215-2018(ss),
28 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2019]: Sec. 5. (a) Notwithstanding any other law, a high
30 school may:

31 (1) replace high school courses on the high school transcript with
32 dual credit courses (as defined in IC 21-43-1-2.5), Cambridge
33 International courses, **international baccalaureate**, or advanced
34 placement courses on the same subject matter with equal or
35 greater rigor to the required high school course; and ~~may~~

36 (2) count: ~~such a~~

37 (A) a course **described in subdivision (1)**;

38 (B) a:

39 (i) **work based learning course (as defined in**
40 **IC 20-43-8-0.7)**; or

41 (ii) **career and technical education course that is an**
42 **approved high school course under the rules established**



1 **by the state board;**
 2 **whose subject matter is substantially similar to and whose**
 3 **rigor is equal to or greater than that of the required**
 4 **course; or**
 5 **(C) any career and technical course, program, or**
 6 **educational experience approved by the state board;**
 7 as satisfying an Indiana diploma with a Core 40 with academic honors
 8 designation or another designation requirement.

9 **(b) A course described in subsection (a)(2)(B) that does not fully**
 10 **align with the required course standards must be augmented with**
 11 **instruction to include the remaining standards of the required**
 12 **course. A parent of a student and the student who intends to enroll**
 13 **in a course described in subsection (a)(2)(B) must provide consent**
 14 **to the high school to enroll in the course. The consent form used by**
 15 **the high school, which shall be developed by the department in**
 16 **collaboration with the commission for higher education, must**
 17 **notify the parent and the student that enrollment in the course may**
 18 **affect the student's ability to attend a particular postsecondary**
 19 **educational institution or enroll in a particular course at a**
 20 **particular postsecondary educational institution.**

21 **(c) A dual credit course described in subsection (a)(1) must be**
 22 **authorized by an eligible institution (as described in IC 21-43-4-3.5)**
 23 **that is a member of a national dual credit accreditation organization, or**
 24 **the eligible institution must make assurances that the final assessment**
 25 **for the course given for dual credit under this section is substantially**
 26 **equivalent to the final assessment given in the college course in that**
 27 **subject.**

28 SECTION 3. IC 20-31-8-1, AS AMENDED BY P.L.192-2018,
 29 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2019]: Sec. 1. (a) **This subsection expires June 30, 2022.**
 31 **Subject to section 5.5 of this chapter,** the performance of a school's
 32 students on the statewide assessment program test and other
 33 assessments recommended by the department of education and
 34 approved by the state board are the primary and majority means of
 35 assessing a school's improvement.

36 **(b) This subsection applies after June 30, 2022. The**
 37 **performance of a school's students on the statewide assessment**
 38 **program test and other assessments recommended by the**
 39 **department of education and approved by the state board are the**
 40 **primary and majority means of assessing an elementary school's**
 41 **improvement. The state board may establish other categories of**
 42 **assessing an elementary school's improvement under rules adopted**



- 1 **under IC 4-22-2.**
 2 ~~(b)~~ **(c)** The department of education shall examine and make
 3 recommendations to the state board concerning:
 4 (1) performance indicators to be used as a secondary means of
 5 determining school progress;
 6 (2) expected progress levels, continuous improvement measures,
 7 distributional performance levels, and absolute performance
 8 levels for schools; and
 9 (3) an orderly transition from the performance based accreditation
 10 system to the assessment system set forth in this article.
 11 ~~(c)~~ **(d)** The department of education shall consider methods of
 12 measuring improvement and progress used in other states in developing
 13 recommendations under this section.
 14 ~~(d)~~ **(e)** The department of education may consider:
 15 (1) the likelihood that a student may fail a graduation exam
 16 (before July 1, 2022) or fail to meet a postsecondary readiness
 17 competency established by the state board under
 18 IC 20-32-4-1.5(c) and require a graduation waiver under
 19 IC 20-32-4-4, IC 20-32-4-4.1, or IC 20-32-4-5; and
 20 (2) remedial needs of students who are likely to require remedial
 21 work while the students attend a postsecondary educational
 22 institution or workforce training program;
 23 when making recommendations under this section.
 24 SECTION 4. IC 20-31-8-2, AS AMENDED BY P.L.242-2017,
 25 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 2. ~~(a) In addition to scores on the statewide~~
 27 ~~assessment program test and other assessments,~~ The department shall
 28 use the performance indicators developed by the state board **under this**
 29 **chapter** and the benchmarks and indicators of performance in each
 30 school corporation's annual performance report as a **secondary** means
 31 of assessing the performance of each school and school corporation.
 32 ~~(b) The department shall assess school performance in the following~~
 33 ~~manner:~~
 34 ~~(1) Compare the academic performance and growth of the~~
 35 ~~individual students in each school and each school corporation~~
 36 ~~with the prior academic performance and growth of the individual~~
 37 ~~students in the school or school corporation and not to the~~
 38 ~~performance of other schools or school corporations.~~
 39 ~~(2) Compare the results in the annual report under IC 20-20-8~~
 40 ~~with the benchmarks and indicators of performance established in~~
 41 ~~the plan for the same school.~~
 42 ~~(3) Compare the results for a school by comparing each student's~~



1 results for each grade with the student's prior year results, with an
2 adjustment for student mobility rate.

3 ~~(4) Compare the results for a school with the state average and the~~
4 ~~ninety-fifth percentile level for all assessments and performance~~
5 ~~indicators.~~

6 SECTION 5. IC 20-31-8-3, AS AMENDED BY P.L.86-2018,
7 SECTION 181, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The state board shall
9 establish a number of categories, using an "A" through "F" grading
10 scale, to designate **school** performance. ~~based on the individual student~~
11 ~~academic performance and growth to proficiency in each school.~~

12 (b) The state board, in consultation with the department, shall define
13 "low population schools" and shall determine the criteria for placing
14 low population schools in categories established under subsection (a).
15 In setting the definition and criteria for low population schools, the
16 state board shall not penalize schools based on population. An eligible
17 school (as defined in IC 20-51-1-4.7) may not be penalized under
18 IC 20-51-4-9 for the sole reason that the eligible school is considered
19 a low population school under this subsection. The state board's
20 definition and criteria may include the placement of a school that fits
21 the state board's definition in a "null" or "no letter grade" category.

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

27 (d) In developing metrics for the categories established under
28 subsection (a), the state board shall consider the mobility of high
29 school students who are credit deficient and whether any high school
30 should be rewarded for enrolling credit deficient students or penalized
31 for transferring out credit deficient students.

32 SECTION 6. IC 20-31-8-4, AS AMENDED BY P.L.213-2015,
33 SECTION 197, IS AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The state board shall
35 place each school in a category or designation of school performance
36 once annually based on the department's findings ~~from the assessment~~
37 ~~of performance and academic growth under section 2 of this chapter.~~
38 **from indicators established by the state board under this chapter.**

39 (b) The state board may place a school in a category or designation
40 of school performance only if:

41 (1) the department has provided each school the opportunity to
42 review, add to, or supplement the data, and to correct any errors



1 in the data; and

2 (2) the state board's staff has had an opportunity to review and
3 analyze the school corporation, school, and student level data.

4 (c) The state board may obtain assistance from another entity or,
5 with the approval of the legislative council, the legislative services
6 agency, to ensure the validity and reliability of the performance
7 category or designation placements calculated by the department under
8 section 2 of this chapter. The department shall provide all the data
9 necessary to complete those calculations to the legislative services
10 agency or to an entity designated by the state board.

11 SECTION 7. IC 20-31-8-5.4, AS ADDED BY P.L.2-2014,
12 SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 UPON PASSAGE]: Sec. 5.4. (a) Not later than November 15, 2013, the
14 state board shall establish new categories or designations of school
15 performance under the requirements of this chapter to replace 511
16 IAC 6.2-6. The new standards of assessing school performance:

17 (1) must be based on a measurement of individual student
18 academic performance and growth to proficiency; and

19 (2) may not be based on a measurement of student performance
20 or growth compared with peers.

21 511 IAC 6.2-6 is void on the effective date of the emergency or final
22 rules adopted under this section.

23 (b) After July 1, 2013, the state board:

24 (1) shall adopt rules under IC 4-22-2; and

25 (2) may adopt emergency rules in the manner provided in
26 IC 4-22-2-37.1;

27 to implement this chapter.

28 (c) An emergency rule adopted under subsection (b) expires on the
29 earlier of:

30 (1) November 15, 2014; or

31 (2) the effective date of a rule that establishes categories or
32 designations of school improvement described in this section and
33 supersedes the emergency rule.

34 (d) Before beginning the rulemaking process to establish new
35 categories or designations of school improvement, the state board shall
36 report to the general assembly the proposed new categories or
37 designations in an electronic format under IC 5-14-6.

38 **(e) This section expires June 30, 2022.**

39 SECTION 8. IC 20-31-8-5.5 IS ADDED TO THE INDIANA CODE
40 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
41 UPON PASSAGE]: **Sec. 5.5. (a) Before July 1, 2022, the state board**
42 **shall establish new categories or designations of high school**



1 performance under this section to replace 511 IAC 6.2-10. The new
 2 standards of assessing high school performance are limited to the
 3 following requirements:

4 (1) Postsecondary preparation indicators aligned to
 5 graduation pathways.

6 (2) An on-track indicator based upon student credits.

7 (3) Postsecondary outcomes as determined by the state board,
 8 in consultation with the department, the department of
 9 workforce development, the commission for higher education,
 10 and the governor's workforce cabinet established by
 11 IC 4-3-27-3. In developing requirements under this
 12 subdivision, the state board shall consider at least the
 13 following:

14 (A) Successful completion of at least twelve (12) credit
 15 hours at a higher education institution and a student's
 16 continued enrollment and status of good standing at a
 17 higher education institution.

18 (B) Successful completion of a high wage, high demand
 19 certificate as defined by the department of workforce
 20 development.

21 (C) Enlistment in, and continued service in, any branch of
 22 the armed forces of the United States or their reserves, the
 23 national guard, or a state's national guard.

24 (D) How to account for adverse life experiences or other
 25 unique circumstances that occur after graduation.

26 (b) 511 IAC 6.2-10 is void on the earlier of:

27 (1) the effective date of the emergency or final rules adopted
 28 under this section; or

29 (2) July 1, 2022.

30 (c) The state board:

31 (1) shall adopt rules under IC 4-22-2; and

32 (2) may adopt emergency rules in the manner provided in
 33 IC 4-22-2-37.1;

34 to implement this section.

35 (d) An emergency rule adopted under subsection (c) expires on
 36 the earlier of:

37 (1) July 1, 2022; or

38 (2) the effective date of a rule that establishes categories or
 39 designations of school improvement described in this section
 40 and supersedes the emergency rule.

41 SECTION 9. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1404, 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 2, delete lines 27 through 42, begin a new paragraph and insert:

"SECTION 2. IC 20-30-10-5, AS AMENDED BY P.L.215-2018(ss), SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) Notwithstanding any other law, a high school may:

(1) replace high school courses on the high school transcript with dual credit courses (as defined in IC 21-43-1-2.5), Cambridge International courses, **international baccalaureate**, or advanced placement courses on the same subject matter with equal or greater rigor to the required high school course; and ~~may~~

(2) count: ~~such a~~

(A) a course described in subdivision (1);

(B) a:

(i) work based learning course (as defined in IC 20-43-8-0.7); or

(ii) career and technical education course that is an approved high school course under the rules established by the state board;

whose subject matter is substantially similar to and whose rigor is equal to or greater than that of the required course; or

(C) any career and technical course, program, or educational experience approved by the state board;

as satisfying an Indiana diploma with a Core 40 with academic honors designation or another designation requirement.

(b) A course described in subsection (a)(2)(B) that does not fully align with the required course standards must be augmented with instruction to include the remaining standards of the required course. A parent of a student and the student who intends to enroll in a course described in subsection (a)(2)(B) must provide consent to the high school to enroll in the course. The consent form used by the high school, which shall be developed by the department in collaboration with the commission for higher education, must notify the parent and the student that enrollment in the course may affect the student's ability to attend a particular postsecondary educational institution or enroll in a particular course at a



particular postsecondary educational institution.

(c) A dual credit course **described in subsection (a)(1)** must be authorized by an eligible institution (as described in IC 21-43-4-3.5) that is a member of a national dual credit accreditation organization, or the eligible institution must make assurances that the final assessment for the course given for dual credit under this section is substantially equivalent to the final assessment given in the college course in that subject.

SECTION 3. IC 20-31-8-1, AS AMENDED BY P.L.192-2018, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) **This subsection expires June 30, 2022. Subject to section 5.5 of this chapter**, the performance of a school's students on the statewide assessment program test and other assessments recommended by the department of education and approved by the state board are the primary and majority means of assessing a school's improvement.

(b) **This subsection applies after June 30, 2022. The performance of a school's students on the statewide assessment program test and other assessments recommended by the department of education and approved by the state board are the primary and majority means of assessing an elementary school's improvement. The state board may establish other categories of assessing an elementary school's improvement under rules adopted under IC 4-22-2.**

(b) (c) The department of education shall examine and make recommendations to the state board concerning:

- (1) performance indicators to be used as a secondary means of determining school progress;
- (2) expected progress levels, continuous improvement measures, distributional performance levels, and absolute performance levels for schools; and
- (3) an orderly transition from the performance based accreditation system to the assessment system set forth in this article.

(c) (d) The department of education shall consider methods of measuring improvement and progress used in other states in developing recommendations under this section.

(c) (e) The department of education may consider:

- (1) the likelihood that a student may fail a graduation exam (before July 1, 2022) or fail to meet a postsecondary readiness competency established by the state board under IC 20-32-4-1.5(c) and require a graduation waiver under IC 20-32-4-4, IC 20-32-4-4.1, or IC 20-32-4-5; and



(2) remedial needs of students who are likely to require remedial work while the students attend a postsecondary educational institution or workforce training program; when making recommendations under this section."

Page 3, delete lines 1 through 38.

Page 6, line 11, delete "2020." and insert "2022."

Page 6, delete lines 12 through 42, begin a new paragraph and insert:

"SECTION 8. IC 20-31-8-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5.5. (a) Before July 1, 2022, the state board shall establish new categories or designations of high school performance under this section to replace 511 IAC 6.2-10. The new standards of assessing high school performance are limited to the following requirements:**

(1) Postsecondary preparation indicators aligned to graduation pathways.

(2) An on-track indicator based upon student credits.

(3) Postsecondary outcomes as determined by the state board, in consultation with the department, the department of workforce development, the commission for higher education, and the governor's workforce cabinet established by IC 4-3-27-3. In developing requirements under this subdivision, the state board shall consider at least the following:

(A) Successful completion of at least twelve (12) credit hours at a higher education institution and a student's continued enrollment and status of good standing at a higher education institution.

(B) Successful completion of a high wage, high demand certificate as defined by the department of workforce development.

(C) Enlistment in, and continued service in, any branch of the armed forces of the United States or their reserves, the national guard, or a state's national guard.

(D) How to account for adverse life experiences or other unique circumstances that occur after graduation.

(b) 511 IAC 6.2-10 is void on the earlier of:

(1) the effective date of the emergency or final rules adopted under this section; or

(2) July 1, 2022.

(c) The state board:



- (1) shall adopt rules under IC 4-22-2; and**
- (2) may adopt emergency rules in the manner provided in IC 4-22-2-37.1;**

to implement this section.

(d) An emergency rule adopted under subsection (c) expires on the earlier of:

- (1) July 1, 2022; or**
- (2) the effective date of a rule that establishes categories or designations of school improvement described in this section and supersedes the emergency rule."**

Delete page 7.

Page 8, delete lines 1 through 19.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1404 as introduced.)

BEHNING

Committee Vote: yeas 9, nays 4.

