

## SENATE BILL No. 4

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 20-43-10-3.

**Synopsis:** School and teacher performance. Provides that, for a state fiscal year beginning July 1, 2015, and ending June 30, 2016, the amount that a school corporation may receive as part of a performance grant relating to test results is the greater of: (1) the amount of the grant distributed to the school corporation for test results for the state fiscal year beginning July 1, 2014, and ending June 30, 2015; or (2) the amount of the grant the school corporation qualifies for in the state fiscal year beginning July 1, 2015, and ending June 30, 2016. Provides that a school's performance grade for the 2014-2015 school year is the higher of the grades assigned to the school by the state board of education for the 2013-2014 and 2014-2015 school years. Provides that the ISTEP program test results used to calculate a school's category or designation of school performance must be used as part of certificated employee performance evaluations conducted during the 2015-2016 school year. Removes a duplicate definition.

**Effective:** Upon passage; July 1, 2015 (retroactive).

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January 5, 2016, read first time and referred to Committee on Education & Career Development.

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Second Regular Session 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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

# SENATE BILL No. 4

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

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

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



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

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

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

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

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

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

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

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

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

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

20 (1) One (1) grant under subsection ~~(h)~~, ~~(i)~~, or ~~(j)~~: **(g), (h), or (i).**

21 (2) One (1) grant under subsection ~~(k)~~, ~~(l)~~, or ~~(m)~~: **(j), (k), or (l).**

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

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

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



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

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



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

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

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

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

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

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

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

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

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

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

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

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

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



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

- 6           (1) the count of the school corporation's pupils who met the  
 7 requirements for graduation for the school year ending in the  
 8 immediately preceding state fiscal year; multiplied by  
 9           (2) eighty-eight dollars (\$88).

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

- 19           (1) the count of the school corporation's pupils who met the  
 20 requirements for graduation in the school year ending in the  
 21 immediately preceding state fiscal year; multiplied by  
 22           (2) one thousand dollars (\$1,000).

23          **(m) This subsection applies to the state fiscal year beginning**  
 24 **July 1, 2015, and ending June 30, 2016. Notwithstanding subsection**  
 25 **(g), (h), or (i), the amount of the grant that a school corporation**  
 26 **qualifies for in the current state fiscal year is the greater of:**

- 27           **(1) the amount of the grant distributed to the school**  
 28 **corporation under subsection (f) for grants described in**  
 29 **subsection (g), (h), or (i), for the state fiscal year beginning**  
 30 **July 1, 2014, and ending June 30, 2015; or**  
 31 **(2) the amount of the grant the school corporation qualifies**  
 32 **for under subsection (g), (h), or (i), for the current state fiscal**  
 33 **year.**

34          (n) This section expires June 30, 2017.

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

37          **(b) Notwithstanding IC 20-31-8 and 511 IAC 6.2-6, a school's**  
 38 **category of performance under IC 20-31-8-3 for the 2014-2015**  
 39 **school year is the higher of the categories or designations of school**  
 40 **performance in which the school was placed by the state board**  
 41 **under IC 20-31-8-4 for the:**

- 42           **(1) 2013-2014 school year, based on the ISTEP program test**



- 1           **taken in the spring of 2014; and**  
2           **(2) 2014-2015 school year, based on the ISTEP program test**  
3           **taken in the spring of 2015.**  
4           **(c) A school's category or designation of school performance**  
5           **assigned by the state board under subsection (b) must be used for**  
6           **purposes of determining whether consequences described in**  
7           **IC 20-31-9 apply.**  
8           **(d) Notwithstanding IC 20-28-11.5-4, ISTEP program test scores**  
9           **used by the state board to place a school in a category or**  
10           **designation of school performance under subsection (b) must be**  
11           **used by the applicable school for purposes of determining a**  
12           **certificated employee's annual designation under IC 20-28-11.5-4**  
13           **as part of a performance evaluation conducted during the**  
14           **2015-2016 school year.**  
15           **(e) This SECTION expires January 1, 2017.**  
16           **SECTION 3. An emergency is declared for this act.**

