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FISCAL IMPACT STATEMENT

LS 6674

BILL NUMBER: SB 186

NOTE PREPARED: Mar 27, 2003

BILL AMENDED: Mar 27, 2003

SUBJECT: Student Discipline.

FIRST AUTHOR: Sen. Lubbers

FIRST SPONSOR: Rep. Porter

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) The bill provides that a student who is expelled from a charter school is subject to the same requirements for enrollment in another school corporation or charter school as a student who is: (1) expelled from a public school; or (2) required to separate from a nonpublic school or a school in a state other than Indiana.

The bill specifies for purposes of collective bargaining that a school employee of a conversion charter school is an employee of the sponsoring school corporation.

The bill specifies that for a teacher employed by a school corporation sponsoring a conversion charter school, benefits accrued after conversion are the responsibility of the charter school. The bill provides that benefits accrued by teachers employed by the sponsoring school corporation prior to conversion are the responsibility of the sponsoring school corporation.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Conversion Charter School Teachers:* Under the bill, a teacher of a conversion charter school would be considered, for collective bargaining purposes, an employee of the school corporation and would be entitled to all benefits due the employee. Payment of the teacher's benefits would be the responsibility of the conversion charter school.

Additionally if the teacher was an employee of the school corporation prior to conversion of the school in which they are employed, the school corporation would be required to pay all benefits accrued by the employee prior to conversion when employed by the school corporation.

Benefits may be paid directly or be reimbursed to the school corporation.

The impact of this provision on charter school expenditures is indeterminable. The impact would depend on the type of benefits determined by collective bargaining in the school corporation containing a conversion charter school.

Background: There are currently two conversion charter schools in the state. One conversion charter school is located in Evansville, and the other is in Carmel.

Explanation of Local Revenues: (Revised) *Expulsions and Suspensions:* Under the bill, students withdrawing to avoid expulsion from a charter school or conversion charter school students that enroll in another school corporation or charter school should have a minimal impact on the revenues of school corporations. Eleven charter schools had a total average daily membership (ADM) of 1,241.5 on December 13, 2002.

Background: Under current law, an expelled student may enroll in another school corporation during their period of expulsion if their parent informs the enrolling school corporation, the enrolling school consents to the enrollment, and the student agrees to the terms and conditions of enrollment.

School corporations have latitude with regard to accepting an expelled student and the payment for the student's education. Cash transfers rarely occur between school corporations when a student is expelled from one school corporation and enrolls at another. If a student is expelled and enrolls in a new school during the time period between the start of classes and the ADM date, the student's parents generally pay the difference between the cost of attending and the state tuition support for the student.

For the 2001-2002 school year, Indiana's average daily membership (ADM) consisted of 959,611 students, and public school enrollment totaled 995,507. Approximately 1,900 public schools were in operation within Indiana's 293 school corporations during that time.

The following table illustrates the number of suspensions and expulsions from school years 1997 through 2001. (Data for 2002 are not yet complete).

Suspensions and Expulsions for School Years 1997-2001

YEAR	SUSPENSIONS	EXPULSIONS
2001	289,041	6,781
2000	293,934	7,313
1999	305,767	9,263
1998	302,593	10,229
1997	306,034	9,340

State Agencies Affected:

Local Agencies Affected: School corporations.

Information Sources: Jeff Zaring, Administrator, Indiana State Board of Education; Patty Bond, Division of School Finance, Indiana Department of Education; DOE SAS and ORACLE datatables.

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