

**CONFERENCE COMMITTEE REPORT  
DIGEST FOR ESB 397**

**Citations Affected:** IC 6-1.1-18.5-10.3; IC 9-21-12-11; IC 10-13-3-21; IC 20-1-19-23; IC 20-3-14-7; IC 20-4; IC 20-8.1-7-11; IC 20-9.1-5-22; IC 20-10.1-25.5-3; IC 20-12-76; IC 20-20-14-3; IC 20-23; IC 20-25; IC 20-26; IC 20-27; IC 20-28-1-10; IC 20-33-8-33; IC 20-34-4-6; IC 20-35; IC 20-37-1-1; IC 33-33-53-5; IC 36-1-14-1.

**Synopsis:** Various matters concerning education. Specifies that, if the governing bodies of two or more school corporations agree to cooperate and apportion the cost of vocational education schools or departments, the designated representatives of the school corporations constitute a board for the management of the schools or departments. Specifies the criminal intent necessary to commit crimes involving: (1) postsecondary proprietary educational institution accreditation; and (2) school bus use. Specifies that a principal and not the governing body of a school corporation submits information to the bureau of motor vehicles concerning: (1) an individual's ineligibility to be issued a driver's license or learner's permit; and (2) the invalidation of a license or permit. Repeals obsolete or superseded provisions, including provisions concerning purchase of textbooks, school taxing powers, school reorganization, school bonding, transportation of pupils, county schools, and annexation of territory. Makes conforming amendments. (The introduced version of this bill was prepared by the code revision commission.) **(This conference committee report changes the criminal intent necessary to commit certain crimes.)**

**Effective:** July 1, 2005.

Adopted

Rejected

## CONFERENCE COMMITTEE REPORT

**MR. SPEAKER:**

*Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 397 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert:  
2 SECTION 1. IC 6-1.1-18.5-10.3, AS AMENDED BY P.L.2-2005,  
3 SECTION 88, IS AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2005]: Sec. 10.3. (a) The ad valorem property  
5 tax levy limits imposed by section 3 of this chapter do not apply to ad  
6 valorem property taxes imposed by a library board for a capital projects  
7 fund under ~~IC 36-12-3~~ **IC 36-12-12**. However, the maximum amount  
8 that is exempt from the levy limits under this section may not exceed  
9 the property taxes that would be raised in the ensuing calendar year  
10 with a property tax rate of one and thirty-three hundredths cents  
11 (\$0.0133) per one hundred dollars (\$100) of assessed valuation.  
12 (b) For purposes of computing the ad valorem property tax levy limit  
13 imposed on a library board under section 3 of this chapter, the library  
14 board's ad valorem property tax levy for a particular calendar year does  
15 not include that part of the levy imposed under ~~IC 36-12-3~~ **IC 36-12-12**  
16 that is exempt from the ad valorem property tax levy limits under  
17 subsection (a).  
18 SECTION 2. IC 9-21-5-13, AS AMENDED BY HEA 1288-2005,  
19 SECTION 23, IS AMENDED TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Except as provided in  
21 subsections (b) and (c), a person who violates this chapter commits a  
22 Class C infraction.  
23 (b) A person who exceeds a speed limit that is:

1 (1) established under section 6 of this chapter and imposed only in  
 2 the immediate vicinity of a school when children are present; or  
 3 (2) established under section 11 of this chapter and imposed only  
 4 in the immediate vicinity of a worksite when workers are present;  
 5 commits a Class B infraction.

6 (c) A person who while operating a school bus **knowingly or**  
 7 **intentionally** exceeds a speed limit set forth in section 14 of this  
 8 chapter commits a Class C misdemeanor.

9 SECTION 3. IC 9-21-12-11, AS AMENDED BY HEA 1288-2005,  
 10 SECTION 25, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A person who violates  
 12 section 5, 6, or 7 of this chapter commits a Class C infraction.

13 (b) A person who **knowingly or intentionally** violates section 12, 13,  
 14 14, 15, 16, or 17 of this chapter commits a Class C misdemeanor.

15 SECTION 4. IC 10-13-3-21, AS AMENDED BY HEA 1288-2005,  
 16 SECTION 116, IS AMENDED TO READ AS FOLLOWS  
 17 [EFFECTIVE JULY 1, 2005]: Sec. 21. As used in this chapter, "special  
 18 education cooperative" has the meaning set forth in ~~IC 20-35-5-1(a)(7)~~.  
 19 **IC 20-35-5-1(7)**.

20 SECTION 5. IC 20-1-18-7 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Two (2) or more  
 22 school corporations may cooperate to establish and maintain or  
 23 supervise schools or departments for vocational education if the  
 24 governing bodies of these school corporations agree to cooperate and  
 25 apportion the cost of the schools or departments among the school  
 26 corporations.

27 (b) If the cooperating school corporations agree to establish and  
 28 maintain or supervise the schools or departments under subsection (a),  
 29 the ~~heads of these~~ **designated representatives of the** school  
 30 corporations ~~or their delegated representatives~~ constitute a board for the  
 31 management of the schools or departments. The board may adopt a plan  
 32 of organization, administration, and support for the schools or  
 33 departments. This plan, if approved by the Indiana state board of  
 34 education, constitutes a binding contract between the cooperating  
 35 school corporations.

36 (c) The governing bodies of the cooperating school corporations may  
 37 cancel or annul this contract by the vote of a majority of these  
 38 governing bodies and upon the approval of the Indiana state board of  
 39 education. However, if a school corporation desires to withdraw a  
 40 course offering from the cooperative agreement after:

41 (1) attempting to withdraw the course offering under any  
 42 withdrawal procedure authorized by the school corporation's  
 43 cooperative agreement or by law; and

44 (2) being denied the authority to withdraw the course offering;  
 45 the school corporation may appeal the denial to the Indiana state board  
 46 of education. In the appeal a school corporation must submit a proposal  
 47 requesting the withdrawal to the Indiana state board of education for  
 48 approval. The proposal must describe how the school corporation  
 49 intends to implement the particular vocational education course and  
 50 must include a provision that provides for at least a two (2) year  
 51 phase-out of the educational program or course offering from the

1 cooperative agreement. Upon approval of the proposal by the Indiana  
 2 state board of education, the school corporation may proceed with the  
 3 school corporation's withdrawal of the course offering from the  
 4 agreement and shall proceed under the proposal. This withdrawal  
 5 procedure may not be construed to permit a school corporation to  
 6 change any other terms of the contract under subsection (b) except  
 7 those terms that require the school corporation to provide the particular  
 8 course offering sought to be withdrawn.

9 (d) The board described in subsection (b) may enter into an  
 10 agreement to acquire sites, buildings, and equipment by lease or  
 11 purchase that are suitable for these schools or departments. This  
 12 authority extends to the acquisition of facilities available under  
 13 IC 21-5-11.

14 (e) This board may, by resolution adopted by a majority of the board,  
 15 designate three (3) or more individuals from its membership to  
 16 constitute an executive committee. To the extent provided in the  
 17 resolution, this committee shall exercise the authority of the full board  
 18 in the management of the school and shall submit a written summary of  
 19 its actions to the full board at least semiannually.

20 SECTION 6. IC 20-1-19-23 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) A person who  
 22 **knowingly, intentionally, or recklessly** violates this chapter commits  
 23 a Class B misdemeanor, except as provided in subsection (b) of this  
 24 section.

25 (b) A person who, with intent to defraud, represents himself **or**  
 26 **herself** to be an agent of a postsecondary proprietary educational  
 27 institution commits a Class C felony.

28 SECTION 7. IC 20-3-14-7 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. With respect to  
 30 whether the disposition of the assets and liabilities of the losing school  
 31 corporation, allocation of school tax receipts, and the amount to be paid  
 32 by the acquiring school corporation is equitable, the court shall be  
 33 satisfied that the annexing resolution conforms substantially to the  
 34 following standards:

35 (a) The acquiring school corporation shall assume a portion of all  
 36 installments of principal and interest on any indebtedness of the losing  
 37 school corporation (other than current obligations or temporary  
 38 borrowing) which fall due after the end of the last calendar year in  
 39 which the losing school corporation is entitled to receive current tax  
 40 receipts from property tax levies on the property on the annexed  
 41 territory. ~~Such~~ **The portion shall consist consists** of the following:

42 (1) All ~~such~~ installments relating to any indebtedness incurred in  
 43 connection with the acquisition or construction of any building  
 44 located in the annexed territory.

45 (2) A proportion of all ~~such~~ installments relating to any other  
 46 indebtedness which is the same proportion as the valuation of the  
 47 real property in the annexed territory bears to the valuation of all  
 48 the real property in the losing school corporation, as the same is  
 49 assessed for general taxation immediately prior to annexation.

50 (b) The acquiring school corporation shall make the payments and  
 51 assume the obligations provided for a school corporation acquiring

1 territory ~~and/or or~~ building or buildings under IC 21-5-10.

2 (c) ~~Unless the losing school corporation shall consent to some other~~  
 3 ~~allocation, the portion of the special school and tuition fund moneys~~  
 4 ~~collected by the losing school corporation shall not be allocated in a~~  
 5 ~~greater amount to the acquiring school corporation than would be~~  
 6 ~~awarded if such two (2) corporations were respectively the original~~  
 7 ~~school corporation and the annexing school corporation within the~~  
 8 ~~meaning of IC 20-4-16, and the amount to be paid the losing~~  
 9 ~~corporation by the acquiring school corporation on account of the~~  
 10 ~~acquisition by the acquiring school corporation of a building in the~~  
 11 ~~annexed territory shall not be less than would be awarded if such two~~  
 12 ~~(2) school corporations were respectively the acquiring corporation and~~  
 13 ~~original school corporation within the meaning of IC 20-4-15.~~

14 ~~(d)~~ (c) Where the annexed territory includes all of any losing school  
 15 corporation, the acquiring school corporation shall acquire all of the  
 16 property and assets of the losing school corporation without making  
 17 payment of any nature for the same and shall assume all of the  
 18 liabilities and obligations of the losing school corporation.

19 SECTION 8. IC 20-4-1-3 IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, unless  
 21 context clearly requires otherwise, the following terms shall have the  
 22 meanings set forth:

23 (1) "School corporation" ~~shall mean and include~~ **means** all local  
 24 school corporations in the state of Indiana.

25 (2) "Reorganization of school corporations" ~~shall mean and include~~  
 26 **means** the formation of new school corporations, the alteration of  
 27 the boundaries of established school corporations, and the  
 28 dissolution of established school corporations, through or by means  
 29 of:

30 ~~(a)~~ (A) the uniting of two (2) or more established school  
 31 corporations;

32 ~~(b)~~ (B) the subdivision of one (1) or more school corporations;

33 ~~(c)~~ (C) the transfer to any established school corporation of a part  
 34 of the territory of one (1) or more school corporations, or the  
 35 attachment thereto of all or any part of the territory of one (1) or  
 36 more school corporations, or the transfer of said established  
 37 school corporation; and

38 ~~(d)~~ (D) any combination of the methods listed in ~~subdivisions (a)~~  
 39 **clauses (A) through (c): (C).**

40 (3) "Community school corporation" ~~shall mean~~ **means** a school  
 41 corporation proposed to be formed or formed under the provisions  
 42 of this chapter and shall include a united school corporation as  
 43 defined in this section.

44 (4) "United school corporation" ~~shall mean~~ **means** a school  
 45 corporation having territory in two (2) or more adjacent counties.

46 (5) "Administrative unit" ~~shall mean~~ **means** a school corporation  
 47 comprising all the area under a single system of local  
 48 administration and under the control of a local board of education,  
 49 board of school trustees, or board of school commissioners.

50 (6) "Attendance unit" or "school unit" ~~shall mean~~ **means** the  
 51 geographical and population area served by a single school,

- 1 consisting of part, or all, of an administrative unit.
- 2 (7) "County committee" or "committee" ~~shall mean means~~ the
- 3 county committee for the reorganization of school corporations,
- 4 provided for in section 5 through ~~14~~ 13 of this chapter.
- 5 (8) "State board" or "board" ~~shall mean refers to~~ the Indiana state
- 6 board of education.
- 7 (9) "State department" ~~shall mean refers to~~ the state department of
- 8 education.
- 9 (10) "State superintendent" ~~shall mean refers to~~ the state
- 10 superintendent of public instruction.
- 11 (11) "County superintendent" ~~shall mean refers to~~ the county
- 12 superintendent of schools.
- 13 (12) "Party" includes any person, firm, limited liability company,
- 14 corporation, association, or municipality interested in any
- 15 proceedings under the provisions of this chapter.
- 16 (13) "School aid bonds" ~~shall mean means~~ any bonds of a civil unit
- 17 of government the proceeds of which were used for school
- 18 purposes in any school corporation.
- 19 SECTION 9. IC 20-4-4-7 IS AMENDED TO READ AS FOLLOWS
- 20 [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) With respect to whether the
- 21 disposition of the assets and liabilities of the losing school corporation,
- 22 allocation of school tax receipts and the amount to be paid by the
- 23 acquiring school corporation is equitable, the court subject to the
- 24 provisions of subdivision (b) shall be satisfied that the annexing
- 25 resolution conforms substantially to the following standards:
- 26 (1) The acquiring school corporation shall assume a portion of all
- 27 installments of principal and interest on any indebtedness of the
- 28 losing school corporation (other than current obligations or
- 29 temporary borrowing) which fall due after the end of the last
- 30 calendar year in which the losing school corporation is entitled to
- 31 receive current tax receipts from property tax levies on the property
- 32 on the annexed territory. ~~Such~~ The portion ~~shall consist consists~~ of
- 33 the following:
- 34 (i) (A) All ~~such~~ installments relating to any indebtedness
- 35 incurred in connection with the acquisition or construction of any
- 36 building located in the annexed territory. ~~and~~
- 37 (ii) (B) A proportion of all ~~such~~ installments relating to any other
- 38 indebtedness which is the same proportion as the valuation of the
- 39 real property in the annexed territory bears to the valuation of all
- 40 the real property in the losing school corporation, as the same is
- 41 assessed for general taxation immediately prior to annexation.
- 42 (2) The acquiring school corporation shall make the payments and
- 43 assume the obligations provided for school corporation acquiring
- 44 territory and/or building or buildings under IC 21-5-10.
- 45 (3) ~~Unless the losing school corporation shall consent to some~~
- 46 ~~other allocation: the portion of the general fund moneys collected~~
- 47 ~~by the losing school corporation shall not be allocated to the~~
- 48 ~~acquiring school corporation in a greater amount than would be~~
- 49 ~~awarded if such two (2) corporations were respectively the~~
- 50 ~~"original school corporation" and the "annexing school~~
- 51 ~~corporation" within the meaning of IC 20-4-16, using the method~~

1           therein provided for allocating the special school and tuition fund  
2           moneys.

3           (b) Such standards shall not be applicable to the extent the losing and  
4           acquiring school corporations otherwise agree in a situation where all  
5           or a majority of the students in the annexed territory have been  
6           transferred from the losing to the acquiring school corporation for the  
7           five (5) school years immediately preceding the transfer. Such  
8           agreement, as between school corporations, shall not, however,  
9           prejudice the rights of bondholders or lessors whose rights as against  
10          the losing and acquiring school corporations shall, upon enforcement,  
11          be allocated between them in accordance with subsection (a)(1) and (2).

12          SECTION 10. IC 20-4-5-25.5 IS AMENDED TO READ AS  
13          FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.5. (a) This section  
14          provides an alternative method for a school corporation to reorganize  
15          as a community school corporation.

16          (b) The following may petition directly to the state board to be  
17          reorganized as a community school corporation:

18           (1) A consolidated school corporation organized under section 2 of  
19           this chapter.

20           ~~(2) A county school corporation organized under IC 20-4-8-2.~~

21           ~~(3)~~ (2) A metropolitan school district organized under IC 20-4-8-12  
22           or IC 20-4-8-24.

23          (c) The following apply to a school corporation that petitions directly  
24          to the state board under subsection (b):

25           (1) The school corporation is not required to do the following:

26           (A) Seek approval of a county committee established by  
27           IC 20-4-1-5.

28           (B) Pursue a joint meeting of a county committee and the state  
29           board under IC 20-4-1-17.1.

30           (2) The state board may waive the attainment of any standard  
31           required for reorganization as a community school corporation  
32           under this chapter.

33          SECTION 11. IC 20-4-8-25 IS AMENDED TO READ AS  
34          FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. In the resolution  
35          creating a county school corporation or metropolitan school district, or  
36          in the petitions requesting the creation of or requesting a referendum on  
37          the question of creating such corporation or district, under section ~~2~~, 12  
38          or 24 of this chapter, the resolutions or petitions may specify when such  
39          school corporation or school district shall be created and come into  
40          existence, and such corporation or district shall then be created and  
41          come into existence at the time provided in all such resolutions or  
42          petitions.

43          SECTION 12. IC 20-4-57-7 IS AMENDED TO READ AS  
44          FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) If the department  
45          of local government finance submits a petition to the school property  
46          tax control board under section 5 of this chapter, the school property tax  
47          control board shall hold a fact finding hearing.

48          (b) At a hearing described in subsection (a), the school property tax  
49          control board shall determine the following:

50           (1) Whether the township school has made all payments required  
51           by any statute, including the following:

- 1 (A) P.L.32-1999.  
 2 (B) IC 20-4-4-7. ~~and IC 20-4-16-3.~~  
 3 (C) The resolution or plan of annexation of the township school,  
 4 including:  
 5 (i) any amendment to the resolution or plan;  
 6 (ii) any supporting or related documents; and  
 7 (iii) any agreement between the township school and an  
 8 annexing corporation relating to the winding up of affairs of  
 9 the township school.  
 10 (2) The amount, if any, by which the township school is in arrears  
 11 on any payment described in subdivision (1).  
 12 (3) Whether the township school has filed with the department all  
 13 reports concerning the affairs of the township school, including all  
 14 transfer tuition reports required for the two (2) school years  
 15 immediately preceding the date on which the township school was  
 16 annexed.  
 17 (c) In determining the amount of arrears under subsection (b)(2), the  
 18 school property tax control board shall consider all amounts due to an  
 19 annexing corporation, including the following:  
 20 (1) Any transfer tuition payments due to the annexing corporation.  
 21 (2) All levies, excise tax distributions, and state distributions  
 22 received by the township school and due to the annexing  
 23 corporation, including levies and distributions received by the  
 24 township school after the date on which the township school was  
 25 annexed.  
 26 (3) All excessive levies that the township school agreed to impose  
 27 and pay to an annexing corporation but failed to impose.  
 28 (d) If, in a hearing under this section, a school property tax control  
 29 board determines that a township school has:  
 30 (1) under subsection (b)(1), failed to make a required payment; or  
 31 (2) under subsection (b)(3), failed to file a required report;  
 32 the department may act under section 8 of this chapter.  
 33 SECTION 13. IC 20-8.1-5.1-26 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. Before February 1  
 35 and before October 1 of each year, except when a hearing has been  
 36 requested under IC 9-24-2-1(a)(4), ~~the governing body of the school~~  
 37 ~~corporation a principal~~ shall submit to the bureau of motor vehicles the  
 38 pertinent information concerning an individual's ineligibility under  
 39 IC 9-24-2-1 to be issued a driver's license or learner's permit, or  
 40 concerning the invalidation of a license or permit under IC 9-24-2-4.  
 41 SECTION 14. IC 20-8.1-7-11 IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Not later than  
 43 sixty (60) days after the enrollment of children for the first time and  
 44 when additional immunizations are required by statute or rule, each  
 45 school shall file a written report with the state department of health and  
 46 the local health department having jurisdiction. The report shall include  
 47 the following:  
 48 (1) A statement of the number of children who have demonstrated  
 49 immunity against diphtheria, pertussis (whooping cough), tetanus,  
 50 measles, rubella, poliomyelitis, mumps, and hepatitis B.  
 51 (2) A statement of the number of children who have not



1 demonstrated immunity against the illnesses listed in subdivision  
2 (1).

3 (3) A statement of the number of children who have been found  
4 positive for sickle cell anemia and lead poisoning.

5 (b) The state department of health and the local health department  
6 shall, for good cause shown that there exists a substantial threat to the  
7 health and safety of a student or the school community, be able to  
8 validate immunization reports by onsite reviews or examinations of  
9 nonidentifying immunization record data. This section does not  
10 independently authorize the state department of health, a local  
11 department of health, or an agent of the state or local department of  
12 health to have access to identifying medical or academic record data of  
13 individual students attending nonaccredited nonpublic schools.

14 (c) A **school shall file a report** ~~shall also be filed~~ for each child who  
15 enrolls subsequent to the filing of the report for children who enrolled  
16 at the beginning of the school year. The state department of health shall  
17 have exclusive power to adopt rules for the administration of this  
18 section.

19 SECTION 15. IC 20-9.1-5-22 IS AMENDED TO READ AS  
20 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Except as  
21 provided in subsection (b) or in another section of this article, a person  
22 who **knowingly, intentionally, or recklessly** violates chapter 2, 2.5, 3,  
23 4, or 5 of this article commits a Class C misdemeanor.

24 (b) A person who violates section 6.6 of this chapter commits a Class  
25 B infraction.

26 SECTION 16. IC 20-10.1-11-10 IS AMENDED TO READ AS  
27 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Each governing  
28 body shall make requisition for the necessary textbooks for the students  
29 from the contracting publishers approved by the state board of  
30 education. The contracting publisher shall ship the books, within ninety  
31 (90) days, directly to these officials. On receipt of the books, each  
32 school corporation shall have charge and custody of all books  
33 consigned to it, receipting to the contracting publisher for them, and  
34 each governing body shall reimburse the contracting publisher the  
35 amount owed by the school corporation for these books from its general  
36 fund.

37 (b) Each governing body shall purchase with its general fund money  
38 any current textbooks, from a resident student who presents them for  
39 sale on or before the beginning of the school term in which the books  
40 are to be used, at a price based on the original price to the corporation  
41 less a reasonable reduction for damage from usage.

42 ~~(c) The proper school authorities shall likewise purchase any stock of~~  
43 ~~books which are to be used during any school year from any dealer~~  
44 ~~whose business is located in the county in which the school corporation~~  
45 ~~is located; and who was authorized by law to sell these books before~~  
46 ~~March 1, 1935; at not to exceed the price paid by the dealer to the~~  
47 ~~contracting publisher from whom these books were purchased.~~

48 SECTION 17. IC 20-10.1-25.5-3 IS AMENDED TO READ AS  
49 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The council shall  
50 advise the state superintendent and the governor on education related  
51 technology initiatives.

1 (b) The appointed membership of the council shall reflect its purposes  
 2 and be experienced in technology generally. An appointed member of  
 3 the council serves at the pleasure of the appointing authority. The  
 4 council consists of the following sixteen (16) voting members:

5 (1) The state superintendent of public instruction.

6 (2) The special assistant to the state superintendent of public  
 7 instruction responsible for technology who is appointed under  
 8 section 5 of this chapter.

9 (3) Four (4) individuals who represent private business appointed  
 10 jointly by the state superintendent and the governor. Each member  
 11 appointed under this subdivision must be experienced in  
 12 development and utilization of information technology. None of the  
 13 members appointed under this subdivision may represent possible  
 14 providers of technology or related services.

15 (4) Three (3) individuals who:

16 (A) manage educational environments, including higher  
 17 education; and

18 (B) are experienced in their educational work with information  
 19 technology;

20 are appointed jointly by the state superintendent and the governor.

21 (5) Three (3) individuals who are public school educators familiar  
 22 with and experienced in the use of technology in educational  
 23 settings appointed jointly by the state superintendent and the  
 24 governor, with one (1) representing an urban school corporation,  
 25 one (1) representing a suburban school corporation, and one (1)  
 26 representing a rural school corporation.

27 (6) Four (4) members who are members of the general assembly  
 28 and who are appointed as follows:

29 (A) Two (2) members of the house of representatives, appointed  
 30 by the speaker of the house of representatives with not more than  
 31 one (1) from a particular political party.

32 (B) Two (2) members of the senate, appointed by the president  
 33 pro tempore of the senate with not more than one (1) from a  
 34 particular political party.

35 (c) The state superintendent shall designate the chair of the council  
 36 from the membership of the council.

37 (d) Nine (9) members of the council constitute a quorum to conduct  
 38 business. No action of the council is valid unless approved by at least  
 39 ~~seven (7)~~ **nine (9)** voting members of the council.

40 (e) Each member of the council who is not a state employee is not  
 41 entitled to the minimum salary per diem as provided by  
 42 IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement  
 43 for traveling expenses as provided under IC 4-13-1-4 and other  
 44 expenses actually incurred in connection with the member's duties as  
 45 provided in the state policies and procedures established by the Indiana  
 46 department of administration and approved by the budget agency.

47 (f) Each member of the council who is a state employee but who is  
 48 not a member of the general assembly is entitled to reimbursement for  
 49 traveling expenses as provided under IC 4-13-1-4 and other expenses  
 50 actually incurred in connection with the member's duties as provided in  
 51 the state policies and procedures established by the Indiana department

1 of administration and approved by the budget agency.

2 (g) Each member of the council who is a member of the general  
3 assembly is entitled to receive the same per diem, mileage, and travel  
4 allowances paid to members of the general assembly serving on interim  
5 study committees established by the legislative council.

6 SECTION 18. IC 20-12-76-18, AS ADDED BY HEA 1288-2005,  
7 SECTION 34, IS AMENDED TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) Subject to subsections (b),  
9 (c), (e), and (f), the commission shall determine the penal sum of each  
10 surety bond based upon the following guidelines:

11 (1) A postsecondary proprietary educational institution that has no  
12 annual gross tuition charges assessed for the previous year shall  
13 secure a surety bond in the amount of five thousand dollars  
14 (\$5,000).

15 (2) If the postsecondary proprietary educational institution's annual  
16 gross tuition charges assessed for the previous year are not more  
17 than five thousand dollars (\$5,000), the institution shall secure a  
18 surety bond in the amount of one hundred percent (100%) of that  
19 institution's annual gross tuition charges assessed for the previous  
20 year.

21 (3) If the postsecondary proprietary educational institution's annual  
22 gross tuition charges assessed for the previous year are more than  
23 five thousand dollars (\$5,000) but less than fifty thousand dollars  
24 (\$50,000), the institution shall secure a surety bond in the amount  
25 of five thousand dollars (\$5,000).

26 (4) If the postsecondary proprietary educational institution's annual  
27 gross tuition charges assessed for the previous year are more than  
28 fifty thousand dollars (\$50,000) but less than five hundred  
29 thousand dollars (\$500,000), the institution shall secure a surety  
30 bond in the amount of ten percent (10%) of that institution's annual  
31 gross tuition charges assessed for the previous year.

32 (5) If the postsecondary proprietary educational institution's annual  
33 gross tuition charges assessed for the previous year are more than  
34 five hundred thousand dollars (\$500,000), the institution shall  
35 secure a surety bond in the amount of fifty thousand dollars  
36 (\$50,000).

37 (b) When a postsecondary proprietary educational institution is  
38 required to contribute to the fund and the fund has a balance on the date  
39 that the surety bond is due of at least:

40 (1) one hundred thousand dollars (\$100,000), the commission shall  
41 reduce the penal sum of the surety bond described in subsection (a)  
42 by twenty percent (20%);

43 (2) two hundred thousand dollars (\$200,000), the commission shall  
44 reduce the penal sum of the surety bond described in subsection (a)  
45 by forty percent (40%);

46 (3) three hundred thousand dollars (\$300,000), the commission  
47 shall reduce the penal sum of the surety bond described in  
48 subsection (a) by sixty percent (60%);

49 (4) four hundred thousand dollars (\$400,000), the commission shall  
50 reduce the penal sum of the surety bond described in subsection (a)  
51 by eighty percent (80%); or

1 (5) five hundred thousand dollars (\$500,000), the commission shall  
 2 reduce the penal sum of the surety bond described in subsection (a)  
 3 by one hundred percent (100%).

4 (c) Except as provided in:

5 (1) section ~~22~~ 21 of this chapter; and

6 (2) subsection (f);

7 and upon the fund achieving at least an initial five hundred thousand  
 8 dollar (\$500,000) balance, each postsecondary proprietary educational  
 9 institution that contributes to the fund when the initial quarterly  
 10 contribution as required under this chapter after the fund's  
 11 establishment is not required to make contributions to the fund or  
 12 submit a surety bond.

13 (d) The commission shall determine the number of quarterly  
 14 contributions required for the fund to initially accumulate five hundred  
 15 thousand dollars (\$500,000).

16 (e) Except as provided in section ~~22~~ 21 of this chapter and subsection  
 17 (f), postsecondary proprietary educational institutions that begin  
 18 making contributions to the fund after the initial quarterly contribution  
 19 as required under this chapter are:

20 (1) required to make contributions to the fund for the same number  
 21 of quarters as determined by the commission under subsection (d);  
 22 and

23 (2) after making the contributions to the fund as provided in  
 24 subdivision (1) for the required number of quarters, may not be  
 25 required to submit a surety bond.

26 (f) If after the fund acquires five hundred thousand dollars (\$500,000)  
 27 the balance in the fund becomes less than one hundred thousand dollars  
 28 (\$100,000), all postsecondary proprietary educational institutions not  
 29 required to make contributions to the fund as described in subsection  
 30 (c) or (e) shall make contributions to the fund for the number of  
 31 quarters necessary for the fund to accumulate five hundred thousand  
 32 dollars (\$500,000).

33 SECTION 19. IC 20-12-76-40, AS ADDED BY HEA 1288-2005,  
 34 SECTION 34, IS AMENDED TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2005]: Sec. 40. (a) Except as provided in  
 36 subsection (b), a person who **knowingly, intentionally, or recklessly**  
 37 violates this chapter commits a Class B misdemeanor.

38 (b) A person who, with intent to defraud, represents the person to be  
 39 an agent of a postsecondary proprietary educational institution commits  
 40 a Class C felony.

41 SECTION 20. IC 20-20-14-3 AS ADDED BY HEA 1288-2005,  
 42 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 43 JULY 1, 2005]: Sec. 3. (a) The council shall advise the state  
 44 superintendent and the governor on education related technology  
 45 initiatives.

46 (b) The appointed membership of the council shall reflect its purposes  
 47 and be experienced in technology generally. An appointed member of  
 48 the council serves at the pleasure of the appointing authority. The  
 49 council consists of the following sixteen (16) voting members:

50 (1) The state superintendent.

51 (2) The special assistant to the state superintendent of public

- 1 instruction responsible for technology who is appointed under  
 2 section 5 of this chapter.
- 3 (3) Four (4) individuals who represent private business appointed  
 4 jointly by the state superintendent and the governor. Each member  
 5 appointed under this subdivision must be experienced in  
 6 development and use of information technology. A member  
 7 appointed under this subdivision may not represent possible  
 8 providers of technology or related services.
- 9 (4) Three (3) individuals who:  
 10 (A) manage educational environments, including higher  
 11 education; and  
 12 (B) are experienced in their educational work with information  
 13 technology;  
 14 are appointed jointly by the state superintendent and the governor.
- 15 (5) Three (3) individuals who are public school educators familiar  
 16 with and experienced in the use of technology in educational  
 17 settings appointed jointly by the state superintendent and the  
 18 governor, with one (1) representing an urban school corporation,  
 19 one (1) representing a suburban school corporation, and one (1)  
 20 representing a rural school corporation.
- 21 (6) Four (4) members who are members of the general assembly  
 22 and who are appointed as follows:  
 23 (A) Two (2) members of the house of representatives, appointed  
 24 by the speaker of the house of representatives with not more than  
 25 one (1) from a particular political party.  
 26 (B) Two (2) members of the senate, appointed by the president  
 27 pro tempore of the senate with not more than one (1) from a  
 28 particular political party.
- 29 (c) The state superintendent shall designate the chair of the council  
 30 from the membership of the council.
- 31 (d) Nine (9) members of the council constitute a quorum to conduct  
 32 business. Action of the council is not valid unless approved by at least  
 33 ~~seven (7)~~ **nine (9)** voting members of the council.
- 34 (e) Each member of the council who is not a state employee is not  
 35 entitled to the minimum salary per diem as provided by  
 36 IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement  
 37 for traveling expenses as provided under IC 4-13-1-4 and other  
 38 expenses actually incurred in connection with the member's duties as  
 39 provided in the state policies and procedures established by the Indiana  
 40 department of administration and approved by the budget agency.
- 41 (f) Each member of the council who is a state employee but who is  
 42 not a member of the general assembly is entitled to reimbursement for  
 43 traveling expenses as provided under IC 4-13-1-4 and other expenses  
 44 actually incurred in connection with the member's duties as provided in  
 45 the state policies and procedures established by the Indiana department  
 46 of administration and approved by the budget agency.
- 47 (g) Each member of the council who is a member of the general  
 48 assembly is entitled to receive the same per diem, mileage, and travel  
 49 allowances paid to members of the general assembly serving on interim  
 50 study committees established by the legislative council.
- 51 SECTION 21. IC 20-23-5-12, AS ADDED BY HEA 1288-2005,

1 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2005]: Sec. 12. (a) With respect to whether the disposition of  
3 the assets and liabilities of the losing school corporation, allocation of  
4 school tax receipts, and the amount to be paid by the acquiring school  
5 corporation is equitable, the court, subject to subsection (b), shall be  
6 satisfied that the annexing resolution conforms substantially to the  
7 following standards:

8 (1) The acquiring school corporation shall assume a part of all  
9 installments of principal and interest on any indebtedness of the  
10 losing school corporation (other than current obligations or  
11 temporary borrowing) that fall due after the end of the last calendar  
12 year in which the losing school corporation is entitled to receive  
13 current tax receipts from property tax levies on the property of the  
14 annexed territory. The part consists of the following:

15 (A) All installments relating to any indebtedness incurred in  
16 connection with the acquisition or construction of any building  
17 located in the annexed territory.

18 (B) A proportion of all installments relating to any other  
19 indebtedness that is the same proportion as the valuation of the  
20 real property in the annexed territory bears to the valuation of all  
21 the real property in the losing school corporation, as the  
22 indebtedness is assessed for general taxation immediately before  
23 annexation.

24 (2) The acquiring school corporation shall make the payments and  
25 assume the obligations provided for a school corporation acquiring  
26 territory or a building or buildings under IC 21-5-10.

27 ~~(3) Unless the losing school corporation consents to some other~~  
28 ~~allocation, the part of the general fund money collected by the~~  
29 ~~losing school corporation may not be allocated to the acquiring~~  
30 ~~school corporation in a greater amount than would be awarded if~~  
31 ~~the losing school corporation and the acquiring school corporation~~  
32 ~~were respectively the "original school corporation" and the~~  
33 ~~"annexing school corporation" within the meaning of IC 20-23-16,~~  
34 ~~using the method provided in IC 20-23-16 for allocating the special~~  
35 ~~school and tuition fund money.~~

36 (b) Standards under subsection (a) may not be applicable to the extent  
37 the losing school corporation and acquiring school corporation  
38 otherwise agree in a situation where all or a majority of the students in  
39 the annexed territory have been transferred from the losing school  
40 corporation to the acquiring school corporation for the five (5) school  
41 years immediately preceding the transfer. The agreement between  
42 school corporations may not prejudice the rights of bondholders or  
43 lessors whose rights against the losing school corporation and acquiring  
44 school corporation shall, upon enforcement, be allocated between the  
45 losing school corporation and acquiring school corporation in  
46 accordance with subsection (a)(1) and (a)(2).

47 SECTION 22. IC 20-23-6-12, AS ADDED BY HEA 1288-2005,  
48 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
49 JULY 1, 2005]: Sec. 12. (a) This section provides an alternative method  
50 for a school corporation to be reorganized as a community school  
51 corporation.

1 (b) The following may petition directly to the state board to be  
2 reorganized as a community school corporation:

3 (1) A consolidated school corporation organized under section 3 of  
4 this chapter.

5 ~~(2) A county school corporation organized under IC 20-23-16-15.~~  
6 ~~(3)~~ (2) A metropolitan school district organized under IC 20-23-7-2  
7 or IC 20-23-7-12.

8 (c) The following apply to a school corporation that petitions directly  
9 to the state board under subsection (b):

10 (1) The school corporation is not required to do the following:

11 (A) Seek approval of a county committee established by  
12 IC 20-23-4-11.

13 (B) Pursue a joint meeting of a county committee and the state  
14 board under IC 20-23-4-18.

15 (2) The state board may waive the attainment of any standard  
16 required for reorganization as a community school corporation  
17 under this chapter.

18 SECTION 23. IC 20-23-7-13, AS ADDED BY HEA 1288-2005,  
19 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JULY 1, 2005]: Sec. 13. In the resolution creating a county school  
21 corporation or metropolitan school district or in the petitions requesting  
22 the creation of or requesting a referendum on the question of creating  
23 a corporation or district under ~~IC 20-23-16-15~~ or section 2 or 12 of this  
24 chapter, the resolutions or petitions may specify when a school  
25 corporation or school district shall be created and the corporation or  
26 district shall then be created at the time provided in the resolutions or  
27 petitions.

28 SECTION 24. IC 20-23-9-6, AS ADDED BY HEA 1288-2005,  
29 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
30 JULY 1, 2005]: Sec. 6. (a) If the department of local government  
31 finance submits a petition to the school property tax control board  
32 under section 5 of this chapter, the school property tax control board  
33 shall hold a factfinding hearing.

34 (b) At a hearing described in subsection (a), the school property tax  
35 control board shall determine the following:

36 (1) Whether the township school has made all payments required  
37 by any statute, including the following:

38 (A) P.L.32-1999.

39 (B) IC 20-23-5-12. ~~and IC 20-23-16-37.~~

40 (C) The resolution or plan of annexation of the township school,  
41 including:

42 (i) any amendment to the resolution or plan;

43 (ii) any supporting or related documents; and

44 (iii) any agreement between the township school and an  
45 annexing corporation relating to the winding up of affairs of  
46 the township school.

47 (2) The amount, if any, by which the township school is in arrears  
48 on any payment described in subdivision (1).

49 (3) Whether the township school has filed with the department of  
50 local government finance all reports concerning the affairs of the  
51 township school, including all transfer tuition reports required for

1 the two (2) school years immediately preceding the date on which  
2 the township school was annexed.

3 (c) In determining the amount of arrears under subsection (b)(2), the  
4 school property tax control board shall consider all amounts due to an  
5 annexing corporation, including the following:

6 (1) Any transfer tuition payments due to the annexing corporation.

7 (2) All levies, excise tax distributions, and state distributions  
8 received by the township school and due to the annexing  
9 corporation, including levies and distributions received by the  
10 township school after the date on which the township school was  
11 annexed.

12 (3) All excessive levies that the township school agreed to impose  
13 and pay to an annexing corporation but failed to impose.

14 (d) If, in a hearing under this section, a school property tax control  
15 board determines that a township school has:

16 (1) under subsection (b)(1), failed to make a required payment; or

17 (2) under subsection (b)(3), failed to file a required report;

18 the department may act under section 7 of this chapter.

19 SECTION 25. IC 20-23-16-2, AS ADDED BY HEA 1288-2005,  
20 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 JULY 1, 2005]: Sec. 2. (a) Reorganization plans approved before  
22 March 15, 1963, by the state board are void on March 15, 1963, except  
23 with respect to any community school corporation where:

24 (1) any plan has received a majority affirmative vote at an election;

25 (2) the plan has been certified by the clerk of the circuit court as  
26 being petitioned in by fifty-five percent (55%) or more of the  
27 registered voters for any such reorganized school corporation and  
28 notice has been published by the county committee under sections  
29 1 and 6 of this chapter and IC 20-23-4-11 through IC 20-23-4-17,  
30 IC 20-23-4-20 through IC 20-23-4-23, IC 20-23-4-42, and  
31 IC 20-23-4-43; or

32 (3) the plan provides for a school corporation meeting the  
33 qualifications for formation of a community school corporation  
34 under IC 20-23-4-16.

35 (b) The county committee and other government officials shall, with  
36 respect to any such voided reorganization plan, take all actions  
37 necessary for the preparation of a comprehensive plan as if a prior plan  
38 had not been submitted, and within the time prescribed by ~~IC 20-23-4-5~~  
39 **IC 20-23-4-11** through ~~IC 20-23-4-10~~ **IC 20-23-4-17** and  
40 IC 20-23-16-1.

41 SECTION 26. IC 20-23-16-3, AS ADDED BY HEA 1288-2005,  
42 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
43 JULY 1, 2005]: Sec. 3. With respect to a proposed community school  
44 corporation formed out of two (2) or more school corporations  
45 operating a joint high school that has an enrollment of at least six  
46 hundred (600) in grades 9 through 12 at the time of the adoption of a  
47 preliminary plan adopted under ~~IC 20-23-4-5~~ **IC 20-23-4-11** through  
48 ~~IC 20-23-4-10~~, **IC 20-23-4-17**, IC 20-23-16-1, and IC 20-23-16-2, the  
49 preliminary plan or final plan adopted under ~~IC 20-23-4-5~~  
50 **IC 20-23-4-11** through ~~IC 20-23-4-10~~, **IC 20-23-4-17**, IC 20-23-16-1,  
51 and IC 20-23-16-2 may provide for a board of nine (9) members.



1 SECTION 27. IC 20-25-5-15, AS ADDED BY HEA 1288-2005,  
 2 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2005]: Sec. 15. With respect to whether the disposition of the  
 4 assets and liabilities of the losing school corporation is equitable, the  
 5 allocation of school tax receipts is equitable, and the amount to be paid  
 6 by the acquiring school corporation is equitable, a court must be  
 7 satisfied that the annexing resolution conforms substantially to the  
 8 following standards:

9 (1) Except for current obligations or temporary borrowing, the  
 10 acquiring school corporation shall assume a part of all installments  
 11 of principal and interest on the indebtedness of the losing school  
 12 corporation that is due after the end of the last calendar year in  
 13 which the losing school corporation is entitled to receive current  
 14 tax receipts from property tax levies on the property in the annexed  
 15 territory. The part assumed by the acquiring school corporation  
 16 consists of the following:

17 (A) All installments relating to any indebtedness incurred in  
 18 connection with the acquisition or construction of a building  
 19 located in the annexed territory.

20 (B) A proportion of all installments relating to any other  
 21 indebtedness that is in the same proportion as the valuation of the  
 22 real property in the annexed territory bears to the valuation of all  
 23 the real property in the losing school corporation. Valuation  
 24 under this clause is based upon the assessment for general  
 25 taxation immediately before annexation.

26 (2) The acquiring school corporation shall make the payments and  
 27 assume the obligations provided for a school corporation acquiring:

28 (A) territory;

29 (B) a building or buildings; or

30 (C) both territory and a building or buildings;

31 under IC 21-5-10.

32 ~~(3) Unless the losing school corporation consents to another~~  
 33 ~~allocation, the part of the special school and tuition fund money~~  
 34 ~~collected by the losing school corporation shall not be allocated in~~  
 35 ~~a greater amount to the acquiring school corporation than would be~~  
 36 ~~awarded if the:~~

37 ~~(A) two (2) corporations were respectively the original school~~  
 38 ~~corporation and the annexing school corporation under~~  
 39 ~~IC 20-23-16; and~~

40 ~~(B) amount to be paid to the losing corporation by the acquiring~~  
 41 ~~school corporation based on the acquisition by the acquiring~~  
 42 ~~school corporation of a building in the annexed territory may not~~  
 43 ~~be less than would be awarded if the two (2) school corporations~~  
 44 ~~were respectively the acquiring school corporation and original~~  
 45 ~~school corporation under IC 20-23-16.~~

46 ~~(4)~~ (3) If the annexed territory includes an entire losing school  
 47 corporation, the acquiring school corporation shall:

48 (A) acquire all the property and assets of the losing school  
 49 corporation without making any payments for the losing school  
 50 corporation; and

51 (B) assume all of the liabilities and obligations of the losing

1 school corporation.

2 SECTION 28. IC 20-25-10-3, AS ADDED BY HEA 1288-2005,  
3 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2005]: Sec. 3. The board shall:

5 (1) modify, develop, and publish the plan required under this  
6 chapter; and

7 (2) implement the modified plan;

8 in compliance with the timelines of IC 20-31-1, ~~IC 20-31-2~~, IC 20-31-5,  
9 IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10.

10 SECTION 29. IC 20-25-10-5, AS ADDED BY HEA 1288-2005,  
11 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 2005]: Sec. 5. (a) The board shall annually assess and evaluate  
13 educational programs offered by the school city to determine:

14 (1) the relationship of the programs to improved student  
15 achievement; and

16 (2) the educational value of the programs in relation to cost.

17 (b) The board may obtain information from:

18 (1) educators in the schools offering a program;

19 (2) students participating in a program; and

20 (3) the parents of students participating in a program;

21 in preparing an assessment and evaluation under this section. The  
22 assessment must include the performance of the school's students in  
23 achieving student performance improvement levels under IC 20-31-1,  
24 ~~IC 20-31-2~~, IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8,  
25 IC 20-31-9, IC 20-31-10, and IC 20-25-11.

26 SECTION 30. IC 20-25-11-1, AS ADDED BY HEA 1288-2005,  
27 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2005]: Sec. 1. The board shall establish annual student  
29 performance improvement levels for each school that are not less  
30 rigorous than the student performance improvement levels under  
31 IC 20-31-1, ~~IC 20-31-2~~, IC 20-31-5, IC 20-31-6, IC 20-31-7,  
32 IC 20-31-8, IC 20-31-9, and IC 20-31-10, including the following:

33 (1) For students:

34 (A) improvement in results on assessment tests and assessment  
35 programs;

36 (B) improvement in attendance rates; and

37 (C) improvement in progress toward graduation.

38 (2) For teachers:

39 (A) improvement in student results on assessment tests and  
40 assessment programs;

41 (B) improvement in the number and percentage of students  
42 achieving:

43 (i) state achievement standards; and

44 (ii) if applicable, performance levels set by the board;  
45 on assessment tests;

46 (C) improvement in student progress toward graduation;

47 (D) improvement in student attendance rates for the school year;

48 (E) improvement in individual teacher attendance rates;

49 (F) improvement in:

50 (i) communication with parents; and

51 (ii) parental involvement in classroom and extracurricular

- 1 activities; and  
 2 (G) other objectives developed by the board.  
 3 (3) For the school and school administrators:  
 4 (A) improvement in student results on assessment tests, totaled  
 5 by class and grade;  
 6 (B) improvement in the number and percentage of students  
 7 achieving:  
 8 (i) state achievement standards; and  
 9 (ii) if applicable, performance levels set by the board;  
 10 on assessment tests, totaled by class and grade;  
 11 (C) improvement in:  
 12 (i) student graduation rates; and  
 13 (ii) progress toward graduation;  
 14 (D) improvement in student attendance rates;  
 15 (E) management of:  
 16 (i) general fund expenditures; and  
 17 (ii) total expenditures;  
 18 per student;  
 19 (F) improvement in teacher attendance rates; and  
 20 (G) other objectives developed by the board.

21 SECTION 31. IC 20-25-13-7, AS ADDED BY HEA 1288-2005,  
 22 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JULY 1, 2005]: Sec. 7. IC 20-28-6-4 and IC 20-28-6-5 apply to  
 24 certificated employees in the school city. A teacher's students'  
 25 performance improvement levels under the assessment tests and  
 26 programs of IC 20-31-1, ~~IC 20-31-2~~, IC 20-31-5, IC 20-31-6,  
 27 IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10 may be used as  
 28 a factor, but not the only factor, to evaluate the performance of a  
 29 teacher in the school city.

30 SECTION 32. IC 20-26-7-33, AS ADDED BY HEA 1288-2005,  
 31 SECTION 10, IS AMENDED TO READ AS FOLLOWS  
 32 [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) The hearing described in  
 33 section ~~32~~ **31** of this chapter may be adjourned from day to day.

34 (b) When the hearing has concluded, the board of county  
 35 commissioners and county council, acting jointly, shall determine from:  
 36 (1) the evidence submitted;  
 37 (2) an inspection of the building; or  
 38 (3) both the evidence and an inspection;  
 39 if the building should be condemned.

40 (c) If the board of county commissioners and county council, acting  
 41 jointly, determine that the building should be condemned, the board and  
 42 council shall fix a date when the order of the board and council  
 43 becomes effective. An appeal from the finding and determination of the  
 44 board of county commissioners may be made to the circuit or superior  
 45 court of the county in the same manner as appeals are taken from the  
 46 board of county commissioners.

47 SECTION 33. IC 20-26-11-8, AS ADDED BY HEA 1288-2005,  
 48 SECTION 10, IS AMENDED TO READ AS FOLLOWS  
 49 [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A student who is placed in a  
 50 state licensed private or public health care facility, child care facility,  
 51 or foster family home:

- 1 (1) by or with the consent of the division of family and children;  
 2 (2) by a court order; or  
 3 (3) by a child placing agency licensed by the division of family and  
 4 children;

5 may attend school in the school corporation in which the home or  
 6 facility is located. If the school corporation in which the home or  
 7 facility is located is not the school corporation in which the student has  
 8 legal settlement, the school corporation in which the student has legal  
 9 settlement shall pay the transfer tuition of the student.

10 (b) A student who is placed in a state licensed private or public health  
 11 care or child care facility by a parent may attend school in the school  
 12 corporation in which the facility is located if:

- 13 (1) the placement is necessary for the student's physical or  
 14 emotional health and well-being and, if the placement is in a health  
 15 care facility, is recommended by a physician; and  
 16 (2) the placement is projected to be for not less than fourteen (14)  
 17 consecutive calendar days or a total of twenty (20) calendar days.

18 The school corporation in which the student has legal settlement shall  
 19 pay the transfer tuition of the student. The parent of the student shall  
 20 notify the school corporation in which the facility is located and the  
 21 school corporation of the student's legal settlement, if identifiable, of  
 22 the placement. Not later than thirty (30) days after this notice, the  
 23 school corporation of legal settlement shall either pay the transfer  
 24 tuition of the transferred student or appeal the payment by notice to the  
 25 department. The acceptance or notice of appeal by the school  
 26 corporation must be given by certified mail to the parent or guardian of  
 27 the student and any affected school corporation. In the case of a student  
 28 who is not identified as disabled under IC 20-35, the state board shall  
 29 make a determination on transfer tuition according to the procedures in  
 30 section 15 of this chapter. In the case of a student who has been  
 31 identified as disabled under IC 20-35, the determination on transfer  
 32 tuition shall be made under this subsection and the procedures adopted  
 33 by the state board under ~~IC 20-35-2-1(c)(5)~~. **IC 20-35-2-1(b)(5)**.

34 (c) A student who is placed in:

- 35 (1) an institution operated by the division of disability, aging, and  
 36 rehabilitative services or the division of mental health and  
 37 addiction; or  
 38 (2) an institution, a public or private facility, a home, a group  
 39 home, or an alternative family setting by the division of disability,  
 40 aging, and rehabilitative services or the division of mental health  
 41 and addiction;

42 may attend school in the school corporation in which the institution is  
 43 located. The state shall pay the transfer tuition of the student, unless  
 44 another entity is required to pay the transfer tuition as a result of a  
 45 placement described in subsection (a) or (b) or another state is obligated  
 46 to pay the transfer tuition.

47 SECTION 34. IC 20-26-12-15 AS ADDED BY HEA 1288-2005,  
 48 SECTION 10, IS AMENDED TO READ AS FOLLOWS  
 49 [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) A governing body shall  
 50 requisition the necessary textbooks from the contracting publishers  
 51 approved by the state board. The contracting publisher shall ship the

1 textbooks to the governing body not more than ninety (90) days after  
 2 the requisition. On receipt of the textbooks, the governing body's school  
 3 corporation has custody of the textbooks. The governing body shall  
 4 provide a receipt to the contracting publisher and reimburse the  
 5 contracting publisher the amount owed by the school corporation from  
 6 the school corporation's general fund.

7 (b) A governing body shall purchase textbooks:

8 (1) from a resident student who presents the textbooks for sale on  
 9 or before the beginning of the school term in which the books are  
 10 to be used;

11 (2) with money from the school corporation's general fund; and

12 (3) at a price based on the original price to the school corporation  
 13 minus a reasonable reduction for damage from usage.

14 (c) ~~The proper school authorities shall purchase any textbooks that~~  
 15 ~~are to be used during any school year from any dealer:~~

16 ~~(1) whose business is located in the county in which the school~~  
 17 ~~corporation is located; and~~

18 ~~(2) who was authorized to sell textbooks before March 1, 1935.~~

19 ~~The purchase price may not exceed the price paid by the dealer to the~~  
 20 ~~contracting publisher.~~

21 SECTION 35. IC 20-27-3-8, AS ADDED BY HEA 1288-2005,  
 22 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 23 [EFFECTIVE JULY 1, 2005]: Sec. 8. A person who **knowingly,**  
 24 **intentionally, or recklessly** violates this chapter commits a Class C  
 25 misdemeanor.

26 SECTION 36. IC 20-27-5-33, AS ADDED BY HEA 1288-2005,  
 27 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 28 [EFFECTIVE JULY 1, 2005]: Sec. 33. A person who **knowingly,**  
 29 **intentionally, or recklessly** violates this chapter commits a Class C  
 30 misdemeanor.

31 SECTION 37. IC 20-27-6-8, AS ADDED BY HEA 1288-2005,  
 32 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2005]: Sec. 8. A person who **knowingly,**  
 34 **intentionally, or recklessly** violates this chapter commits a Class C  
 35 misdemeanor.

36 SECTION 38. IC 20-27-7-19, AS ADDED BY HEA 1288-2005,  
 37 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 38 [EFFECTIVE JULY 1, 2005]: Sec. 19. A person who **knowingly,**  
 39 **intentionally, or recklessly** violates this chapter commits a Class C  
 40 misdemeanor.

41 SECTION 39. IC 20-27-8-16, AS ADDED BY HEA 1288-2005,  
 42 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2005]: Sec. 16. **Except as provided in section**  
 44 **3(b) of this chapter,** a person who **knowingly, intentionally, or**  
 45 **recklessly** violates this chapter commits a Class C misdemeanor.

46 SECTION 40. IC 20-27-9-17, AS ADDED BY HEA 1288-2005,  
 47 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 48 [EFFECTIVE JULY 1, 2005]: Sec. 17. Except as provided in this  
 49 article, a person who **knowingly, intentionally, or recklessly** violates  
 50 this chapter commits a Class C misdemeanor.

51 SECTION 41. IC 20-27-10-4, AS ADDED BY HEA 1288-2005,

1 SECTION 11, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2005]: Sec. 4. A person who **knowingly,**  
 3 **intentionally, or recklessly** violates this chapter commits a Class C  
 4 misdemeanor.

5 SECTION 42. IC 20-28-1-10, AS ADDED BY HEA 1288-2005,  
 6 SECTION 12, IS AMENDED TO READ AS FOLLOWS  
 7 [EFFECTIVE JULY 1, 2005]: Sec. 10. "Managing body" refers to:

- 8 (1) the governing body;  
 9 (2) the board of managers (as defined in ~~IC 20-35-5-1(a)(3)~~;  
 10 **IC 20-35-5-1(3)**); or  
 11 (3) any other governing entity;

12 that has the responsibility for administering the school corporation's  
 13 special education program or a special education cooperative organized  
 14 under IC 20-35-5, IC 20-26-10, or IC 36-1-7.

15 SECTION 43. IC 20-33-2-32, AS ADDED BY HEA 1288-2005,  
 16 SECTION 17, IS AMENDED TO READ AS FOLLOWS  
 17 [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) In a county that has not been  
 18 completely reorganized under IC 20-23-4, the governing body of each  
 19 school corporation that constitutes a separate attendance district under  
 20 section ~~3~~ **30** of this chapter shall appoint an attendance officer. One (1)  
 21 additional attendance officer may be appointed for every seven  
 22 thousand five hundred (7,500) students in average daily attendance in  
 23 the corporation.

24 (b) Whenever the governing body of a school corporation makes an  
 25 appointment under this section, it shall appoint an individual nominated  
 26 by the superintendent. However, the governing body may decline to  
 27 appoint any nominee and require another nomination. The salary of  
 28 each attendance officer appointed under this section shall be fixed by  
 29 the governing body. In addition to salary, the officer is entitled to  
 30 receive reimbursement for actual expenses necessary to properly  
 31 perform the officer's duties. The salary and expenses of an attendance  
 32 officer appointed under this section shall be paid by the treasurer of the  
 33 county in which the officer serves, on a warrant signed by the county  
 34 auditor. The county council shall appropriate, and the board of county  
 35 commissioners shall allow, the funds necessary to make these  
 36 payments. However, a warrant shall not be issued to an attendance  
 37 officer until the attendance officer has filed an itemized statement with  
 38 the county auditor. This statement shall show the time employed and  
 39 expenses incurred. The superintendent shall approve the statement and  
 40 certify that it is correct.

41 SECTION 44. IC 20-33-8-33, AS ADDED BY HEA 1288-2005,  
 42 SECTION 17, IS AMENDED TO READ AS FOLLOWS  
 43 [EFFECTIVE JULY 1, 2005]: Sec. 33. Before February 1 and before  
 44 October 1 of each year, except when a hearing has been requested to  
 45 determine financial hardship under IC 9-24-2-1(a)(4), ~~the governing~~  
 46 ~~body of the school corporation~~ **a principal** shall submit to the bureau  
 47 of motor vehicles the pertinent information concerning an individual's  
 48 ineligibility under IC 9-24-2-1 to be issued a driver's license or learner's  
 49 permit, or concerning the invalidation of a license or permit under  
 50 IC 9-24-2-4.

51 SECTION 45. IC 20-34-4-6, AS ADDED BY HEA 1288-2005,

1 SECTION 18, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Not later than sixty (60) days  
 3 after the enrollment of students for the first time and when additional  
 4 immunizations are required by statute or rule, each school shall file a  
 5 written report with the state department of health and the local health  
 6 department having jurisdiction. The report must include the following:

7 (1) A statement of the number of students who have demonstrated  
 8 immunity against diphtheria, pertussis (whooping cough), tetanus,  
 9 measles, rubella, poliomyelitis, mumps, and hepatitis B.

10 (2) A statement of the number of students who have not  
 11 demonstrated immunity against the illnesses listed in subdivision  
 12 (1).

13 (3) A statement of the number of students who have been found  
 14 positive for sickle cell anemia or lead poisoning.

15 (b) The state department of health and the local health department  
 16 shall, for good cause shown that there exists a substantial threat to the  
 17 health and safety of a student or the school community, be able to  
 18 validate immunization reports by onsite reviews or examinations of  
 19 nonidentifying immunization record data. This section does not  
 20 independently authorize the state department of health, a local  
 21 department of health, or an agent of the state department of health or  
 22 local department of health to have access to identifying medical or  
 23 academic record data of individual students attending nonaccredited  
 24 nonpublic schools.

25 (c) A **school shall file a report** ~~shall be filed~~ for each student who  
 26 enrolls ~~subsequent to~~ **after** the filing of the report for students who  
 27 enrolled at the beginning of the school year. The state department of  
 28 health has exclusive power to adopt rules for the administration of this  
 29 section.

30 SECTION 46. IC 20-35-4-10, AS ADDED BY HEA 1288-2005,  
 31 SECTION 19, IS AMENDED TO READ AS FOLLOWS  
 32 [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) For purposes of this section,  
 33 "comprehensive plan" means a plan for educating the following:

34 (1) All children with disabilities that a school corporation is  
 35 required to educate under sections 8 through 9 of this chapter.

36 (2) The additional children with disabilities that the school  
 37 corporation elects to educate.

38 (b) For purposes of this section, "school corporation" includes the  
 39 following:

40 (1) The Indiana School for the Blind board.

41 (2) The Indiana School for the Deaf board.

42 (c) The state board shall adopt rules under IC 4-22-2 detailing the  
 43 contents of the comprehensive plan. Each school corporation shall  
 44 complete and submit to the state superintendent a comprehensive plan.  
 45 School corporations operating cooperative or joint special education  
 46 services may submit a single comprehensive plan. In addition, if a  
 47 school corporation enters into a contractual agreement as permitted  
 48 under section 9 of this chapter, the school corporation shall collaborate  
 49 with the service provider in formulating the comprehensive plan.

50 (d) Notwithstanding the age limits set out in ~~IC 20-35-1-1;~~  
 51 **IC 20-35-1-2**, the state board may:

- 1 (1) conduct a program for the early identification of children with  
 2 disabilities, between the ages of birth and less than twenty-two (22)  
 3 years of age not served by the public schools or through a  
 4 contractual agreement under section 9 of this chapter; and  
 5 (2) use agencies that serve children with disabilities other than the  
 6 public schools.
- 7 (e) The state board shall adopt rules under IC 4-22-2 requiring the:  
 8 (1) department of correction;  
 9 (2) state department of health;  
 10 (3) division of disability, aging, and rehabilitative services;  
 11 (4) Indiana School for the Blind board;  
 12 (5) Indiana School for the Deaf board; and  
 13 (6) division of mental health and addiction;
- 14 to submit to the state superintendent a plan for the provision of special  
 15 education for children in programs administered by each respective  
 16 agency who are entitled to a special education.
- 17 (f) The state superintendent shall furnish professional consultant  
 18 services to school corporations and the entities listed in subsection (e)  
 19 to aid them in fulfilling the requirements of this section.
- 20 SECTION 47. IC 20-35-5-15, AS ADDED BY HEA 1288-2005,  
 21 SECTION 19, IS AMENDED TO READ AS FOLLOWS  
 22 [EFFECTIVE JULY 1, 2005]: Sec. 15. Meetings of the board of  
 23 managers shall be held in accordance with ~~IC 20-26-4-2~~. **IC 20-26-4-3**.
- 24 SECTION 48. IC 20-35-8-2, AS ADDED BY HEA 1288-2005,  
 25 SECTION 19, IS AMENDED TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The state board shall adopt  
 27 rules under IC 4-22-2 to establish limits on the amount of transportation  
 28 that may be provided in the student's individualized education program.  
 29 Unless otherwise specially shown to be essential by the child's  
 30 individualized education program, in case of residency in a public or  
 31 private facility, these rules must limit the transportation required by the  
 32 student's individualized education program to the following:  
 33 (1) The student's first entrance and final departure each school  
 34 year.  
 35 (2) Round trip transportation each school holiday period.  
 36 (3) Two (2) additional round trips each school year.
- 37 (b) If a student is a transfer student receiving special education in a  
 38 public school, the state or school corporation responsible for the  
 39 payment of transfer tuition under ~~IC 20-33-6-1~~ **IC 20-26-11-1** through  
 40 ~~IC 20-33-6-4~~ **IC 20-26-11-4** shall pay the cost of transportation  
 41 required by the student's individualized education program. However,  
 42 if a transfer student was counted as an eligible student for purposes of  
 43 a distribution in a calendar year under IC 21-3-3.1, the transportation  
 44 costs that the transferee school may charge for a school year ending in  
 45 the calendar year shall be reduced by the sum of the following:  
 46 (1) The quotient of:  
 47 (A) the amount of money that the transferee school is eligible to  
 48 receive under IC 21-3-3.1-2.1 for the calendar year in which the  
 49 school year ends; divided by  
 50 (B) the number of eligible students for the transferee school for  
 51 the calendar year (as determined under IC 21-3-3.1-2.1).



- 1 (2) The amount of money that the transferee school is eligible to  
 2 receive under IC 21-3-3.1-4 for the calendar year in which the  
 3 school year ends for the transportation of the transfer student  
 4 during the school year.
- 5 (c) If a student receives a special education:  
 6 (1) in a facility operated by:  
 7 (A) the state department of health;  
 8 (B) the division of disability, aging, and rehabilitative services;  
 9 or  
 10 (C) the division of mental health and addiction;  
 11 (2) at the Indiana School for the Blind; or  
 12 (3) at the Indiana School for the Deaf;
- 13 the school corporation in which the student has legal settlement shall  
 14 pay the cost of transportation required by the student's individualized  
 15 education program. However, if the student's legal settlement cannot be  
 16 ascertained, the state board shall pay the cost of transportation required  
 17 by the student's individualized education program.
- 18 (d) If a student is placed in a private facility under IC 20-35-6-2 in  
 19 order to receive a special education because the student's school  
 20 corporation cannot provide an appropriate special education program,  
 21 the school corporation in which the student has legal settlement shall  
 22 pay the cost of transportation required by the student's individualized  
 23 education program. However, if the student's legal settlement cannot be  
 24 ascertained, the state board shall pay the cost of transportation required  
 25 by the student's individualized education program.
- 26 SECTION 49. IC 20-37-1-1, AS ADDED BY HEA 1288-2005,  
 27 SECTION 21, IS AMENDED TO READ AS FOLLOWS  
 28 [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Two (2) or more school  
 29 corporations may cooperate to:  
 30 (1) establish; and  
 31 (2) maintain or supervise;  
 32 schools or departments for vocational education if the governing bodies  
 33 of the school corporations agree to cooperate and apportion the cost of  
 34 the schools or departments among the school corporations.
- 35 (b) If the cooperating school corporations agree to:  
 36 (1) establish; and  
 37 (2) maintain or supervise;  
 38 the schools or departments under subsection (a), the **heads designated**  
 39 **representatives** of the school corporations ~~or their delegated~~  
 40 ~~representatives~~ constitute a board for the management of the schools or  
 41 departments. The board may adopt a plan of organization,  
 42 administration, and support for the schools or departments. The plan,  
 43 if approved by the state board, is a binding contract between the  
 44 cooperating school corporations.
- 45 (c) The governing bodies of the cooperating school corporations may  
 46 cancel or annul the plan described in subsection (b) by the vote of a  
 47 majority of the governing bodies and upon the approval of the state  
 48 board. However, if a school corporation desires to withdraw a course  
 49 offering from the cooperative agreement after:  
 50 (1) attempting to withdraw the course offering under a withdrawal  
 51 procedure authorized by the school corporation's cooperative

- 1 agreement or bylaw; and
- 2 (2) being denied the authority to withdraw the course offering;
- 3 the school corporation may appeal the denial to the state board. In the
- 4 appeal, a school corporation must submit a proposal requesting the
- 5 withdrawal to the state board for approval.
- 6 (d) The proposal under subsection (c) must do the following:
- 7 (1) Describe how the school corporation intends to implement the
- 8 particular vocational education course.
- 9 (2) Include a provision that provides for at least a two (2) year
- 10 phaseout of the educational program or course offering from the
- 11 cooperative agreement.
- 12 Upon approval of the proposal by the state board, the school
- 13 corporation may proceed with the school corporation's withdrawal of
- 14 the course offering from the cooperative agreement and shall proceed
- 15 under the proposal.
- 16 (e) The withdrawal procedure under subsections (c) and (d) may not
- 17 be construed to permit a school corporation to change any other terms
- 18 of the plan described in subsection (b) except those terms that require
- 19 the school corporation to provide the particular course offering sought
- 20 to be withdrawn.
- 21 (f) The board described in subsection (b) may do the following:
- 22 (1) Enter into an agreement to acquire by lease or purchase:
- 23 (A) sites;
- 24 (B) buildings; or
- 25 (C) equipment;
- 26 that is suitable for these schools or departments. This authority
- 27 extends to the acquisition of facilities available under IC 21-5-11.
- 28 (2) By resolution adopted by a majority of the board, designate
- 29 three (3) or more individuals from the board's membership to
- 30 constitute an executive committee.
- 31 (g) To the extent provided in a resolution adopted under subsection
- 32 (f)(2), an executive committee shall do the following:
- 33 (1) Exercise the authority of the full board in the management of
- 34 the schools or departments.
- 35 (2) Submit a written summary of its actions to the full board at least
- 36 semiannually.
- 37 SECTION 50. IC 33-33-53-5 IS AMENDED TO READ AS
- 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. In accordance with
- 39 rules adopted by the judges of the court under section 6 of this chapter,
- 40 the presiding judge shall do the following:
- 41 (1) Ensure that the court operates efficiently and judicially under
- 42 rules adopted by the court.
- 43 (2) Annually submit to the fiscal body of Monroe County a budget
- 44 for the court, including amounts necessary for:
- 45 (A) the operation of the circuit's probation department;
- 46 (B) the defense of indigents; and
- 47 (C) maintaining an adequate law library.
- 48 (3) Make the appointments or selections required of a circuit or
- 49 superior court judge under the following statutes:
- 50 IC 8-4-21-2
- 51 IC 11-12-2-2

1 IC 16-22-2-4  
 2 IC 16-22-2-11  
 3 IC 16-22-7  
 4 IC 20-4-1  
 5 IC 20-4-8  
 6 ~~IC 20-4-15-2~~  
 7 IC 20-5-20-4  
 8 IC 20-5-23-1  
 9 IC 20-14-10-10  
 10 IC 21-5-11-8  
 11 IC 21-5-12-8  
 12 IC 36-9  
 13 IC 36-10.

14 (4) Make appointments or selections required of a circuit or  
 15 superior court judge by any other statute, if the appointment or  
 16 selection is not required of the court because of an action before the  
 17 court.

18 SECTION 51. IC 36-1-14-1, AS AMENDED BY HEA 1288-2005,  
 19 SECTION 236, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section does not apply  
 21 to donations of proceeds from riverboat gaming to a public school  
 22 endowment corporation under ~~IC 20-26-5-19~~; **IC 20-26-5-21**.

23 (b) As used in this section, "riverboat gaming revenue" means tax  
 24 revenue received by a unit under IC 4-33-12-6, IC 4-33-13, or an  
 25 agreement to share a city's or county's part of the tax revenue.

26 (c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds  
 27 from the sale of a utility or facility or from a grant, a gift, a donation,  
 28 an endowment, a bequest, a trust, or riverboat gaming revenue to a  
 29 foundation under the following conditions:

- 30 (1) The foundation is a charitable nonprofit community foundation.  
 31 (2) The foundation retains all rights to the donation, including  
 32 investment powers.  
 33 (3) The foundation agrees to do the following:  
 34 (A) Hold the donation as a permanent endowment.  
 35 (B) Distribute the income from the donation only to the unit as  
 36 directed by resolution of the fiscal body of the unit.  
 37 (C) Return the donation to the general fund of the unit if the  
 38 foundation:  
 39 (i) loses the foundation's status as a public charitable  
 40 organization;  
 41 (ii) is liquidated; or  
 42 (iii) violates any condition of the endowment set by the fiscal  
 43 body of the unit.

44 SECTION 52. THE FOLLOWING ARE REPEALED [EFFECTIVE  
 45 JULY 1, 2005]: IC 20-4-1-14; IC 20-4-1-28; IC 20-4-1-35;  
 46 IC 20-4-1-36; IC 20-4-1-37; IC 20-4-1-38; IC 20-4-5-9; IC 20-4-5-10;  
 47 IC 20-4-5-11; IC 20-4-8-2; IC 20-4-8-3; IC 20-4-8-4; IC 20-4-8-5;  
 48 IC 20-4-8-6; IC 20-4-8-7; IC 20-4-8-8; IC 20-4-8-9; IC 20-4-8-10;  
 49 IC 20-4-8-11; IC 20-4-8-27; IC 20-4-15-1; IC 20-4-15-2; IC 20-4-15-3;  
 50 IC 20-4-15-4; IC 20-4-15-5; IC 20-4-15-6; IC 20-4-16-1; IC 20-4-16-2;  
 51 IC 20-4-16-3; IC 20-4-16-4; IC 20-4-16-5; IC 20-4-16-6;

- 1 IC 20-23-16-2; IC 20-23-16-6; IC 20-23-16-7; IC 20-23-16-8;
- 2 IC 20-23-16-9; IC 20-23-16-10; IC 20-23-16-12; IC 20-23-16-13;
- 3 IC 20-23-16-14; IC 20-23-16-15; IC 20-23-16-16; IC 20-23-16-17;
- 4 IC 20-23-16-18; IC 20-23-16-19; IC 20-23-16-20; IC 20-23-16-21;
- 5 IC 20-23-16-22; IC 20-23-16-23; IC 20-23-16-24; IC 20-23-16-28;
- 6 IC 20-23-16-29; IC 20-23-16-30; IC 20-23-16-31; IC 20-23-16-32;
- 7 IC 20-23-16-33; IC 20-23-16-34; IC 20-23-16-35; IC 20-23-16-36;
- 8 IC 20-23-16-37; IC 20-23-16-38; IC 20-23-16-39; IC 20-23-16-40.

(Reference is to ESB 397 as printed March 22, 2005.)

**Conference Committee Report**  
**on**  
**Engrossed Senate Bill 397**

**S**igned by:

\_\_\_\_\_  
Senator Landske  
Chairperson

\_\_\_\_\_  
Representative Foley

\_\_\_\_\_  
Senator Lanane

\_\_\_\_\_  
Representative Oxley

**Senate Conferees**

**House Conferees**