
SENATE BILL No. 397

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-1; IC 20-3-14-7; IC 20-4; IC 20-8.1; IC 20-9.1-5-22; IC 20-10.1-11-10.

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 Repeals obsolete or superseded provisions, including provisions concerning purchase of textbooks, school taxing powers, school reorganization, school bonding, transportation of pupils,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.)

Effective: July 1, 2005.

Landske

January 11, 2005, read first time and referred to Committee on Judiciary.

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First Regular Session 114th General Assembly (2005)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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SENATE BILL No. 397



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

8 (b) If the cooperating school corporations agree to establish and
9 maintain or supervise the schools or departments under subsection (a),
10 the ~~heads of these~~ **designated representatives of the** school
11 corporations ~~or their delegated representatives~~ constitute a board for
12 the management of the schools or departments. The board may adopt
13 a plan of organization, administration, and support for the schools or
14 departments. This plan, if approved by the Indiana state board of
15 education, constitutes a binding contract between the cooperating
16 school corporations.

17 (c) The governing bodies of the cooperating school corporations



1 may cancel or annul this contract by the vote of a majority of these
2 governing bodies and upon the approval of the Indiana state board of
3 education. However, if a school corporation desires to withdraw a
4 course offering from the cooperative agreement after:

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

8 (2) being denied the authority to withdraw the course offering;
9 the school corporation may appeal the denial to the Indiana state board
10 of education. In the appeal a school corporation must submit a proposal
11 requesting the withdrawal to the Indiana state board of education for
12 approval. The proposal must describe how the school corporation
13 intends to implement the particular vocational education course and
14 must include a provision that provides for at least a two (2) year
15 phase-out of the educational program or course offering from the
16 cooperative agreement. Upon approval of the proposal by the Indiana
17 state board of education, the school corporation may proceed with the
18 school corporation's withdrawal of the course offering from the
19 agreement and shall proceed under the proposal. This withdrawal
20 procedure may not be construed to permit a school corporation to
21 change any other terms of the contract under subsection (b) except
22 those terms that require the school corporation to provide the particular
23 course offering sought to be withdrawn.

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

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

35 SECTION 2. IC 20-1-19-23 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 23. (a) A person who
37 **knowingly, intentionally, or recklessly** violates this chapter commits
38 a Class B misdemeanor, except as provided in subsection (b) of this
39 section.

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

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

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

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

18 (2) A proportion of all ~~such~~ installments relating to any other
19 indebtedness which 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 same is
22 assessed for general taxation immediately prior to annexation.

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

26 ~~(c) Unless the losing school corporation shall consent to some other~~
27 ~~allocation, the portion of the special school and tuition fund moneys~~
28 ~~collected by the losing school corporation shall not be allocated in a~~
29 ~~greater amount to the acquiring school corporation than would be~~
30 ~~awarded if such two (2) corporations were respectively the original~~
31 ~~school corporation and the annexing school corporation within the~~
32 ~~meaning of IC 20-4-16, and the amount to be paid the losing~~
33 ~~corporation by the acquiring school corporation on account of the~~
34 ~~acquisition by the acquiring school corporation of a building in the~~
35 ~~annexed territory shall not be less than would be awarded if such two~~
36 ~~(2) school corporations were respectively the acquiring corporation and~~
37 ~~original school corporation within the meaning of IC 20-4-15.~~

38 ~~(d)~~ **(c)** Where the annexed territory includes all of any losing school
39 corporation, the acquiring school corporation shall acquire all of the
40 property and assets of the losing school corporation without making
41 payment of any nature for the same and shall assume all of the
42 liabilities and obligations of the losing school corporation.

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

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

7 (2) "Reorganization of school corporations" ~~shall mean and~~
 8 ~~include~~ **means** the formation of new school corporations, the
 9 alteration of the boundaries of established school corporations,
 10 and the dissolution of established school corporations, through or
 11 by means of:

12 ~~(a)~~ **(A)** the uniting of two (2) or more established school
 13 corporations;

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

15 ~~(c)~~ **(C)** the transfer to any established school corporation of a
 16 part of the territory of one (1) or more school corporations, or
 17 the attachment thereto of all or any part of the territory of one
 18 (1) or more school corporations, or the transfer of said
 19 established school corporation; and

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

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

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

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

32 (6) "Attendance unit" or "school unit" ~~shall mean~~ **means** the
 33 geographical and population area served by a single school,
 34 consisting of part, or all, of an administrative unit.

35 (7) "County committee" or "committee" ~~shall mean~~ **means** the
 36 county committee for the reorganization of school corporations,
 37 provided for in section 5 through ~~14~~ **13** of this chapter.

38 (8) "State board" or "board" ~~shall mean~~ **refers to** the Indiana state
 39 board of education.

40 (9) "State department" ~~shall mean~~ **refers to** the state department
 41 of education.

42 (10) "State superintendent" ~~shall mean~~ **refers to** the state

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- superintendent of public instruction.
- (11) "County superintendent" ~~shall mean~~ **refers to** the county superintendent of schools.
- (12) "Party" includes any person, firm, limited liability company, corporation, association, or municipality interested in any proceedings under the provisions of this chapter.
- (13) "School aid bonds" ~~shall mean~~ **means** any bonds of a civil unit of government the proceeds of which were used for school purposes in any school corporation.

SECTION 5. IC 20-4-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) With respect to whether the disposition of the assets and liabilities of the losing school corporation, allocation of school tax receipts and the amount to be paid by the acquiring school corporation is equitable, the court subject to the provisions of subdivision (b) shall be satisfied that the annexing resolution conforms substantially to the following standards:

- (1) The acquiring school corporation shall assume a portion of all installments of principal and interest on any indebtedness of the losing school corporation (other than current obligations or temporary borrowing) which fall due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property on the annexed territory. ~~Such~~ **The** portion ~~shall consist~~ **consists** of the following:
 - (i) **(A)** All ~~such~~ installments relating to any indebtedness incurred in connection with the acquisition or construction of any building located in the annexed territory. ~~and~~
 - (ii) **(B)** A proportion of all ~~such~~ installments relating to any other indebtedness which is the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation, as the same is assessed for general taxation immediately prior to annexation.
- (2) The acquiring school corporation shall make the payments and assume the obligations provided for school corporation acquiring territory and/or building or buildings under IC 21-5-10.
- (3) ~~Unless the losing school corporation shall consent to some other allocation: the portion of the general fund moneys collected by the losing school corporation shall not be allocated to the acquiring school corporation in a greater amount than would be awarded if such two (2) corporations were respectively the "original school corporation" and the "annexing school~~

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1 corporation" within the meaning of IC 20-4-16, using the method
2 therein provided for allocating the special school and tuition fund
3 moneys.

4 (b) Such standards shall not be applicable to the extent the losing
5 and acquiring school corporations otherwise agree in a situation where
6 all or a majority of the students in the annexed territory have been
7 transferred from the losing to the acquiring school corporation for the
8 five (5) school years immediately preceding the transfer. Such
9 agreement, as between school corporations, shall not, however,
10 prejudice the rights of bondholders or lessors whose rights as against
11 the losing and acquiring school corporations shall, upon enforcement,
12 be allocated between them in accordance with subsection (a)(1) and
13 (2).

14 SECTION 6. IC 20-4-5-25.5 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25.5. (a) This section
16 provides an alternative method for a school corporation to reorganize
17 as a community school corporation.

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

- 20 (1) A consolidated school corporation organized under section 2
- 21 of this chapter.
- 22 ~~(2) A county school corporation organized under IC 20-4-8-2.~~
- 23 ~~(3)~~ (2) A metropolitan school district organized under
- 24 IC 20-4-8-12 or IC 20-4-8-24.

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

- 27 (1) The school corporation is not required to do the following:
- 28 (A) Seek approval of a county committee established by
- 29 IC 20-4-1-5.
- 30 (B) Pursue a joint meeting of a county committee and the state
- 31 board under IC 20-4-1-17.1.
- 32 (2) The state board may waive the attainment of any standard
- 33 required for reorganization as a community school corporation
- 34 under this chapter.

35 SECTION 7. IC 20-4-8-25 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 25. In the resolution
37 creating a county school corporation or metropolitan school district, or
38 in the petitions requesting the creation of or requesting a referendum
39 on the question of creating such corporation or district, under section
40 ~~2~~, 12 or 24 of this chapter, the resolutions or petitions may specify
41 when such school corporation or school district shall be created and
42 come into existence, and such corporation or district shall then be

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1 created and come into existence at the time provided in all such
 2 resolutions or petitions.

3 SECTION 8. IC 20-4-57-7 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) If the department
 5 of local government finance submits a petition to the school property
 6 tax control board under section 5 of this chapter, the school property
 7 tax control board shall hold a fact finding hearing.

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

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

12 (A) P.L.32-1999.
 13 (B) IC 20-4-4-7. and ~~IC 20-4-16-3.~~
 14 (C) The resolution or plan of annexation of the township
 15 school, including:

16 (i) any amendment to the resolution or plan;
 17 (ii) any supporting or related documents; and
 18 (iii) any agreement between the township school and an
 19 annexing corporation relating to the winding up of affairs of
 20 the township school.

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

23 (3) Whether the township school has filed with the department all
 24 reports concerning the affairs of the township school, including
 25 all transfer tuition reports required for the two (2) school years
 26 immediately preceding the date on which the township school was
 27 annexed.

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

31 (1) Any transfer tuition payments due to the annexing corporation.
 32 (2) All levies, excise tax distributions, and state distributions
 33 received by the township school and due to the annexing
 34 corporation, including levies and distributions received by the
 35 township school after the date on which the township school was
 36 annexed.
 37 (3) All excessive levies that the township school agreed to impose
 38 and pay to an annexing corporation but failed to impose.

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

41 (1) under subsection (b)(1), failed to make a required payment; or
 42 (2) under subsection (b)(3), failed to file a required report;

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1 the department may act under section 8 of this chapter.
2 SECTION 9. IC 20-8.1-5.1-26 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. Before February 1
4 and before October 1 of each year, except when a hearing has been
5 requested under IC 9-24-2-1(a)(4), ~~the governing body of the school~~
6 ~~corporation~~ **a principal** shall submit to the bureau of motor vehicles
7 the pertinent information concerning an individual's ineligibility under
8 IC 9-24-2-1 to be issued a driver's license or learner's permit, or
9 concerning the invalidation of a license or permit under IC 9-24-2-4.
10 SECTION 10. IC 20-8.1-7-11 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) Not later than
12 sixty (60) days after the enrollment of children for the first time and
13 when additional immunizations are required by statute or rule, each
14 school shall file a written report with the state department of health and
15 the local health department having jurisdiction. The report shall include
16 the following:
17 (1) A statement of the number of children who have demonstrated
18 immunity against diphtheria, pertussis (whooping cough), tetanus,
19 measles, rubella, poliomyelitis, mumps, and hepatitis B.
20 (2) A statement of the number of children who have not
21 demonstrated immunity against the illnesses listed in subdivision
22 (1).
23 (3) A statement of the number of children who have been found
24 positive for sickle cell anemia and lead poisoning.
25 (b) The state department of health and the local health department
26 shall, for good cause shown that there exists a substantial threat to the
27 health and safety of a student or the school community, be able to
28 validate immunization reports by onsite reviews or examinations of
29 nonidentifying immunization record data. This section does not
30 independently authorize the state department of health, a local
31 department of health, or an agent of the state or local department of
32 health to have access to identifying medical or academic record data of
33 individual students attending nonaccredited nonpublic schools.
34 (c) **A school shall file a report** ~~shall also be filed~~ for each child who
35 enrolls subsequent to the filing of the report for children who enrolled
36 at the beginning of the school year. The state department of health shall
37 have exclusive power to adopt rules for the administration of this
38 section.
39 SECTION 11. IC 20-9.1-5-22 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) Except as
41 provided in subsection (b) or in another section of this article, a person
42 who **knowingly, intentionally, or recklessly** violates chapter 2, 2.5,

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1 3, 4, or 5 of this article commits a Class C misdemeanor.
 2 (b) A person who violates section 6.6 of this chapter commits a
 3 Class B infraction.
 4 SECTION 12. IC 20-10.1-11-10 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Each governing
 6 body shall make requisition for the necessary textbooks for the students
 7 from the contracting publishers approved by the state board of
 8 education. The contracting publisher shall ship the books, within ninety
 9 (90) days, directly to these officials. On receipt of the books, each
 10 school corporation shall have charge and custody of all books
 11 consigned to it, receipting to the contracting publisher for them, and
 12 each governing body shall reimburse the contracting publisher the
 13 amount owed by the school corporation for these books from its general
 14 fund.
 15 (b) Each governing body shall purchase with its general fund money
 16 any current textbooks, from a resident student who presents them for
 17 sale on or before the beginning of the school term in which the books
 18 are to be used, at a price based on the original price to the corporation
 19 less a reasonable reduction for damage from usage.
 20 (c) ~~The proper school authorities shall likewise purchase any stock~~
 21 ~~of books which are to be used during any school year from any dealer~~
 22 ~~whose business is located in the county in which the school corporation~~
 23 ~~is located; and who was authorized by law to sell these books before~~
 24 ~~March 1, 1935; at not to exceed the price paid by the dealer to the~~
 25 ~~contracting publisher from whom these books were purchased.~~
 26 SECTION 13. IC 33-33-53-5 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. In accordance with
 28 rules adopted by the judges of the court under section 6 of this chapter,
 29 the presiding judge shall do the following:
 30 (1) Ensure that the court operates efficiently and judicially under
 31 rules adopted by the court.
 32 (2) Annually submit to the fiscal body of Monroe County a budget
 33 for the court, including amounts necessary for:
 34 (A) the operation of the circuit's probation department;
 35 (B) the defense of indigents; and
 36 (C) maintaining an adequate law library.
 37 (3) Make the appointments or selections required of a circuit or
 38 superior court judge under the following statutes:
 39 IC 8-4-21-2
 40 IC 11-12-2-2
 41 IC 16-22-2-4
 42 IC 16-22-2-11

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

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

16 SECTION 14. THE FOLLOWING ARE REPEALED [EFFECTIVE
 17 JULY 1, 2005]: IC 20-4-1-14; IC 20-4-1-28; IC 20-4-1-35;
 18 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;
 19 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;
 20 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;
 21 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;
 22 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;
 23 IC 20-4-16-3; IC 20-4-16-4; IC 20-4-16-5; IC 20-4-16-6.

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