



February 17, 2012

**ENGROSSED  
SENATE BILL No. 179**

DIGEST OF SB 179 (Updated February 15, 2012 9:43 am - DI 116)

**Citations Affected:** IC 20-32; noncode.

**Synopsis:** Virtual instruction course requirement. Beginning with the class of students who enter grade 9 in 2013, requires a student pursuing a Core 40 high school diploma to complete at least one virtual instruction course. Specifies that if the virtual instruction course is provided by the school corporation, the school corporation must fund the virtual instruction course through the school corporation's resources, and the school corporation is not entitled to any additional funding because the school corporation provides the virtual instruction course. Provides that if a state university provides a virtual instruction course that is a dual enrollment course or a dual credit course, that course may not be counted for purposes of any component of the higher education funding formula that is determined by or based on the increase in dual enrollment courses or dual credit courses. Inserts a cross-reference to federal educational privacy statutes. Establishes the education issues interim study committee to study the issues relating to the provision of virtual instruction.

**Effective:** Upon passage; July 1, 2012.

**Banks, Kruse, Schneider**

(HOUSE SPONSORS — BEHNING, HEUER)

January 4, 2012, read first time and referred to Committee on Education and Career Development.

January 26, 2012, amended, reported favorably — Do Pass.

January 31, 2012, read second time, amended, ordered engrossed.

February 1, 2012, engrossed. Read third time, passed. Yeas 38, nays 12.

**HOUSE ACTION**

February 9, 2012, read first time and referred to Committee on Education.

February 16, 2012, amended, reported — Do Pass.

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February 17, 2012

Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 179

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 20-32-4.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2012]:

4 **Chapter 4.5. Virtual Courses**

5 **Sec. 1. As used in this chapter, "provider" means a provider**  
6 **that offers virtual instruction courses consistent with Indiana**  
7 **academic standards for Core 40 courses and whose teachers have**  
8 **completed and submitted to the provider an expanded criminal**  
9 **history check (as defined in IC 20-26-2-1.5).**

10 **Sec. 2. As used in this chapter, "school corporation" means the**  
11 **following:**

12 **(1) A school corporation (as defined in IC 20-26-2-4).**

13 **(2) A charter school established under IC 20-24.**

14 **Sec. 3. As used in this chapter, "student" means a student**  
15 **attending an Indiana public school and pursuing a Core 40**  
16 **diploma.**

17 **Sec. 4. As used in this chapter, "virtual instruction course"**

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1 means a Core 40 course or credit requirement adopted by the state  
2 board under IC 20-30-10 and provided in an interactive learning  
3 environment created through technology in which students are  
4 separated from their teachers by time or space, or both. The term  
5 includes courses taken by students in grades 6 through 12.

6 Sec. 5. (a) Beginning with the cohort (as defined in  
7 IC 20-26-13-2) of students who enter grade 9 for the first time in  
8 the school year beginning in 2013, a student must complete at least  
9 one (1) course or credit requirement toward a Core 40 diploma  
10 through a virtual instruction course before the student may be  
11 awarded a Core 40 diploma.

12 (b) Each school corporation shall provide at least three (3)  
13 virtual instruction courses in which a student may choose to enroll.  
14 The school corporation shall decide what courses to offer based  
15 upon the local needs of the school corporation's students and may  
16 align its offerings with a strategic and continuous school  
17 improvement and achievement plan developed under IC 20-31-5.

18 (c) A school corporation may not charge a student or a student's  
19 parent or guardian a fee for the sole purpose of defraying the cost  
20 of complying with this chapter.

21 (d) A school corporation is not required to pay any costs  
22 associated with a virtual instruction course taken by the student  
23 enrolled in the school corporation if the virtual instruction course  
24 is not provided by the school corporation under subsection (b). If  
25 the virtual instruction course is provided by the school corporation  
26 under subsection (b), the school corporation must fund the virtual  
27 instruction course through the school corporation's resources, and  
28 the school corporation is not entitled to any additional funding  
29 because the school corporation provides the virtual instruction  
30 course.

31 (e) A student or the student's parent or guardian may choose to  
32 enroll the student in a virtual instruction course that is not offered  
33 by a school corporation under subsection (b) but otherwise meets  
34 the other requirements established under this chapter. If the  
35 virtual instruction course meets the requirement established under  
36 this chapter, the course counts toward the virtual instruction  
37 course requirement established in subsection (a).

38 (f) A student's transcript at the school in which the student is  
39 enrolled must include the credits earned and grades received for  
40 any virtual instruction courses the student has taken under this  
41 section.

42 Sec. 6. (a) The department may request to review an individual

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1 school corporation's virtual instruction course offerings and may  
 2 determine whether the courses meet the requirements established  
 3 under this chapter.

4 (b) The department shall work with each school corporation to  
 5 assist the school corporation in meeting the requirements of this  
 6 chapter without additional cost to the school corporation.

7 Sec. 6.5. If a state educational institution (as defined in  
 8 IC 21-7-13-32) provides a virtual instruction course under this  
 9 chapter that is a dual enrollment course or a dual credit course,  
 10 that course may not be counted for purposes of any component of  
 11 the higher education funding formula (as established by the  
 12 commission for higher education) that is determined by or based  
 13 on the increase in dual enrollment courses or dual credit courses.

14 Sec. 7. The state board shall adopt rules under IC 4-22-2 to  
 15 administer this chapter. The rules adopted under this section must  
 16 address the following:

- 17 (1) Enrollment in virtual instruction courses.
- 18 (2) Alignment of virtual instruction courses with the teacher  
 19 evaluation requirements established under IC 20-28-11.5.
- 20 (3) Transfer of student performance data between the school  
 21 corporation of residence and a virtual instruction course  
 22 provider, to the extent that the data may be transferred under  
 23 the education records privacy provisions of the federal Family  
 24 Educational Rights and Privacy Act (20 U.S.C. 1232g).
- 25 (4) Evaluating this chapter's impact on student growth and  
 26 performance.
- 27 (5) Teacher certification requirements.

28 SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this  
 29 SECTION, "committee" refers to the education issues interim  
 30 study committee established under subsection (b).

31 (b) The legislative council, under IC 2-5-1.1-5(a)(2), shall  
 32 establish an interim study committee to be known as the education  
 33 issues interim study committee. The committee shall do the  
 34 following:

- 35 (1) Study the costs and savings to a school corporation or a  
 36 charter school relating the implementation of this act.
- 37 (2) Study issues relating the accessibility, and instruction of a  
 38 virtual instruction course, as defined in IC 20-32-4.5-4, as  
 39 added by this act.
- 40 (3) Study how the school funding formula in the state budget  
 41 for the state fiscal years beginning July 1, 2013, and ending  
 42 June 30, 2015, may be adjusted to recognize the achievement



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1 of objectives under this act for a school corporation or  
 2 charter school that implements virtual instruction courses, as  
 3 defined in IC 20-32-4.5-4, as added by this act,  
 4 (4) Study any additional topics the legislative council  
 5 considers necessary.  
 6 (c) The committee shall operate under the policies governing  
 7 study committees adopted by the legislative council. The committee  
 8 shall submit a final report to the following:  
 9 (1) The legislative council in an electronic format under  
 10 IC 5-14-6.  
 11 (2) The governor.  
 12 (3) The chairperson of the house committee on ways and  
 13 means.  
 14 (4) The ranking minority member of the house committee on  
 15 ways and means.  
 16 (5) The chairperson of the senate committee on  
 17 appropriations.  
 18 (6) The ranking minority member of the senate committee on  
 19 appropriations.  
 20 (d) This SECTION expires December 31, 2012.  
 21 SECTION 3. An emergency is declared for this act.

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## COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 179, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 24, after "(b)." insert **"If the virtual instruction course is provided by the school corporation under subsection (b), the school corporation must fund the virtual instruction course through the school corporation's resources, and the school corporation is not entitled to any additional funding because the school corporation provides the virtual instruction course."**

Page 2, after line 42, begin a new paragraph and insert:

**"Sec. 6.5. If a state educational institution (as defined in IC 21-7-13-32) provides a virtual instruction course under this chapter that is a dual enrollment course or a dual credit course, that course may not be counted for purposes of any component of the higher education funding formula (as established by the commission for higher education) that is determined by or based on the increase in dual enrollment courses or dual credit courses."**

Page 3, line 9, delete "provider." and insert **"provider, to the extent that the data may be transferred under the education records privacy provisions of the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g)."**

and when so amended that said bill do pass.

(Reference is to SB 179 as introduced.)

YODER, Acting Chairperson

Committee Vote: Yeas 8, Nays 2.

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 SENATE MOTION

Madam President: I move that Senate Bill 179 be amended to read as follows:

Page 3, after line 27, begin a new paragraph and insert:

**"SECTION 2. [EFFECTIVE JULY 1, 2012] (a) Before December 1, 2012, the department of education shall conduct an audit of school corporations to determine each school corporation's ability to comply with IC 20-32-4.5, as added by this act. The audit must**

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determine whether a school corporation has appropriate technological capabilities and enough equipment to accommodate the students who will be completing virtual instruction courses.

**(b) This SECTION expires January 1, 2013."**

Renumber all SECTIONS consecutively.

(Reference is to SB 179 as printed January 27, 2012.)

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 179, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, delete lines 28 through 35, begin a new paragraph and insert:

"SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the education issues interim study committee established under subsection (b).

(b) The legislative council, under IC 2-5-1.1-5(a)(2), shall establish an interim study committee to be known as the education issues interim study committee. The committee shall do the following:

- (1) Study the costs and savings to a school corporation or a charter school relating the implementation of this act.
- (2) Study issues relating the accessibility, and instruction of a virtual instruction course, as defined in IC 20-32-4.5-4, as added by this act.
- (3) Study how the school funding formula in the state budget for the state fiscal years beginning July 1, 2013, and ending June 30, 2015, may be adjusted to recognize the achievement of objectives under this act for a school corporation or charter school that implements virtual instruction courses, as defined in IC 20-32-4.5-4, as added by this act,
- (4) Study any additional topics the legislative council considers necessary.

(c) The committee shall operate under the policies governing study committees adopted by the legislative council. The committee shall submit a final report to the following:

- (1) The legislative council in an electronic format under



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**IC 5-14-6.**

**(2) The governor.**

**(3) The chairperson of the house committee on ways and means.**

**(4) The ranking minority member of the house committee on ways and means.**

**(5) The chairperson of the senate committee on appropriations.**

**(6) The ranking minority member of the senate committee on appropriations.**

**(d) This SECTION expires December 31, 2012.**

**SECTION 3. An emergency is declared for this act."**

and when so amended that said bill do pass.

(Reference is to SB 179 as reprinted February 1, 2012.)

BEHNING, Chair

Committee Vote: yeas 8, nays 3.

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