
HOUSE BILL No. 1339

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1.4-1-10; IC 20-24; IC 20-26-5-4; IC 20-28; IC 20-29; IC 34-11-2-14.

Synopsis: Various education matters. Replaces references, when referring to a charter school, to the term "sponsor" with the term "authorizer". Repeals the current definition of sponsor. Provides that the department of education (department) shall keep on its Internet web site charter school page: (1) demographic and performance data required from school corporations according to each authorizer's performance framework; and (2) an annual list of all charter schools, with corresponding authorizers and the school improvement designation earned by each charter school. Provides that a virtual charter school is defined as a charter school that provides more than 90% of its instruction through virtual distance learning or online technologies. (Current law provides that a virtual charter school is a charter school that provides more than 50% of its instruction through virtual distance learning or online technologies.) Removes a requirement that the department must submit an annual report to the budget committee concerning virtual charter schools. Provides that a charter school is subject to graduation rate calculation requirements. Removes a provision that a teacher serving under a regular contract at a laboratory school who transfers to a school corporation that is a party to the agreement with the university operating the laboratory school is entitled to receive credit for the years served at the laboratory school for purposes of meeting the five year requirement for an indefinite contract. Removes a provision that a laboratory school teacher's contract with a school corporation is an indefinite contract if the teacher has served five years at a laboratory school. Provides notice procedures for the cancellation of a principal's or superintendent's contract. Provides that a principal may request a private meeting with
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Effective: July 1, 2011 (retroactive); July 1, 2013.

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January 17, 2013, read first time and referred to Committee on Education.



the superintendent within five days after the principal receives notice of a contract cancellation. Provides that a superintendent may request a private meeting with the president of the governing body within five days after the principal receives notice of a contract cancellation. Provides that the superintendent or the president of the governing body shall make a written recommendation to the governing body regarding the contract cancellation. Provides that a superintendent or a principal may have a representative accompany the superintendent or principal to the private conference. Repeals a provision that provides that a teacher contract continues in force following the date of the contract's termination, until the school corporation refuses to continue the contract, the teacher resigns, or the contract is replaced. Provides that a teacher contract entered into after August 1 is void if the teacher is bound by a previous contract to teach in a public school. (Current law provides that the contract is void after August 15.) Resolves conflict in IC 20-28-9-1, which was amended by P.L.229-2011, SEC. 175 and repealed by P.L.48-2011, SEC. 39. Provides that, beginning after June 30, 2013, a teacher who does not receive a raise or increment may file a request for a private meeting with the superintendent if the teacher received a rating of improvement necessary or ineffective. Provides that, after June 30, 2013, a local salary schedule must include the salary schedule framework under which two or more of the four permissible salary factors combine to determine increases, increments, or raises for a teacher. Provides that after June 30, 2013, a school corporation's noncompliance with the salary schedule requirements must be reported by the: (1) department; (2) state board of accounts; and (3) Indiana education employment relations board (board). Provides that the establishment of a voluntary sick day bank may be collectively bargained for. Provides that certain salary reductions are not subject to collective bargaining. Makes changes to the procedure for conducting a hearing for a teacher suspended without pay. Makes changes relating to staff performance evaluations for evaluations of principals or superintendents. Provides that a charter school, a virtual charter school, or a school that participates in the choice scholarship program may not use a staff performance evaluation based on certain models. Provides that a certified employee must receive a rating of either ineffective or improvement necessary if, after completing a remediation plan, deficiencies noted in the certificated employee's evaluation are not corrected. Provides that a model evaluation plan developed by the department after January 31, 2012, must be approved by the state board and published on the department's Internet web site. Provides that a provision relating to the appointment by an exclusive representative of a percentage of teacher positions on a district-wide or school-wide committee applies to all discussion committees. Provides that with regards to collective bargaining mediation, each party shall pay its costs of mediation to the board. Removes a provision that provides that a school employer may issue tentative individual contracts if an agreement has not been reached. Provides that the duration of the right to bring suit for an unfair practice against a school employer or school employee organization is three years. Adds a provision that allows a hearing examiner or agent of the board to assign the costs of the hearing in proportion to the liability of the parties. Provides that the factfinding process in an impasse proceeding may not exceed 30 days. Reduces the time, from five years to two years, in which a person who has served as a mediator between a school corporation and an exclusive representative may serve as a factfinder in an impasse proceeding.

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Introduced

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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HOUSE BILL No. 1339

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 5-1.4-1-10, AS AMENDED BY P.L.119-2012,
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS: Sec. 10.
3 "Qualified entity" means the following:
4 (1) A city.
5 (2) A county.
6 (3) A special taxing district located wholly within a county.
7 (4) Any entity whose tax levies are subject to review and
8 modification by a city-county legislative body under IC 36-3-6-9.
9 (5) A political subdivision (as defined in IC 36-1-2-13) that is
10 located wholly within a county:
11 (A) that has a population of:
12 (i) more than four hundred thousand (400,000) but less than
13 seven hundred thousand (700,000); or
14 (ii) more than two hundred fifty thousand (250,000) but less
15 than two hundred seventy thousand (270,000); or



- 1 (B) containing a city that:
- 2 (i) is described in section 5(3) of this chapter; and
- 3 (ii) has a public improvement bond bank under this article.
- 4 (6) A charter school established under IC 20-24 that is ~~sponsored~~
- 5 **authorized** by the executive of a consolidated city.
- 6 (7) Any authority created under IC 36 that leases land or facilities
- 7 to any qualified entity listed in subdivisions (1) through (6).

8 SECTION 2. IC 20-24-1-2.5 IS ADDED TO THE INDIANA CODE
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 10 1, 2013]: **Sec. 2.5. "Authorizer" means, for a charter school, one (1)**
 11 **of the following:**

- 12 (1) A governing body.
- 13 (2) A state educational institution that offers a four (4) year
- 14 baccalaureate degree.
- 15 (3) The executive (as defined in IC 36-1-2-5) of a consolidated
- 16 city.
- 17 (4) The charter board.
- 18 (5) A nonprofit college or university that provides a four (4)
- 19 year educational program for which it awards a
- 20 baccalaureate or more advanced degree, including the
- 21 following:

- 22 Anderson University
- 23 Bethel College
- 24 Butler University
- 25 Calumet College of St. Joseph
- 26 DePauw University
- 27 Earlham College
- 28 Franklin College
- 29 Goshen College
- 30 Grace College
- 31 Hanover College
- 32 Holy Cross College
- 33 Huntington University
- 34 Indiana Tech
- 35 Indiana Wesleyan University
- 36 Manchester College
- 37 Marian University
- 38 Martin University
- 39 Oakland City University
- 40 Rose-Hulman Institute of Technology
- 41 Saint Joseph's College
- 42 Saint Mary-of-the-Woods College

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- 1 **Saint Mary's College**
- 2 **Taylor University**
- 3 **Trine University**
- 4 **University of Evansville**
- 5 **University of Indianapolis**
- 6 **University of Notre Dame**
- 7 **University of Saint Francis**
- 8 **Valparaiso University**
- 9 **Wabash College.**

10 SECTION 3. IC 20-24-1-3, AS ADDED BY P.L. 1-2005, SECTION
 11 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 12 2013]: Sec. 3. "Charter" means a contract between an organizer and a
 13 **sponsor an authorizer** for the establishment of a charter school.

14 SECTION 4. IC 20-24-1-9 IS REPEALED [EFFECTIVE JULY 1,
 15 2013]. Sec. 9: "Sponsor" means, for a charter school, one (1) of the
 16 following:

- 17 (1) A governing body.
- 18 (2) A state educational institution that offers a four (4) year
 19 baccalaureate degree.
- 20 (3) The executive (as defined in IC 36-1-2-5) of a consolidated
 21 city.
- 22 (4) The charter board.
- 23 (5) A nonprofit college or university that provides a four (4) year
 24 educational program for which it awards a baccalaureate or more
 25 advanced degree, including the following:

- 26 Anderson University
- 27 Bethel College
- 28 Butler University
- 29 Calumet College of St. Joseph
- 30 DePauw University
- 31 Earlham College
- 32 Franklin College
- 33 Goshen College
- 34 Grace College
- 35 Hanover College
- 36 Holy Cross College
- 37 Huntington University
- 38 Indiana Tech
- 39 Indiana Wesleyan University
- 40 Manchester College
- 41 Marian University
- 42 Martin University

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1 Oakland City University
 2 Rose-Hulman Institute of Technology
 3 Saint Joseph's College
 4 ~~Saint Mary-of-the-Woods College~~
 5 Saint Mary's College
 6 Taylor University
 7 Trine University
 8 University of Evansville
 9 University of Indianapolis
 10 University of Notre Dame
 11 University of Saint Francis
 12 Valparaiso University
 13 ~~Wabash College.~~

14 SECTION 5. IC 20-24-2.1-1, AS ADDED BY P.L.91-2011,
 15 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2013]: Sec. 1. (a) The Indiana charter school board is
 17 established for the purpose of ~~sponsoring~~ **authorizing** charter schools
 18 throughout Indiana.

19 (b) The charter board is a statewide charter school ~~sponsor~~
 20 **authorizer** composed of the following seven (7) members appointed
 21 to four (4) year terms:

22 (1) Two (2) members, who may not be members of the same
 23 political party, appointed by the governor.

24 (2) One member who has previous experience with or on behalf
 25 of charter schools appointed by the state superintendent.

26 (3) Four (4) members, who may not be legislators, appointed as
 27 follows:

28 (A) One (1) member appointed by the president pro tempore
 29 of the senate.

30 (B) One (1) member appointed by the minority leader of the
 31 senate.

32 (C) One (1) member appointed by the speaker of the house of
 33 representatives.

34 (D) One (1) member appointed by the minority leader of the
 35 house of representatives.

36 (c) The governor shall appoint the chairperson of the charter board.

37 (d) A majority of the members appointed to the charter board
 38 constitutes a quorum. The affirmative votes of a majority of the voting
 39 members appointed to the charter board are required for the charter
 40 board to take action.

41 (e) Each member of the charter board who is not a state employee
 42 is entitled to the minimum salary per diem provided by

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1 IC 4-10-11-2.1(b). The member is also entitled to reimbursement for
 2 traveling expenses as provided under IC 4-13-1-4 and other expenses
 3 actually incurred in connection with the member's duties as provided
 4 in the state policies and procedures established by the Indiana
 5 department of administration and approved by the budget agency.

6 SECTION 6. IC 20-24-2.1-2, AS ADDED BY P.L.91-2011,
 7 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2013]: Sec. 2. The charter board, with assistance from the
 9 department, shall:

10 (1) establish a process to:

11 (A) review a proposal to establish a charter school under
 12 IC 20-24-3-4;

13 (B) make a decision on the proposal as required under
 14 IC 20-24-3-9; and

15 (C) monitor charter schools ~~sponsored~~ **authorized** by the
 16 charter board; and

17 (2) publish guidelines concerning the review process described in
 18 subdivision (1);

19 not later than December 31, 2011.

20 SECTION 7. IC 20-24-2.2-1, AS ADDED BY P.L.91-2011,
 21 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2013]: Sec. 1. The department shall establish a charter school
 23 page on the department's Internet web site that includes information on
 24 the following:

25 (1) All approved ~~sponsors~~, **authorizers**, including the ~~sponsors'~~
 26 **authorizers'** processes for the following:

27 (A) Monitoring approved schools at regular intervals.

28 (B) Establishing minimum standards for renewing a charter or
 29 not renewing a charter.

30 (C) Processes and standards for school closure, including the
 31 transfer of academic records to other schools and
 32 postsecondary educational institutions.

33 (2) All pending applications for a charter.

34 (3) All approved applications for a charter.

35 (4) All rejected applications for a charter.

36 (5) Annual performance data that includes the same demographic
 37 and performance data required from school corporations
 38 **according to each authorizer's performance framework.**

39 **(6) An annual list of all charter schools, with corresponding**
 40 **authorizer of and the school improvement designation**
 41 **described in IC 20-31-8-3 earned by each charter school. The**
 42 **list must be updated annually not later than thirty (30) days**

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1 **after the department releases the school improvement**
 2 **designations.**

3 SECTION 8. IC 20-24-2.2-2, AS ADDED BY P.L.91-2011,
 4 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2013]: Sec. 2. The minimum standards for renewal and the
 6 standards to avoid closure imposed by ~~sponsors~~ **authorizers** on the
 7 charter school in the charter school agreement must include a
 8 requirement that the charter school not fall within the application of
 9 IC 20-31-9-4, notwithstanding IC 20-31-9-1.

10 SECTION 9. IC 20-24-2.2-3, AS AMENDED BY P.L.6-2012,
 11 SECTION 128, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2013]: Sec. 3. (a) After giving at least thirty
 13 (30) days notice, the state board may require a ~~sponsor~~ **an authorizer**
 14 to appear at a hearing conducted by the state board if the ~~sponsor~~
 15 **authorizer** has renewed the charter of or failed to close a charter
 16 school that does not meet the minimum standards in the charter
 17 agreement, as posted on the department's Internet web site.

18 (b) After the hearing, the state board may implement one (1) or
 19 more of the following actions unless the state board finds sufficient
 20 justification for the charter school's performance under the state school
 21 accountability system:

22 (1) Transfer the ~~sponsorship~~ **authorization** of the charter school
 23 identified in subsection (a) to the charter board.

24 (2) Order the closure of the charter school identified in subsection
 25 (a) on the date set by the state board.

26 (3) Order the reduction of any administrative fee collected under
 27 IC 20-24-7-4 that is applicable to the charter school identified in
 28 subsection (a) to an amount not greater than fifty percent (50%)
 29 of the amount allowed under IC 20-24-7-4.

30 (c) In determining whether to impose consequences under
 31 subsection (b), the state board must consider the following:

32 (1) Enrollment of students with special challenges such as drug or
 33 alcohol addiction, prior withdrawal from school, prior
 34 incarceration, or other special circumstances.

35 (2) High mobility of the student population resulting from the
 36 specific purpose of the charter school.

37 (3) Annual improvement in the performance of students enrolled
 38 in the charter school, as measured by IC 20-31-8-1, compared
 39 with the performance of students enrolled in the charter school in
 40 the immediately preceding school year.

41 SECTION 10. IC 20-24-2.2-4, AS ADDED BY P.L.91-2011,
 42 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2013]: Sec. 4. If the state board has closed or transferred
 2 ~~sponsorship authorization~~ of at least twenty-five percent (25%) of the
 3 charter schools chartered by one (1) ~~sponsor authorizer~~ under section
 4 3 of this chapter, the ~~sponsor's authorizer's~~ authority to ~~sponsor~~
 5 ~~authorize~~ new charter schools may be suspended by the state board
 6 until the state board approves the ~~sponsor authorizer~~ to ~~sponsor~~
 7 ~~authorize~~ new charter schools. A determination under this section to
 8 suspend a ~~sponsor's an authorizer's~~ authority to ~~sponsor authorize~~
 9 new charter schools must identify the deficiencies that, if corrected,
 10 will result in the approval of the ~~sponsor authorizer~~ to ~~sponsor~~
 11 ~~authorize~~ new charter schools.

12 SECTION 11. IC 20-24-3-1, AS ADDED BY P.L.1-2005,
 13 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2013]: Sec. 1. ~~A sponsor~~ **An authorizer** may grant a charter
 15 to an organizer to operate a charter school under this article.

16 SECTION 12. IC 20-24-3-2, AS ADDED BY P.L.1-2005,
 17 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2013]: Sec. 2. ~~A sponsor~~ **An authorizer** may not grant a
 19 charter to a for-profit organizer.

20 SECTION 13. IC 20-24-3-4, AS AMENDED BY P.L.91-2011,
 21 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2013]: Sec. 4. (a) An organizer may submit to the ~~sponsor~~
 23 ~~authorizer~~ a proposal to establish a charter school.

- 24 (b) A proposal must contain at least the following information:
- 25 (1) Identification of the organizer.
 - 26 (2) A description of the organizer's organizational structure and
 27 governance plan.
 - 28 (3) The following information for the proposed charter school:
 - 29 (A) Name.
 - 30 (B) Purposes.
 - 31 (C) Governance structure.
 - 32 (D) Management structure.
 - 33 (E) Educational mission goals.
 - 34 (F) Curriculum and instructional methods.
 - 35 (G) Methods of pupil assessment.
 - 36 (H) Admission policy and criteria, subject to IC 20-24-5.
 - 37 (I) School calendar.
 - 38 (J) Age or grade range of students to be enrolled.
 - 39 (K) A description of staff responsibilities.
 - 40 (L) A description of the physical plant.
 - 41 (M) Budget and financial plans.
 - 42 (N) Personnel plan, including methods for selection, retention,



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- 1 and compensation of employees.
- 2 (O) Transportation plan.
- 3 (P) Discipline program.
- 4 (Q) Plan for compliance with any applicable desegregation
- 5 order.
- 6 (R) The date when the charter school is expected to:
- 7 (i) begin school operations; and
- 8 (ii) have students attending the charter school.
- 9 (S) The arrangement for providing teachers and other staff
- 10 with health insurance, retirement benefits, liability insurance,
- 11 and other benefits.
- 12 (T) Any other applications submitted to a **sponsor an**
- 13 **authorizer** in the previous five (5) years.
- 14 (4) The manner in which the **sponsor authorizer** must conduct an
- 15 annual audit of the program operations of the charter school.
- 16 (c) This section does not waive, limit, or modify the provisions of:
- 17 (1) IC 20-29 in a charter school where the teachers have chosen
- 18 to organize under IC 20-29; or
- 19 (2) an existing collective bargaining agreement for noncertificated
- 20 employees (as defined in IC 20-29-2-11).

21 SECTION 14. IC 20-24-3-5, AS ADDED BY P.L.1-2005,
 22 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2013]: Sec. 5. (a) This section applies only to a **sponsor an**
 24 **authorizer** that is the executive of a consolidated city.

25 (b) Before issuing a charter, the **sponsor authorizer** must receive
 26 the approval of a majority of the members of the legislative body (as
 27 defined in IC 36-1-2-9) of the consolidated city for the establishment
 28 of a charter school. The **sponsor authorizer** may issue charters for
 29 charter schools located in the consolidated city.

30 SECTION 15. IC 20-24-3-5.5, AS ADDED BY P.L.91-2011,
 31 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2013]: Sec. 5.5. (a) This section applies to a **sponsor an**
 33 **authorizer** that is not the executive of a consolidated city.

34 (b) Before issuing a charter, the **sponsor authorizer** must conduct
 35 a public hearing concerning the establishment of the proposed charter
 36 school. At the public hearing, the governing body of the school
 37 corporation in which the proposed charter school will be located must
 38 be given an opportunity to comment on the effect of the proposed
 39 charter school on the school corporation, including any foreseen
 40 negative impacts on the school corporation.

41 SECTION 16. IC 20-24-3-7, AS ADDED BY P.L.1-2005,
 42 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2013]: Sec. 7. The ~~sponsor~~ **authorizer** may revoke the charter
2 of a charter school that does not, by the date specified in the charter:

- 3 (1) begin school operations; and
4 (2) have students attending the charter school.

5 SECTION 17. IC 20-24-3-9, AS ADDED BY P.L.169-2005,
6 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2013]: Sec. 9. ~~A sponsor~~ **An authorizer** must notify an
8 organizer that submits a proposal under section 4 of this chapter of the:

- 9 (1) acceptance of the proposal; or
10 (2) rejection of the proposal;

11 not later than seventy-five (75) days after the organizer submits the
12 proposal.

13 SECTION 18. IC 20-24-3-10, AS AMENDED BY P.L.91-2011,
14 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2013]: Sec. 10. (a) ~~A sponsor~~ **An authorizer** must notify the
16 department of the following:

- 17 (1) Receipt of a proposal.
18 (2) Acceptance of a proposal.
19 (3) Rejection of a proposal, including the reasons for the
20 rejection.
21 (4) The length of time for which a charter is granted.
22 (5) School goals, educational program design, and an education
23 management organization operating a school, if applicable.
24 (6) The name and address of the education management
25 organization, and the name of the chief operating officer of the
26 education management organization, if applicable.

27 (b) The department shall annually do the following:

- 28 (1) Compile the information received under subsection (a) into a
29 report.
30 (2) Submit the report in an electronic format under IC 5-14-6 to
31 the legislative council.

32 SECTION 19. IC 20-24-3-11, AS ADDED BY P.L.1-2005,
33 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2013]: Sec. 11. If a ~~sponsor~~ **an authorizer** rejects a charter
35 school proposal, the organizer may:

- 36 (1) amend the charter school proposal and resubmit the proposal
37 to the same ~~sponsor;~~ **authorizer;**
38 (2) submit a charter school proposal to another ~~sponsor;~~
39 **authorizer;** or
40 (3) appeal the decision to the charter school review panel
41 established by section 12 of this chapter.

42 SECTION 20. IC 20-24-3-12, AS ADDED BY P.L.1-2005,

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1 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2013]: Sec. 12. (a) This section applies if the **sponsor**
3 **authorizer** rejects a proposal.

4 (b) The organizer may appeal the decision of the **sponsor**
5 **authorizer** to the charter school review panel established by subsection
6 (c).

7 (c) The charter school review panel is established. The members of
8 the panel are as follows:

9 (1) The governor or the governor's designee.

10 (2) The state superintendent, who shall chair the panel.

11 (3) A member of the state board appointed by the state
12 superintendent.

13 (4) A person with financial management experience appointed by
14 the governor.

15 (5) A community leader with knowledge of charter school issues
16 appointed jointly by the governor and the state superintendent.

17 A member shall serve a two (2) year term and may be reappointed to
18 the panel upon expiration of the member's term.

19 (d) All decisions of the panel shall be determined by a majority vote
20 of the panel's members.

21 (e) Upon the request of an organizer, the panel shall meet to
22 consider the organizer's proposal and the **sponsor's authorizer's**
23 reasons for rejecting the proposal. The panel must allow the organizer
24 and **sponsor authorizer** to participate in the meeting.

25 (f) After the panel meets under subsection (e), the panel shall make
26 one (1) of the following findings and issue the finding to the organizer
27 and the **sponsor authorizer**:

28 (1) A finding that supports the **sponsor's authorizer's** rejection of
29 the proposal.

30 (2) A finding that:

31 (A) recommends that the organizer amend the proposal; and

32 (B) specifies the changes to be made in the proposal if the
33 organizer elects to amend the proposal.

34 (3) A finding that approves the proposal.

35 The panel shall issue the finding not later than forty-five (45) days after
36 the panel receives the request for review.

37 (g) If the panel makes a finding described in subsection (f)(1), the
38 finding is final.

39 (h) If the panel makes a finding described in subsection (f)(2), the
40 organizer may amend the proposal according to the panel's
41 recommendations and resubmit the proposal directly to the panel.

42 (i) If the panel makes a finding described in subsection (f)(3), the

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1 proposal is considered conditionally approved. The approval shall be
2 considered final upon delivery to the panel of written notice from the
3 organizer and an eligible ~~sponsor~~ **authorizer** that the ~~sponsor~~
4 **authorizer** has agreed to serve as a ~~sponsor~~ **an authorizer** for the
5 proposal approved by the panel.

6 (j) Proposals approved under this section shall not be counted under
7 any numerical limits placed upon a ~~sponsor~~ **an authorizer** or set of
8 ~~sponsors~~ **authorizers**.

9 SECTION 21. IC 20-24-3-14, AS ADDED BY P.L.1-2005,
10 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2013]: Sec. 14. (a) This section applies to university ~~sponsors~~
12 **authorizers**.

13 (b) Except as provided in subsection (c), the ultimate responsibility
14 for choosing to ~~sponsor~~ **authorize** a charter school and responsibilities
15 for maintaining ~~sponsorship~~ **authorization** rest with the university's
16 board of trustees.

17 (c) The university's board of trustees may vote to assign ~~sponsorship~~
18 **authorization** authority and ~~sponsorship~~ **authorization** responsibilities
19 to another person or entity that functions under the direction of the
20 university's board. A decision made under this subsection shall be
21 communicated in writing to the department and the charter school
22 review panel.

23 (d) Before a university may ~~sponsor~~ **authorize** a charter school, the
24 university must conduct a public meeting with public notice in the
25 county where the charter school will be located.

26 SECTION 22. IC 20-24-3-16, AS ADDED BY P.L.1-2005,
27 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2013]: Sec. 16. An entity or multiple divisions of the same
29 entity may not serve simultaneously as both the organizer and the
30 ~~sponsor~~ **authorizer** of the same charter school.

31 SECTION 23. IC 20-24-4-1, AS AMENDED BY P.L.91-2011,
32 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2013]: Sec. 1. (a) A charter must meet the following
34 requirements:

- 35 (1) Be a written instrument.
- 36 (2) Be executed by a ~~sponsor~~ **an authorizer** and an organizer.
- 37 (3) Confer certain rights, franchises, privileges, and obligations
38 on a charter school.
- 39 (4) Confirm the status of a charter school as a public school.
- 40 (5) Be granted for:
 - 41 (A) not less than three (3) years; and
 - 42 (B) a fixed number of years agreed to by the ~~sponsor~~

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- 1 **authorizer** and the organizer.
 2 (6) Provide for the following:
 3 (A) A review by the **sponsor authorizer** of the charter school's
 4 performance, including the progress of the charter school in
 5 achieving the academic goals set forth in the charter, at least
 6 one (1) time in each five (5) year period while the charter is in
 7 effect.
 8 (B) Renewal, if the **sponsor authorizer** and the organizer
 9 agree to renew the charter.
 10 (7) Specify the grounds for the **sponsor authorizer** to:
 11 (A) revoke the charter before the end of the term for which the
 12 charter is granted; or
 13 (B) not renew a charter.
 14 (8) Set forth the methods by which the charter school will be held
 15 accountable for achieving the educational mission and goals of
 16 the charter school, including the following:
 17 (A) Evidence of improvement in:
 18 (i) assessment measures, including the ISTEP and end of
 19 course assessments;
 20 (ii) attendance rates;
 21 (iii) graduation rates (if appropriate);
 22 (iv) increased numbers of Core 40 diplomas and other
 23 college and career ready indicators including advanced
 24 placement participation and passage, dual credit
 25 participation and passage, and International Baccalaureate
 26 participation and passage (if appropriate);
 27 (v) increased numbers of academic honors and technical
 28 honors diplomas (if appropriate);
 29 (vi) student academic growth;
 30 (vii) financial performance and stability; and
 31 (viii) governing board performance and stewardship,
 32 including compliance with applicable laws, rules and
 33 regulations, and charter terms.
 34 (B) Evidence of progress toward reaching the educational
 35 goals set by the organizer.
 36 (9) Describe the method to be used to monitor the charter
 37 school's:
 38 (A) compliance with applicable law; and
 39 (B) performance in meeting targeted educational performance.
 40 (10) Specify that the **sponsor authorizer** and the organizer may
 41 amend the charter during the term of the charter by mutual
 42 consent and describe the process for amending the charter.

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- 1 (11) Describe specific operating requirements, including all the
- 2 matters set forth in the application for the charter.
- 3 (12) Specify a date when the charter school will:
- 4 (A) begin school operations; and
- 5 (B) have students attending the charter school.
- 6 (13) Specify that records of a charter school relating to the
- 7 school's operation and charter are subject to inspection and
- 8 copying to the same extent that records of a public school are
- 9 subject to inspection and copying under IC 5-14-3.
- 10 (14) Specify that records provided by the charter school to the
- 11 department or ~~sponsor~~ **authorizer** that relate to compliance by the
- 12 organizer with the terms of the charter or applicable state or
- 13 federal laws are subject to inspection and copying in accordance
- 14 with IC 5-14-3.
- 15 (15) Specify that the charter school is subject to the requirements
- 16 of IC 5-14-1.5.
- 17 (b) A charter school shall set annual performance targets in
- 18 conjunction with the charter school's ~~sponsor~~ **authorizer**. The annual
- 19 performance targets shall be designed to help each school meet
- 20 applicable federal, state, and ~~sponsor~~ **authorizer** expectations.
- 21 SECTION 24. IC 20-24-5-4, AS AMENDED BY P.L.91-2011,
- 22 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 23 JULY 1, 2013]: Sec. 4. (a) Except as provided in this chapter, a charter
- 24 school may not establish admission policies or limit student admissions
- 25 in any manner in which a public school is not permitted to establish
- 26 admission policies or limit student admissions.
- 27 (b) Notwithstanding subsection (a), a charter school may operate as
- 28 a single gender school if approved to do so by the ~~sponsor~~ **authorizer**.
- 29 A single gender charter school must be open to any student of the
- 30 gender the school serves who resides in Indiana.
- 31 SECTION 25. IC 20-24-6-1, AS AMENDED BY P.L.91-2011,
- 32 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 33 JULY 1, 2013]: Sec. 1. (a) Individuals who work at a charter school are
- 34 employees of the charter school or of an entity with which the charter
- 35 school has contracted to provide services.
- 36 (b) Teachers in a conversion charter school may be employees of the
- 37 charter school or of both the charter school and the school corporation
- 38 that ~~sponsored~~ **authorized** the charter school, as determined by the
- 39 provisions of the charter.
- 40 (c) All benefits accrued by teachers as employees of the conversion
- 41 charter school are the financial responsibility of the conversion charter
- 42 school.

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1 (d) All benefits accrued by a teacher during the time the teacher was
2 an employee only of the school corporation that ~~sponsored~~ **authorized**
3 the charter school are the financial responsibility of the school
4 corporation. The school corporation shall pay those benefits directly or
5 reimburse the conversion charter school for the cost of the benefits.

6 SECTION 26. IC 20-24-6-8, AS ADDED BY P.L.1-2005,
7 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2013]: Sec. 8. The decision by a ~~sponsor~~ **an authorizer**
9 whether to grant a charter is not subject to restraint by a collective
10 bargaining agreement.

11 SECTION 27. IC 20-24-7-4, AS AMENDED BY P.L.91-2011,
12 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2013]: Sec. 4. (a) Services that a school corporation provides
14 to a charter school, including transportation, may be provided at not
15 more than one hundred three percent (103%) of the actual cost of the
16 services.

17 (b) This subsection applies to a ~~sponsor~~ **an authorizer** that is a state
18 educational institution described in IC 20-24-1-7(2). In a calendar year,
19 a state educational institution may receive from the organizer of a
20 charter school ~~sponsored~~ **authorized** by the state educational
21 institution an administrative fee equal to not more than three percent
22 (3%) of the total amount the organizer receives during the calendar
23 year from basic tuition support (as defined in IC 20-43-1-8).

24 (c) This subsection applies to the executive of a consolidated city
25 that ~~sponsors~~ **authorizes** a charter school. In a calendar year, the
26 executive may collect from the organizer of a charter school ~~sponsored~~
27 **authorized** by the executive an administrative fee equal to not more
28 than three percent (3%) of the total amount the organizer receives
29 during the calendar year for basic tuition support.

30 (d) This subsection applies to a ~~sponsor~~ **an authorizer** that is a
31 nonprofit college or university that is approved by the state board of
32 education. In a calendar year, a private college or university may
33 collect from the organizer of a charter school ~~sponsored~~ **authorized** by
34 the private college or university an administrative fee equal to not more
35 than three percent (3%) of the total amount the organizer receives
36 during the calendar year for basic tuition support.

37 (e) This subsection applies to the charter board. In a calendar year,
38 the charter school board may collect from the organizer of a charter
39 school ~~sponsored~~ **authorized** by the charter board an administrative fee
40 equal to not more than three percent (3%) of the total amount the
41 organizer receives during the calendar year for basic tuition support.

42 (f) ~~A sponsor's~~ **An authorizer's** administrative fee may not include

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1 any costs incurred in delivering services that a charter school may
2 purchase at its discretion from the ~~sponsor~~ **authorizer**. The ~~sponsor~~
3 **authorizer** shall use its funding provided under this section exclusively
4 for the purpose of fulfilling ~~sponsoring~~ **authorization** obligations.

5 (g) Except for oversight services, a charter school may not be
6 required to purchase services from its ~~sponsor~~ **authorizer** as a
7 condition of charter approval or of executing a charter contract, nor
8 may any such condition be implied.

9 (h) A charter school may choose to purchase services from its
10 ~~sponsor~~ **authorizer**. In that event, the charter school and ~~sponsor~~
11 **authorizer** shall execute an annual service contract, separate from the
12 charter contract, stating the parties' mutual agreement concerning the
13 services to be provided by the ~~sponsor~~ **authorizer** and any service fees
14 to be charged to the charter school. ~~A sponsor~~ **An authorizer** may not
15 charge more than market rates for services provided to a charter school.

16 (i) Not later than ninety (90) days after the end of each fiscal year,
17 each ~~sponsor~~ **authorizer** shall provide to each charter school its
18 ~~sponsors~~ **authorizes** an itemized accounting of the actual costs of
19 services purchased by the charter school from the ~~sponsor~~ **authorizer**.
20 Any difference between the amount initially charged to the charter
21 school and the actual cost shall be reconciled and paid to the owed
22 party. If either party disputes the itemized accounting, any charges
23 included in the accounting, or charges to either party, either party may
24 request a review by the department. The requesting party shall pay the
25 costs of the review.

26 SECTION 28. IC 20-24-7-6.5, AS ADDED BY P.L.229-2011,
27 SECTION 170, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2013]: Sec. 6.5. (a) Subject to subsection (b)
29 and with the approval of a majority of the members of the governing
30 body, a school corporation may distribute any part of the following to
31 a conversion school ~~sponsored~~ **authorized** by the school corporation
32 in the amount and under the terms and conditions adopted by a
33 majority of the members of the governing body:

34 (1) State tuition support and other state distributions to the school
35 corporation.

36 (2) Any other amount deposited in the school corporation's
37 general fund.

38 (b) The total amount that may be transferred under subsection (a) in
39 a calendar year to a particular conversion charter school may not
40 exceed the result determined under STEP FOUR of the following
41 formula:

42 STEP ONE: Determine the result of:

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1 (A) the amount of state tuition support that the school
 2 corporation is eligible to receive in the calendar year; divided
 3 by
 4 (B) the current ADM of the school corporation for the calendar
 5 year.
 6 STEP TWO: Determine the result of:
 7 (A) the amount of state tuition support that the conversion
 8 charter school is eligible to receive in the calendar year;
 9 divided by
 10 (B) the current ADM of the conversion charter school for the
 11 calendar year.
 12 STEP THREE: Determine the greater of zero (0) or the result of:
 13 (A) the STEP ONE amount; minus
 14 (B) the STEP TWO amount.
 15 STEP FOUR: Determine the result of:
 16 (A) the STEP THREE amount; multiplied by
 17 (B) the current ADM of the conversion charter school for the
 18 calendar year.
 19 SECTION 29. IC 20-24-7-8, AS ADDED BY P.L.1-2005,
 20 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2013]: Sec. 8. ~~A sponsor~~ **An authorizer** may request and
 22 receive financial reports concerning a charter school from the organizer
 23 at any time.
 24 SECTION 30. IC 20-24-7-9, AS AMENDED BY P.L.146-2008,
 25 SECTION 463, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2013]: Sec. 9. (a) This section applies if:
 27 (1) ~~a sponsor~~ **an authorizer**:
 28 (A) revokes a charter before the end of the term for which the
 29 charter is granted; or
 30 (B) does not renew a charter; or
 31 (2) a charter school otherwise terminates its charter before the end
 32 of the term for which the charter is granted.
 33 (b) Any state funds that remain to be distributed to the charter
 34 school in the calendar year in which an event described in subsection
 35 (a) occurs shall be distributed as follows:
 36 (1) First, to the common school loan fund to repay any existing
 37 obligations of the charter school under IC 20-49-7.
 38 (2) Second, to the entities that distributed the funds to the charter
 39 school. A distribution under this subdivision shall be on a pro rata
 40 basis.
 41 (c) If the funds described in subsection (b) are insufficient to repay
 42 all existing obligations of the charter school under IC 20-49-7, the state

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1 shall repay any remaining obligations of the charter school under
 2 IC 20-49-7 from the amount appropriated for state tuition support
 3 distributions.

4 SECTION 31. IC 20-24-7-10, AS ADDED BY P.L.169-2005,
 5 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2013]: Sec. 10. (a) The department shall carry out a program
 7 to identify all federal funds for which a charter school is eligible.

8 (b) The department shall apply for all federal funds that are
 9 available for charter schools and for which Indiana is eligible.

10 (c) Upon receiving notice ~~under IC 20-5.5-3-9~~ from a **sponsor** ~~an~~
 11 **authorizer** that a charter has been approved, the department shall
 12 immediately inform the organizer of the organizer's potential eligibility
 13 for federal charter school start-up grants.

14 (d) The department shall distribute federal charter school start-up
 15 grants to eligible organizers in a timely manner according to the
 16 department's published guidelines for distributing the grants.

17 (e) The department shall compile a biannual report and submit the
 18 report to the state office of federal grants and procurement and to
 19 charter school organizers and ~~sponsors:~~ **authorizers**. The report
 20 submitted under this subsection must contain the following information
 21 for grants distributed under this section:

22 (1) Beginning and end dates for each grant cycle.

23 (2) The dates on which:

24 (A) grant applications and requests for renewal were received;
 25 and

26 (B) grants were awarded.

27 (3) The amount of each grant awarded.

28 SECTION 32. IC 20-24-7-13, AS AMENDED BY P.L.229-2011,
 29 SECTION 171, IS AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2013]: Sec. 13. (a) As used in this section,
 31 "virtual charter school" means any charter school, including a
 32 conversion charter school, that provides for the delivery of more than
 33 ~~fifty~~ **ninety** percent (~~50%~~) (**90%**) of instruction to students through:

34 (1) virtual distance learning;

35 (2) online technologies; or

36 (3) computer based instruction.

37 (b) Beginning with the 2011-2012 school year, a virtual charter
 38 school may apply for ~~sponsorship~~ **authorization** with any statewide
 39 ~~sponsor~~ **authorizer** in accordance with the ~~sponsor's~~ **authorizer's**
 40 guidelines.

41 (c) Before January 1, 2012, a virtual charter school is entitled to
 42 receive funding from the state in an amount equal to the sum of (~~+~~) the

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1 product of:
2 ~~(A)~~ (1) the number of students included in the virtual charter
3 school's ADM; multiplied by
4 ~~(B)~~ (2) eighty percent (80%) of statewide average basic tuition
5 support.
6 (d) After December 31, 2011, a virtual charter school is entitled to
7 receive funding from the state in an amount equal to the sum of:
8 (1) the product of:
9 (A) the number of students included in the virtual charter
10 school's ADM; multiplied by
11 (B) eighty-seven and five-tenths percent (87.5%) of the
12 school's foundation amount determined under IC 20-43-5-4;
13 plus
14 (2) the total of any special education grants under IC 20-43-7 to
15 which the virtual charter school is entitled.
16 After December 31, 2011, a virtual charter school is entitled to receive
17 special education grants under IC 20-43-7 calculated in the same
18 manner as special education grants are calculated for other school
19 corporations.
20 ~~(d)~~ (e) The department shall adopt rules under IC 4-22-2 to govern
21 the operation of virtual charter schools.
22 ~~(e) Beginning in 2009, the department shall before December 1 of~~
23 ~~each year submit an annual report to the budget committee concerning~~
24 ~~the program under this section.~~
25 ~~(f)~~ (f) This subsection does not apply to students who were enrolled
26 in a virtual charter school during the 2010-2011 school year. Each
27 school year, at least sixty percent (60%) of the students who are
28 enrolled in virtual charter schools under this section for the first time
29 must have been included in the state's ADM count for the previous
30 school year.
31 SECTION 33. IC 20-24-8-3, AS ADDED BY P.L.1-2005,
32 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2013]: Sec. 3. For each charter school established under this
34 article, the charter school and the organizer are accountable to the
35 **sponsor authorizer** for ensuring compliance with:
36 (1) applicable federal and state laws;
37 (2) the charter; and
38 (3) the Constitution of the State of Indiana.
39 SECTION 34. IC 20-24-8-5, AS AMENDED BY P.L.160-2012,
40 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2013]: Sec. 5. The following statutes and rules and guidelines
42 adopted under the following statutes apply to a charter school:

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- 1 (1) IC 5-11-1-9 (required audits by the state board of accounts).
- 2 (2) IC 20-39-1-1 (unified accounting system).
- 3 (3) IC 20-35 (special education).
- 4 (4) IC 20-26-5-10 (criminal history).
- 5 (5) IC 20-26-5-6 (subject to laws requiring regulation by state
- 6 agencies).
- 7 **(6) IC 20-26-13 (graduation rate determination).**
- 8 ~~(7)~~ (7) IC 20-28-10-12 (nondiscrimination for teacher marital
- 9 status).
- 10 ~~(7)~~ **(8)** IC 20-28-10-14 (teacher freedom of association).
- 11 ~~(8)~~ **(9)** IC 20-28-10-17 (school counselor immunity).
- 12 ~~(9)~~ **(10)** For conversion charter schools only, IC 20-28-6,
- 13 IC 20-28-7.5, IC 20-28-8, IC 20-28-9, and IC 20-28-10.
- 14 ~~(10)~~ **(11)** IC 20-33-2 (compulsory school attendance).
- 15 ~~(11)~~ **(12)** IC 20-33-3 (limitations on employment of children).
- 16 ~~(12)~~ **(13)** IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22
- 17 (student due process and judicial review).
- 18 ~~(13)~~ **(14)** IC 20-33-8-16 (firearms and deadly weapons).
- 19 ~~(14)~~ **(15)** IC 20-34-3 (health and safety measures).
- 20 ~~(15)~~ **(16)** IC 20-33-9 (reporting of student violations of law).
- 21 ~~(16)~~ **(17)** IC 20-30-3-2 and IC 20-30-3-4 (patriotic
- 22 commemorative observances).
- 23 ~~(17)~~ **(18)** IC 20-31-3, IC 20-32-4, IC 20-32-5, IC 20-32-8, and
- 24 IC 20-32-8.5, as provided in IC 20-32-8.5-2(b) (academic
- 25 standards, accreditation, assessment, and remediation).
- 26 ~~(18)~~ **(19)** IC 20-33-7 (parental access to education records).
- 27 ~~(19)~~ **(20)** IC 20-31 (accountability for school performance and
- 28 improvement).
- 29 ~~(20)~~ **(21)** IC 20-30-5-19 (personal financial responsibility
- 30 instruction).

31 SECTION 35. IC 20-24-9-1, AS AMENDED BY P.L.91-2011,
 32 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2013]: Sec. 1. A ~~sponsor~~ **An authorizer** that has established
 34 a charter school shall submit an annual report to the department for
 35 informational and research purposes.

36 SECTION 36. IC 20-24-9-2, AS AMENDED BY P.L.91-2011,
 37 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2013]: Sec. 2. An annual report under this chapter must
 39 contain the following information:

- 40 (1) Results of all standardized testing, including ISTEP program
- 41 testing, end of course assessments, and any other assessments
- 42 used for each ~~sponsored~~ **authorized** school.

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- 1 (2) A description of the educational methods and teaching
- 2 methods employed for each ~~sponsored~~ **authorized** school.
- 3 (3) Attendance rates for each ~~sponsored~~ **authorized** school.
- 4 (4) Graduation rates (if appropriate), including attainment of Core
- 5 40 and academic honors diplomas for each ~~sponsored~~ **authorized**
- 6 school.
- 7 (5) Student enrollment data for each ~~sponsored~~ **authorized**
- 8 school, including the following:
- 9 (A) The number of students enrolled.
- 10 (B) The number of students expelled.
- 11 (6) Schools that closed or for which the charter was not renewed,
- 12 and the reasons for the closure or nonrenewal.
- 13 SECTION 37. IC 20-24-9-3, AS ADDED BY P.L.1-2005,
- 14 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 15 JULY 1, 2013]: Sec. 3. The ~~sponsor~~ **authorizer** shall oversee a charter
- 16 school's compliance with:
- 17 (1) the charter; and
- 18 (2) all applicable laws.
- 19 SECTION 38. IC 20-24-9-4, AS ADDED BY P.L.1-2005,
- 20 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 21 JULY 1, 2013]: Sec. 4. Notwithstanding the provisions of the charter,
- 22 a ~~sponsor~~ **an authorizer** that grants a charter may revoke the charter
- 23 at any time before the expiration of the term of the charter if the
- 24 ~~sponsor~~ **authorizer** determines that at least one (1) of the following
- 25 occurs:
- 26 (1) The organizer fails to comply with the conditions established
- 27 in the charter.
- 28 (2) The charter school established by the organizer fails to meet
- 29 the educational goals set forth in the charter.
- 30 (3) The organizer fails to comply with all applicable laws.
- 31 (4) The organizer fails to meet generally accepted government
- 32 accounting principles.
- 33 (5) One (1) or more grounds for revocation exist as specified in
- 34 the charter.
- 35 SECTION 39. IC 20-24-9-5, AS ADDED BY P.L.1-2005,
- 36 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 37 JULY 1, 2013]: Sec. 5. A charter school shall report the following to
- 38 the ~~sponsor~~ **authorizer**:
- 39 (1) Attendance records.
- 40 (2) Student performance data.
- 41 (3) Financial information.
- 42 (4) Any information necessary to comply with state and federal

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1 government requirements.
 2 (5) Any other information specified in the charter.
 3 SECTION 40. IC 20-24-11-1, AS AMENDED BY P.L.91-2011,
 4 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2013]: Sec. 1. (a) This section does not apply to an existing
 6 public elementary or secondary school that the governing body of the
 7 school corporation in which the school is located has scheduled for
 8 closure.
 9 (b) An existing public elementary or secondary school may be
 10 converted into a charter school if all of the following conditions apply:
 11 (1) At least fifty-one percent (51%) of the parents of students who
 12 attend the school have signed a petition requesting the
 13 conversion, which must be completed not later than ninety (90)
 14 days after the date of the first signature.
 15 (2) The school has been placed in either of the two (2) lowest
 16 categories or designations under IC 20-31-8-3 for two (2)
 17 consecutive years.
 18 (3) The governing body votes to convert an existing school within
 19 the school corporation.
 20 (c) Notwithstanding subsection (b), if a governing body operates a
 21 school that has been placed in either of the two (2) lowest categories or
 22 designations under IC 20-31-8-3 for four (4) consecutive years, the
 23 governing body may not serve as that charter school's ~~sponsor~~
 24 **authorizer**.
 25 (d) A conversion charter school shall continue to comply with all
 26 legal requirements concerning student diversity and treatment of
 27 children with special needs and accept all students who attended the
 28 school before its conversion and who wish to attend the conversion
 29 charter school. If any space remains, any student in Indiana may attend
 30 the conversion charter school.
 31 SECTION 41. IC 20-26-5-4, AS AMENDED BY P.L.145-2012,
 32 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2011 (RETROACTIVE)]: Sec. 4. In carrying out the school
 34 purposes of a school corporation, the governing body acting on the
 35 school corporation's behalf has the following specific powers:
 36 (1) In the name of the school corporation, to sue and be sued and
 37 to enter into contracts in matters permitted by applicable law.
 38 However, a governing body may not use funds received from the
 39 state to bring or join in an action against the state, unless the
 40 governing body is challenging an adverse decision by a state
 41 agency, board, or commission.
 42 (2) To take charge of, manage, and conduct the educational affairs

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1 of the school corporation and to establish, locate, and provide the
 2 necessary schools, school libraries, other libraries where
 3 permitted by law, other buildings, facilities, property, and
 4 equipment.

5 (3) To appropriate from the school corporation's general fund an
 6 amount, not to exceed the greater of three thousand dollars
 7 (\$3,000) per budget year or one dollar (\$1) per pupil, not to
 8 exceed twelve thousand five hundred dollars (\$12,500), based on
 9 the school corporation's previous year's ADM, to promote the best
 10 interests of the school corporation through:

11 (A) the purchase of meals, decorations, memorabilia, or
 12 awards;

13 (B) provision for expenses incurred in interviewing job
 14 applicants; or

15 (C) developing relations with other governmental units.

16 (4) To:

17 (A) Acquire, construct, erect, maintain, hold, and contract for
 18 construction, erection, or maintenance of real estate, real estate
 19 improvements, or an interest in real estate or real estate
 20 improvements, as the governing body considers necessary for
 21 school purposes, including buildings, parts of buildings,
 22 additions to buildings, rooms, gymnasiums, auditoriums,
 23 playgrounds, playing and athletic fields, facilities for physical
 24 training, buildings for administrative, office, warehouse, repair
 25 activities, or housing school owned buses, landscaping, walks,
 26 drives, parking areas, roadways, easements and facilities for
 27 power, sewer, water, roadway, access, storm and surface
 28 water, drinking water, gas, electricity, other utilities and
 29 similar purposes, by purchase, either outright for cash (or
 30 under conditional sales or purchase money contracts providing
 31 for a retention of a security interest by the seller until payment
 32 is made or by notes where the contract, security retention, or
 33 note is permitted by applicable law), by exchange, by gift, by
 34 devise, by eminent domain, by lease with or without option to
 35 purchase, or by lease under IC 20-47-2, IC 20-47-3, or
 36 IC 20-47-5.

37 (B) Repair, remodel, remove, or demolish, or to contract for
 38 the repair, remodeling, removal, or demolition of the real
 39 estate, real estate improvements, or interest in the real estate
 40 or real estate improvements, as the governing body considers
 41 necessary for school purposes.

42 (C) Provide for conservation measures through utility

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1 efficiency programs or under a guaranteed savings contract as
 2 described in IC 36-1-12.5.

3 (5) To acquire personal property or an interest in personal
 4 property as the governing body considers necessary for school
 5 purposes, including buses, motor vehicles, equipment, apparatus,
 6 appliances, books, furniture, and supplies, either by cash purchase
 7 or under conditional sales or purchase money contracts providing
 8 for a security interest by the seller until payment is made or by
 9 notes where the contract, security, retention, or note is permitted
 10 by applicable law, by gift, by devise, by loan, or by lease with or
 11 without option to purchase and to repair, remodel, remove,
 12 relocate, and demolish the personal property. All purchases and
 13 contracts specified under the powers authorized under subdivision
 14 (4) and this subdivision are subject solely to applicable law
 15 relating to purchases and contracting by municipal corporations
 16 in general and to the supervisory control of state agencies as
 17 provided in section 6 of this chapter.

18 (6) To sell or exchange real or personal property or interest in real
 19 or personal property that, in the opinion of the governing body, is
 20 not necessary for school purposes, in accordance with IC 20-26-7,
 21 to demolish or otherwise dispose of the property if, in the opinion
 22 of the governing body, the property is not necessary for school
 23 purposes and is worthless, and to pay the expenses for the
 24 demolition or disposition.

25 (7) To lease any school property for a rental that the governing
 26 body considers reasonable or to permit the free use of school
 27 property for:

28 (A) civic or public purposes; or
 29 (B) the operation of a school age child care program for
 30 children who are at least five (5) years of age and less than
 31 fifteen (15) years of age that operates before or after the school
 32 day, or both, and during periods when school is not in session;
 33 if the property is not needed for school purposes. Under this
 34 subdivision, the governing body may enter into a long term lease
 35 with a nonprofit corporation, community service organization, or
 36 other governmental entity, if the corporation, organization, or
 37 other governmental entity will use the property to be leased for
 38 civic or public purposes or for a school age child care program.
 39 However, if payment for the property subject to a long term lease
 40 is made from money in the school corporation's debt service fund,
 41 all proceeds from the long term lease must be deposited in the
 42 school corporation's debt service fund so long as payment for the

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property has not been made. The governing body may, at the governing body's option, use the procedure specified in IC 36-1-11-10 in leasing property under this subdivision.

(8) To:

(A) Employ, contract for, and discharge superintendents, supervisors, principals, teachers, librarians, athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-28-5), business managers, superintendents of buildings and grounds, janitors, engineers, architects, physicians, dentists, nurses, accountants, teacher aides performing noninstructional duties, educational and other professional consultants, data processing and computer service for school purposes, including the making of schedules, the keeping and analyzing of grades and other student data, the keeping and preparing of warrants, payroll, and similar data where approved by the state board of accounts as provided below, and other personnel or services as the governing body considers necessary for school purposes.

(B) Fix and pay the salaries and compensation of persons and services described in this subdivision that are consistent with ~~IC 20-28-9-1~~. **IC 20-28-9-1.5.**

(C) Classify persons or services described in this subdivision and to adopt schedules of salaries or compensation that are consistent with ~~IC 20-28-9-1~~. **IC 20-28-9-1.5.**

(D) Determine the number of the persons or the amount of the services employed or contracted for as provided in this subdivision.

(E) Determine the nature and extent of the duties of the persons described in this subdivision.

The compensation, terms of employment, and discharge of teachers are, however, subject to and governed by the laws relating to employment, contracting, compensation, and discharge of teachers. The compensation, terms of employment, and discharge of bus drivers are subject to and governed by laws relating to employment, contracting, compensation, and discharge of bus drivers. The forms and procedures relating to the use of computer and data processing equipment in handling the financial affairs of the school corporation must be submitted to the state board of accounts for approval so that the services are used by the school corporation when the governing body determines that it is in the best interest of the school corporation while at the same

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- 1 time providing reasonable accountability for the funds expended.
2 (9) Notwithstanding the appropriation limitation in subdivision
3 (3), when the governing body by resolution considers a trip by an
4 employee of the school corporation or by a member of the
5 governing body to be in the interest of the school corporation,
6 including attending meetings, conferences, or examining
7 equipment, buildings, and installation in other areas, to permit the
8 employee to be absent in connection with the trip without any loss
9 in pay and to reimburse the employee or the member the
10 employee's or member's reasonable lodging and meal expenses
11 and necessary transportation expenses. To pay teaching personnel
12 for time spent in sponsoring and working with school related trips
13 or activities.
14 (10) Subject to IC 20-27-13, to transport children to and from
15 school, when in the opinion of the governing body the
16 transportation is necessary, including considerations for the safety
17 of the children and without regard to the distance the children live
18 from the school. The transportation must be otherwise in
19 accordance with applicable law.
20 (11) To provide a lunch program for a part or all of the students
21 attending the schools of the school corporation, including the
22 establishment of kitchens, kitchen facilities, kitchen equipment,
23 lunch rooms, the hiring of the necessary personnel to operate the
24 lunch program, and the purchase of material and supplies for the
25 lunch program, charging students for the operational costs of the
26 lunch program, fixing the price per meal or per food item. To
27 operate the lunch program as an extracurricular activity, subject
28 to the supervision of the governing body. To participate in a
29 surplus commodity or lunch aid program.
30 (12) To purchase textbooks, to furnish textbooks without cost or
31 to rent textbooks to students, to participate in a textbook aid
32 program, all in accordance with applicable law.
33 (13) To accept students transferred from other school corporations
34 and to transfer students to other school corporations in accordance
35 with applicable law.
36 (14) To make budgets, to appropriate funds, and to disburse the
37 money of the school corporation in accordance with applicable
38 law. To borrow money against current tax collections and
39 otherwise to borrow money, in accordance with IC 20-48-1.
40 (15) To purchase insurance or to establish and maintain a
41 program of self-insurance relating to the liability of the school
42 corporation or the school corporation's employees in connection

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1 with motor vehicles or property and for additional coverage to the
 2 extent permitted and in accordance with IC 34-13-3-20. To
 3 purchase additional insurance or to establish and maintain a
 4 program of self-insurance protecting the school corporation and
 5 members of the governing body, employees, contractors, or agents
 6 of the school corporation from liability, risk, accident, or loss
 7 related to school property, school contract, school or school
 8 related activity, including the purchase of insurance or the
 9 establishment and maintenance of a self-insurance program
 10 protecting persons described in this subdivision against false
 11 imprisonment, false arrest, libel, or slander for acts committed in
 12 the course of the persons' employment, protecting the school
 13 corporation for fire and extended coverage and other casualty
 14 risks to the extent of replacement cost, loss of use, and other
 15 insurable risks relating to property owned, leased, or held by the
 16 school corporation. In accordance with IC 20-26-17, to:

17 (A) participate in a state employee health plan under
 18 IC 5-10-8-6.6 or IC 5-10-8-6.7;

19 (B) purchase insurance; or

20 (C) establish and maintain a program of self-insurance;
 21 to benefit school corporation employees, including accident,
 22 sickness, health, or dental coverage, provided that a plan of
 23 self-insurance must include an aggregate stop-loss provision.

24 (16) To make all applications, to enter into all contracts, and to
 25 sign all documents necessary for the receipt of aid, money, or
 26 property from the state, the federal government, or from any other
 27 source.

28 (17) To defend a member of the governing body or any employee
 29 of the school corporation in any suit arising out of the
 30 performance of the member's or employee's duties for or
 31 employment with, the school corporation, if the governing body
 32 by resolution determined that the action was taken in good faith.
 33 To save any member or employee harmless from any liability,
 34 cost, or damage in connection with the performance, including the
 35 payment of legal fees, except where the liability, cost, or damage
 36 is predicated on or arises out of the bad faith of the member or
 37 employee, or is a claim or judgment based on the member's or
 38 employee's malfeasance in office or employment.

39 (18) To prepare, make, enforce, amend, or repeal rules,
 40 regulations, and procedures:

41 (A) for the government and management of the schools,
 42 property, facilities, and activities of the school corporation, the

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1 school corporation's agents, employees, and pupils and for the
 2 operation of the governing body; and
 3 (B) that may be designated by an appropriate title such as
 4 "policy handbook", "bylaws", or "rules and regulations".
 5 (19) To ratify and approve any action taken by a member of the
 6 governing body, an officer of the governing body, or an employee
 7 of the school corporation after the action is taken, if the action
 8 could have been approved in advance, and in connection with the
 9 action to pay the expense or compensation permitted under
 10 IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12, and
 11 IC 20-48-1 or any other law.
 12 (20) To exercise any other power and make any expenditure in
 13 carrying out the governing body's general powers and purposes
 14 provided in this chapter or in carrying out the powers delineated
 15 in this section which is reasonable from a business or educational
 16 standpoint in carrying out school purposes of the school
 17 corporation, including the acquisition of property or the
 18 employment or contracting for services, even though the power or
 19 expenditure is not specifically set out in this chapter. The specific
 20 powers set out in this section do not limit the general grant of
 21 powers provided in this chapter except where a limitation is set
 22 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12,
 23 and IC 20-48-1 by specific language or by reference to other law.
 24 SECTION 42. IC 20-28-6-9, AS AMENDED BY P.L.2-2007,
 25 SECTION 218, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 2013]: Sec. 9. ~~(a)~~ A teacher serving under a
 27 regular contract at a laboratory school operated under IC 20-24.5-2
 28 who is offered and accepts a position in the local school corporation
 29 that is a party to the agreement with the university operating the
 30 laboratory school is entitled to
 31 ~~(1)~~ transfer to the local school corporation any years served as a
 32 regular teacher at the laboratory school. ~~and~~
 33 ~~(2)~~ receive credit for the years in meeting the five (5) year
 34 requirement for an indefinite contract contained in section 8 of
 35 this chapter.
 36 ~~(b)~~ If the teacher accepting a position with the local school
 37 corporation has served as a regular teacher at the laboratory school for
 38 at least five (5) successive years, the teacher's contract with the local
 39 school corporation is an indefinite contract under section 8 of this
 40 chapter.
 41 SECTION 43. IC 20-28-7.5-1, AS ADDED BY P.L.90-2011,
 42 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2011 (RETROACTIVE)]: Sec. 1. (a) This chapter applies to
2 a teacher in a school corporation (as defined in IC 20-18-2-16(a)).

3 (b) A principal may decline to continue a probationary teacher's
4 contract under sections 2 through 4 of this chapter if the probationary
5 teacher:

6 (1) receives an ineffective designation on a performance
7 evaluation under IC 20-28-11.5;

8 (2) receives two (2) consecutive improvement necessary ratings
9 on a performance evaluation under IC 20-28-11.5; or

10 (3) is subject to a justifiable decrease in the number of teaching
11 positions or any reason relevant to the school corporation's
12 interest.

13 (c) Except as provided in subsection (e), a principal may not decline
14 to continue a professional or established teacher's contract unless the
15 teacher is subject to a justifiable decrease in the number of teaching
16 positions.

17 (d) After June 30, 2012, the cancellation of teacher's contracts due
18 to a justifiable decrease in the number of teaching positions shall be
19 determined on the basis of performance rather than seniority. In cases
20 where teachers are placed in the same performance category, any of the
21 items in ~~IC 20-28-9-1(b)~~ **IC 20-28-9-1.5(b)** may be considered.

22 (e) A contract with a teacher may be canceled immediately in the
23 manner set forth in sections 2 through 4 of this chapter for any of the
24 following reasons:

25 (1) Immorality.

26 (2) Insubordination, which means a willful refusal to obey the
27 state school laws or reasonable rules adopted for the governance
28 of the school building or the school corporation.

29 (3) Justifiable decrease in the number of teaching positions.

30 (4) Incompetence, including receiving:

31 (A) an ineffective designation on two (2) consecutive
32 performance evaluations under IC 20-28-11.5; or

33 (B) an ineffective designation or improvement necessary
34 rating in three (3) years of any five (5) year period.

35 (5) Neglect of duty.

36 (6) A conviction for an offense listed in IC 20-28-5-8(c).

37 (7) Other good or just cause.

38 SECTION 44. IC 20-28-7.5-2, AS ADDED BY P.L.90-2011,
39 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2013]: Sec. 2. (a) Before ~~a~~ **an administrator or** teacher is
41 refused continuation of the **administrator's or** teacher's contract, the
42 **administrator or** teacher has the following rights:

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- (1) The:
 - (A) principal shall notify ~~the~~ a teacher of the principal's preliminary decision **regarding discontinuation of the teacher's contract;**
 - (B) governing body shall, in accordance with IC 20-28-8-3, **notify a principal of the governing body's preliminary decision regarding discontinuation of the principal's contract; and**
 - (C) governing body shall, in accordance with IC 20-28-8-7, **notify a superintendent of the governing body's preliminary decision regarding discontinuation of the superintendent's contract.**

The notification must be ~~(A)~~ in writing and ~~(B)~~ **must be** delivered in person or mailed by registered or certified mail to the ~~teacher~~ **at the teacher's last known address of the teacher, principal, or superintendent.**

(2) The notice in subdivision (1) must include a written statement, subject to IC 5-14-3-4, giving the reasons for the preliminary decision.

(3) Notification due to a reduction in force must be delivered between May 1 and July 1.

(b) For a cancellation of a teacher's contract for a reason other than a reduction in force, the notice required under subsection (a)(1) must inform the teacher that, not later than five (5) days after the teacher's receipt of the notice, the teacher may request a private conference with the superintendent. The superintendent must set the requested meeting not later than ten (10) days after the request.

(c) For a cancellation of a principal's contract for a reason other than a reduction in force, the notice required under subsection (a)(1) must inform the principal that, not later than five (5) days after the principal's receipt of the notice, the principal may request a private conference with the superintendent. The superintendent must set the requested meeting not later than ten (10) days after the request.

(d) For a cancellation of a superintendent's contract for a reason other than a reduction in force, the notice required under subsection (a)(1) must inform the superintendent that, not later than five (5) days after the superintendent's receipt of the notice, the superintendent may request a private conference with the president of the governing body. The president of the governing body must set the requested meeting not later than ten (10) days after the request.

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1 (e) (e) At the a conference between the superintendent and the
2 teacher, **under subsection (b), (c), or (d)**, the teacher, **principal, or**
3 **superintendent who requested the conference** may be accompanied
4 by a representative.

5 (f) (f) After the a conference between the superintendent and the
6 teacher **under subsection (b) or (c)**, the superintendent shall make a
7 written recommendation to the governing body of the school
8 corporation regarding the cancellation of the teacher's **or principal's**
9 contract.

10 (g) **After a conference under subsection (e), the president of the**
11 **governing body shall make a written recommendation to the**
12 **governing body of the school corporation regarding the**
13 **cancellation of the superintendent's contract.**

14 (h) (h) If the a teacher, **principal, or superintendent** does not
15 request a conference under ~~subsection (b)~~; **this section**, the **principal's**
16 preliminary decision **regarding the discontinuation of the teacher's,**
17 **principal's, or superintendent's contract referred to in subsection**
18 **(a)** is considered final.

19 (i) (i) For items listed in section (1)(e)(3), (1)(e)(4), or (1)(e)(6) of
20 this chapter, if the teacher, **principal, or superintendent** files a request
21 with the governing body for an additional private conference not later
22 than five (5) days after the initial private conference with the
23 superintendent **or, for a private conference under subsection (e),**
24 **with the president of the governing body**, the teacher, **principal, or**
25 **superintendent** is entitled to an additional private conference with the
26 governing body before the governing body makes a final decision,
27 which must be in writing, concerning the cancellation of the teacher's,
28 **principal's, or superintendent's** contract.

29 (j) (j) For items listed in section (1)(e)(1), (1)(e)(2), (1)(e)(5), or
30 (1)(e)(7) of this chapter, if, not later than five (5) days after the initial
31 private conference with the superintendent **or, for a private**
32 **conference under subsection (e), with the president of the**
33 **governing body**, the teacher, **principal, or superintendent** files a
34 request with the governing body for an additional private conference,
35 the teacher, **principal, or superintendent** is entitled to an additional
36 private conference with the governing body before the governing body
37 makes a final decision. The final decision must be in writing and must
38 be made not more than thirty (30) days after the governing body
39 receives the teacher's, **principal's, or superintendent's** request for the
40 additional private conference. At the private conference the governing
41 body shall do the following:

42 (1) Allow the teacher, **principal, or superintendent** to present

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1 evidence to refute the reason or reasons for contract cancellation
 2 and supporting evidence provided by the school corporation. Any
 3 evidence presented at the private conference must have been
 4 exchanged by the parties at least seven (7) days before the private
 5 conference.

6 (2) Consider whether a preponderance of the evidence supports
 7 the cancellation of the teacher's, **principal's, or superintendent's**
 8 contract.

9 SECTION 45. IC 20-28-7.5-3, AS ADDED BY P.L.90-2011,
 10 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2013]: Sec. 3. At the first public meeting following a private
 12 conference with:

- 13 (1) the governing body under section ~~2(f)~~ **2(i)** of this chapter; or
 14 (2) the superintendent **or president of the governing body** under
 15 section 2(b), **2(c), or 2(d)** of this chapter, if no conference with
 16 the governing body is requested;

17 the governing body may cancel a contract with a teacher by a majority
 18 vote evidenced by a signed statement in the minutes of the board. The
 19 decision of the governing body is final.

20 SECTION 46. IC 20-28-7.5-6 IS REPEALED [EFFECTIVE JULY
 21 1, 2013]. Sec. 6: A contract entered into by a teacher and a school
 22 employer continues in force on the same terms and for the same wages,
 23 unless increased under IC 20-28-9-1, for the next school term following
 24 the date of the contract's termination unless one (1) of the following
 25 occurs:

- 26 (1) The school corporation refuses continuation of the contract
 27 under this chapter.
 28 (2) The teacher delivers in person or by registered or certified
 29 mail to the school corporation the teacher's written resignation.
 30 (3) The contract is replaced by another contract agreed to by the
 31 parties.

32 SECTION 47. IC 20-28-7.5-7, AS ADDED BY P.L.90-2011,
 33 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2013]: Sec. 7. (a) This chapter shall be construed to:

- 35 (1) limit the provisions of a collective bargaining agreement
 36 negotiated under IC 20-29; and
 37 (2) prohibit the negotiation of contracts that violate the
 38 requirements of this chapter and IC 20-28-9-21 through
 39 ~~IC 20-28-9-23.~~ **IC 20-28-9-22.**

40 (b) This chapter prohibits a school employer and an exclusive
 41 representative (as defined in IC 20-29-2-9) from collectively bargaining
 42 contracts that alter the requirements of this chapter and IC 20-28-9-21

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1 through ~~IC 20-28-9-23~~. **IC 20-28-9-22.**

2 (c) This chapter shall be construed to prohibit a school employer
3 and an exclusive representative from mutually agreeing to binding
4 arbitration concerning teacher dismissals.

5 SECTION 48. IC 20-28-7.5-8, AS ADDED BY P.L.90-2011,
6 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2013]: Sec. 8. (a) This section does not apply to an individual
8 who works at a conversion charter school (as defined in IC 20-24-1-5)
9 for purposes of the individual's employment with the school
10 corporation that sponsored the conversion charter school.

11 (b) A contract entered into after ~~August 15~~ **August 1** between a
12 school corporation and a teacher is void if the teacher, at the time of
13 signing the contract, is bound by a previous contract to teach in a
14 public school. However, another contract may be signed by the teacher
15 that will be effective if the teacher:

16 (1) furnishes the principal a release by the employer under the
17 previous contract; or

18 (2) shows proof that thirty (30) days written notice was delivered
19 by the teacher to the first employer.

20 (c) A principal may request from a teacher, at the time of
21 contracting, a written statement as to whether the teacher has signed
22 another teaching contract. However, the teacher's failure to provide the
23 statement is not a cause for subsequently voiding the contract.

24 SECTION 49. IC 20-28-9-1, AS AMENDED BY P.L.229-2011,
25 SECTION 175, IS REPEALED [EFFECTIVE JULY 1, 2011
26 (RETROACTIVE)]. Sec. 1. (a) This subsection takes effect July 1,
27 2012, or upon the expiration of a contract in existence on July 1, 2011,
28 whichever is earlier, and governs salary increases for a teacher
29 employed by a school corporation on or after the date this subsection
30 takes effect. Compensation attributable to additional degrees or
31 graduate credits earned before the effective date of the local salary
32 schedule created under this chapter shall continue. Compensation
33 attributable to additional degrees for which a teacher has started course
34 work before July 1, 2011, and completed course work before
35 September 2, 2014, shall also continue.

36 (b) Increases or increments in a local salary scale must be based
37 upon a combination of the following factors:

38 (1) A combination of the following factors taken together may
39 account for not more than thirty-three percent (33%) of the
40 calculation used to determine a teacher's increase or increment:

41 (A) The number of years of a teacher's experience.

42 (B) The attainment of either:

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- 1 (i) additional content area degrees beyond the requirements
 2 for employment; or
 3 (ii) additional content area degrees and credit hours beyond
 4 the requirements for employment; if required under an
 5 agreement bargained under IC 20-29.
- 6 (2) The results of an evaluation conducted under IC 20-28-11.5.
 7 (3) The assignment of instructional leadership roles, including the
 8 responsibility for conducting evaluations under IC 20-28-11.5.
 9 (4) The academic needs of students in the school corporation.
- 10 (c) A teacher rated ineffective or improvement necessary under
 11 IC 20-28-11.5 may not receive any raise or increment for the following
 12 year if the teacher's employment contract is continued. The amount that
 13 would otherwise have been allocated for the salary increase of teachers
 14 rated ineffective or improvement necessary shall be allocated for
 15 compensation of all teachers rated effective and highly effective based
 16 on the criteria in subsection (b).
- 17 (d) A teacher who does not receive a raise or increment under
 18 subsection (c) may file a request with the superintendent or
 19 superintendent's designee not later than five (5) days after receiving
 20 notice that the teacher received a rating of ineffective. The teacher is
 21 entitled to a private conference with the superintendent or
 22 superintendent's designee.
- 23 (e) Not later than January 31, 2012, the department shall publish a
 24 model salary schedule that a school corporation may adopt.
- 25 (f) Each school corporation shall submit its local salary schedule to
 26 the department. The department shall publish the local salary schedules
 27 on the department's Internet web site.
- 28 (g) The department shall report any noncompliance of this section
 29 to the state board.
- 30 (h) The state board shall take appropriate action to ensure
 31 compliance with this section.
- 32 (i) This chapter may not be construed to require or allow a school
 33 corporation to decrease the salary of any teacher below the salary the
 34 teacher was earning on or before July 1, 2012, if that decrease would
 35 be made solely to conform to the new salary scale.
- 36 SECTION 50. IC 20-28-9-1.5 IS ADDED TO THE INDIANA
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2011 (RETROACTIVE)]: **Sec. 1.5. (a) This**
 39 **subsection applies to a contract in effect July 1, 2012, or upon the**
 40 **expiration of a contract in existence on July 1, 2011, whichever is**
 41 **earlier, and governs salary increases for a teacher employed by a**
 42 **school corporation on or after the date this subsection takes effect.**

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1 Compensation attributable to additional degrees or graduate
 2 credits earned before the effective date of the local salary schedule
 3 created under this chapter shall continue. Compensation
 4 attributable to additional degrees for which a teacher has started
 5 course work before July 1, 2011, and completed course work
 6 before September 2, 2014, shall also continue.

7 (b) Increases or increments in a local salary scale must be based
 8 upon a combination of the following factors:

9 (1) A combination of the following factors taken together may
 10 account for not more than thirty-three percent (33%) of the
 11 calculation used to determine a teacher's increase or
 12 increment:

13 (A) The number of years of a teacher's experience.

14 (B) The attainment of either:

15 (i) additional content area degrees beyond the
 16 requirements for employment; or

17 (ii) additional content area degrees and credit hours
 18 beyond the requirements for employment, if required
 19 under an agreement bargained under IC 20-29.

20 (2) The results of an evaluation conducted under
 21 IC 20-28-11.5.

22 (3) The assignment of instructional leadership roles, including
 23 the responsibility for conducting evaluations under
 24 IC 20-28-11.5.

25 (4) The academic needs of students in the school corporation.

26 (c) A teacher rated ineffective or improvement necessary under
 27 IC 20-28-11.5 may not receive any raise or increment for the
 28 following year if the teacher's employment contract is continued.
 29 The amount that would otherwise have been allocated for the
 30 salary increase of teachers rated ineffective or improvement
 31 necessary shall be allocated for compensation of all teachers rated
 32 effective and highly effective based on the criteria in subsection (b).

33 (d) This subsection applies before July 1, 2013. A teacher who
 34 does not receive a raise or increment under subsection (c) may file
 35 a request with the superintendent or superintendent's designee not
 36 later than five (5) days after receiving notice that the teacher
 37 received a rating of ineffective. The teacher is entitled to a private
 38 conference with the superintendent or superintendent's designee.
 39 This subsection expires June 30, 2013.

40 (e) This subsection applies after June 30, 2013. A teacher who
 41 does not receive a raise or increment under subsection (c) may file
 42 a request with the superintendent or superintendent's designee not

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1 later than five (5) days after receiving notice that the teacher
 2 received a rating of improvement necessary or ineffective. The
 3 teacher is entitled to a private conference with the superintendent
 4 or superintendent's designee. A superintendent that does not
 5 receive a raise or increment under subsection (c) may file a request
 6 with the school board president not later than five (5) days after
 7 receiving notice that the superintendent received a rating of
 8 improvement necessary or ineffective. The superintendent is
 9 entitled to a private conference with the school board president.

10 (f) Not later than January 31, 2012, the department shall
 11 publish a model salary schedule that a school corporation may
 12 adopt.

13 (g) This subsection applies before July 1, 2013. Each school
 14 corporation shall submit its local salary schedule to the
 15 department. The department shall publish the local salary
 16 schedules on the department's Internet web site. This subsection
 17 expires June 30, 2013.

18 (h) This subsection applies after June 30, 2013. Each school
 19 corporation shall submit its compensation model to the department
 20 by September 30 of each year. The local salary schedule should
 21 include, but is not limited to, the school corporation's salary
 22 schedule framework under which two (2) or more of the four (4)
 23 legally permissible salary factors combine to determine increases,
 24 increments, or raises for a teacher. A salary schedule must define
 25 each of the applicable salary factors and quantify the weight
 26 assigned to each salary factor. The department shall publish the
 27 local salary schedules on the department's Internet web site.

28 (i) This subsection applies before July 1, 2013. The department
 29 shall report any noncompliance with this section to the state board.

30 (j) This subsection applies after June 30, 2013. The:

- 31 (1) department;
- 32 (2) state board of accounts established under IC 5-11-1-1; and
- 33 (3) Indiana education employment relations board established
 34 under IC 20-29-3-1;

35 shall report any noncompliance with this section to the state board.

36 (k) The state board shall take appropriate action to ensure
 37 compliance with this section.

38 (l) This chapter may not be construed to require or allow a
 39 school corporation to decrease the salary of any teacher below the
 40 salary the teacher was earning on or before July 1, 2012, if that
 41 decrease would be made solely to conform to the new salary scale.

42 (m) After June 30, 2011, all rights, duties, or obligations

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1 **established under IC 20-28-9-1 before its repeal are considered**
 2 **rights, duties, or obligations under this section.**

3 SECTION 51. IC 20-28-9-18, AS ADDED BY P.L.1-2005,
 4 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2013]: Sec. 18. (a) Upon a teacher's written request, a
 6 governing body shall withhold the requested amount of money from the
 7 salary of the teacher for a purpose described in subsection (c).

8 (b) Upon a written request from a beneficiary of the Indiana state
 9 teachers' retirement fund, a governing body may receive a given
 10 amount of money for a purpose described in subsection (c).

11 (c) The governing body shall hold the amounts described in
 12 subsections (a) and (b) and pay the amounts, as requested by the
 13 teacher or the beneficiary, to an insurance company or other agency or
 14 organization in Indiana that provides, extends, supervises, or pays for:

15 (1) insurance or other protection; or

16 (2) the establishment of or payment on an annuity account;
 17 for the teacher. If a dividend accrues on a policy, the dividend shall be
 18 paid or credited to the teacher.

19 (d) If less than twenty percent (20%) of the teachers employed by a
 20 governing body request payment of the amounts described in
 21 subsection (c) to a single recipient, withholding the amounts of money
 22 for insurance, dues, or other purposes is discretionary with the
 23 governing body.

24 **(e) This section is not subject to collective bargaining under**
 25 **IC 20-29-6-4.**

26 SECTION 52. IC 20-28-9-21, AS AMENDED BY P.L.90-2011,
 27 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2013]: Sec. 21. (a) This section and ~~sections~~ **section 22**
 29 ~~through 23~~ of this chapter apply to the suspension of a teacher without
 30 pay when the procedure for the cancellation of the teacher's contract
 31 under IC 20-28-7.5 does not apply.

32 (b) A teacher may be suspended from duty without pay only for the
 33 following reasons:

34 (1) Immorality.

35 (2) Insubordination, which means the willful refusal to obey the
 36 state school laws or reasonable rules prescribed for the
 37 government of the school corporation.

38 (3) Neglect of duty.

39 (4) Substantial inability to perform teaching duties.

40 (5) Good and just cause.

41 SECTION 53. IC 20-28-9-22, AS ADDED BY P.L.1-2005,
 42 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2013]; Sec. 22. A teacher may be suspended without pay only
2 under the following procedure:

3 (1) The teacher must be notified in writing not more than forty
4 (40) days and not less than thirty (30) days before the date of the
5 consideration of the date, time, and place for the consideration by
6 the school corporation of the suspension of the teacher without
7 pay.

8 (2) The teacher shall be furnished, not later than five (5) days
9 after a written request, a written statement of the reasons for the
10 consideration.

11 (3) The teacher may file a written request for a hearing not later
12 than fifteen (15) days after receipt of the notice of this
13 consideration.

14 (4) If a request for a hearing is filed, the teacher must be given a
15 hearing before the governing body on a day not earlier than five
16 (5) days after filing the request.

17 (5) The teacher must be given at least five (5) days notice of the
18 date, time, and place of the hearing.

19 ~~(6) At the hearing, the teacher is entitled:~~

20 ~~(A) to a full statement of the reasons for the proposed~~
21 ~~suspension without pay; and~~

22 ~~(B) to be heard and to present the testimony of witnesses and~~
23 ~~other evidence bearing on the reasons for the proposed~~
24 ~~suspension without pay.~~

25 ~~(7) (6) A teacher may not be suspended without pay until:~~

26 ~~(A) the date is set for consideration of the suspension without~~
27 ~~pay;~~

28 ~~(B) after a hearing is held, if a hearing is requested by the~~
29 ~~teacher; and~~

30 ~~(C) except on the suspension of a superintendent's contract, the~~
31 ~~superintendent has given recommendations on the suspension~~
32 ~~not later than five (5) days after the school corporation makes~~
33 ~~the request for recommendations.~~

34 ~~(8) (7) After complying with this section, the governing body of~~
35 ~~the school corporation may suspend a teacher without pay for a~~
36 ~~reasonable time by a majority vote evidenced by a signed~~
37 ~~statement in the minutes of the board.~~

38 The vote to suspend a teacher without pay described in subdivision ~~(8)~~
39 ~~(7)~~ must be taken by the governing body on the date and at the time and
40 place specified in subdivision (1).

41 SECTION 54. IC 20-28-9-23 IS REPEALED [EFFECTIVE JULY
42 1, 2013]. Sec. 23: The governing body may appoint an agent (who is

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1 not an employee of the school corporation but who may be a member
 2 of the governing body or an attorney retained to administer the hearing
 3 proceedings under this section) to issue subpoenas for the attendance
 4 of witnesses for either party at the hearing under section 22 of this
 5 chapter. A subpoena issued under this section shall be:

6 (1) served by the party who seeks to compel the attendance of a
 7 witness; and

8 (2) upon application to the court by the party, enforced in the
 9 manner provided by law for the service and enforcement of
 10 subpoenas in a civil action.

11 SECTION 55. IC 20-28-11.5-1, AS ADDED BY P.L.90-2011,
 12 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2013]: Sec. 1. As used in this chapter, "evaluator" means an
 14 individual who conducts a staff performance evaluation. The term
 15 **includes may include** a teacher who:

16 (1) has clearly demonstrated a record of effective teaching over
 17 several years;

18 (2) is approved by the principal as qualified to evaluate under the
 19 plan; and

20 (3) conducts staff performance evaluations as a significant part of
 21 teacher's responsibilities.

22 SECTION 56. IC 20-28-11.5-3, AS ADDED BY P.L.172-2011,
 23 SECTION 122, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2013]: Sec. 3. As used in this chapter, "school
 25 corporation" includes:

26 (1) a school corporation;

27 (2) a school created by an interlocal agreement under IC 36-1-7;

28 (3) a special education cooperative under IC 20-35-5; and

29 (4) a joint career and technical education program created under
 30 IC 20-37-1.

31 However, for purposes of section 4(a) ~~and 4(b)~~ of this chapter, "school
 32 corporation" includes a charter school, a virtual charter school, an
 33 eligible school (as defined in IC 20-51-1-4.7).

34 SECTION 57. IC 20-28-11.5-4, AS ADDED BY P.L.90-2011,
 35 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2013]: Sec. 4. (a) Each school corporation shall develop a
 37 plan for annual performance evaluations for each certificated employee
 38 (as defined in IC 20-29-2-4). A school corporation shall implement the
 39 plan beginning with the 2012-2013 school year.

40 (b) Instead of developing its own staff performance evaluation plan
 41 under subsection (a), a school corporation may adopt a staff
 42 performance evaluation plan that meets the requirements set forth in

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1 this chapter or any of the following models:

2 (1) A plan using master teachers or contracting with an outside
3 vendor to provide master teachers.

4 (2) the System for Teacher and Student Advancement (TAP).

5 (3) The Peer Assistance and Review Teacher Evaluation System
6 (PAR).

7 (c) A plan must include the following components:

8 (1) Performance evaluations for all certificated employees,
9 conducted at least annually.

10 (2) Objective measures of student achievement and growth to
11 significantly inform the evaluation. The objective measures must
12 include:

13 (A) student assessment results from statewide assessments for
14 certificated employees whose responsibilities include
15 instruction in subjects measured in statewide assessments;

16 (B) methods for assessing student growth for certificated
17 employees who do not teach in areas measured by statewide
18 assessments; and

19 (C) student assessment results from locally developed
20 assessments and other test measures for certificated employees
21 whose responsibilities may or may not include instruction in
22 subjects and areas measured by statewide assessments.

23 (3) Rigorous measures of effectiveness, including observations
24 and other performance indicators.

25 (4) An annual designation of each certificated employee in one

26 (1) of the following rating categories:

27 (A) Highly effective.

28 (B) Effective.

29 (C) Improvement necessary.

30 (D) Ineffective.

31 (5) An explanation of the evaluator's recommendations for
32 improvement, and the time in which improvement is expected.

33 (6) A provision that a teacher who negatively affects student
34 achievement and growth cannot receive a rating of highly
35 effective or effective.

36 (d) The evaluator shall discuss the evaluation with the certificated
37 employee.

38 SECTION 58. IC 20-28-11.5-6, AS ADDED BY P.L.90-2011,
39 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2013]: Sec. 6. (a) A copy of the completed evaluation,
41 including any documentation related to the evaluation, must be
42 provided to a certificated employee not later than seven (7) days after

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1 the evaluation is conducted.

2 (b) If a certificated employee receives a rating of ineffective or
3 improvement necessary, the evaluator and the certificated employee
4 shall develop a remediation plan of not more than ninety (90) school
5 days in length to correct the deficiencies noted in the certificated
6 employee's evaluation. The remediation plan must require the use of
7 the certificated employee's license renewal credits in professional
8 development activities intended to help the certificated employee
9 achieve an effective rating on the next performance evaluation. If the
10 principal did not conduct the performance evaluation, the principal
11 may direct the use of the certificated employee's license renewal credits
12 under this subsection.

13 **(c) If at the end of the remediation plan, the deficiencies in the**
14 **certificated employee's evaluation are not corrected, the employee**
15 **must receive a rating of either ineffective or improvement**
16 **necessary.**

17 (d) A teacher who receives a rating of ineffective may file a
18 request for a private conference with the superintendent or the
19 superintendent's designee not later than five (5) days after receiving
20 notice that the teacher received a rating of ineffective. The teacher is
21 entitled to a private conference with the superintendent or
22 superintendent's designee.

23 **(e) A superintendent who receives a rating of improvement**
24 **necessary or ineffective may file a request for a private conference**
25 **with the governing body not later than five (5) days after receiving**
26 **notice that the superintendent received a rating of improvement**
27 **necessary or ineffective. The superintendent is entitled to a private**
28 **conference with the governing body.**

29 SECTION 59. IC 20-28-11.5-8, AS AMENDED BY P.L.160-2012,
30 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2013]: Sec. 8. (a) To implement this chapter, the state board
32 shall do the following:

33 (1) Before January 31, 2012, adopt rules under IC 4-22-2 that
34 establish:

35 (A) the criteria that define each of the four categories of
36 teacher ratings under section 4(c)(4) of this chapter;

37 (B) the measures to be used to determine student academic
38 achievement and growth under section 4(c)(2) of this chapter;

39 (C) standards that define actions that constitute a negative
40 impact on student achievement; and

41 (D) an acceptable standard for training evaluators.

42 (2) Before January 31, 2012, work with the department to develop

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1 a model plan and release it to school corporations. Subsequent
 2 versions of the model plan that contain substantive changes must
 3 be **approved by the state board and** provided to school
 4 corporations. **The subsequent version of the model plan**
 5 **approved by the state board must be published on the**
 6 **department's Internet web site.**

7 (3) Work with the department to ensure the availability of
 8 ongoing training on the use of the performance evaluation to
 9 ensure that all evaluators and certificated employees have access
 10 to information on the plan, the plan's implementation, and this
 11 chapter.

12 (b) A school corporation may adopt the department's model plan, or
 13 any other model plan approved by the department, without the state
 14 board's approval.

15 (c) A school corporation may substantially modify the model plan
 16 or develop the school corporation's own plan, if the substantially
 17 modified or developed plan meets the criteria established under this
 18 chapter. If a school corporation substantially modifies the model plan
 19 or develops its own plan, the department may request that the school
 20 corporation submit the plan to the department to ensure the plan meets
 21 the criteria developed under this chapter. If the department makes such
 22 a request, before submitting a substantially modified or new staff
 23 performance evaluation plan to the department, the governing body
 24 shall submit the staff performance evaluation plan to the teachers
 25 employed by the school corporation for a vote. If at least seventy-five
 26 percent (75%) of the voting teachers vote in favor of adopting the staff
 27 performance evaluation plan, the governing body may submit the staff
 28 performance evaluation plan to the department.

29 (d) Each school corporation shall submit its staff performance
 30 evaluation plan to the department. The department shall publish the
 31 staff performance evaluation plans on the department's Internet web
 32 site. A school corporation must submit its staff performance evaluation
 33 plan to the department for approval in order to qualify for any grant
 34 funding related to this chapter.

35 SECTION 60. IC 20-29-1-1, AS ADDED BY P.L.1-2005,
 36 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2013]: Sec. 1. The general assembly declares the following:

38 (1) The citizens of Indiana have a fundamental interest in the
 39 development of harmonious and cooperative relationships
 40 between school corporations and their certificated employees.

41 (2) Recognition by school employers of the right of school
 42 employees to organize and acceptance of the principle and

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1 procedure of collective bargaining between school employers and
 2 school employee organizations can alleviate various forms of
 3 strife and unrest.

4 (3) The state has a basic obligation to protect the public by
 5 attempting to prevent any material interference with the normal
 6 public school educational process.

7 (4) The relationship between school corporation employers and
 8 certificated school employees is not comparable to the
 9 relationship between private employers and employees for the
 10 following reasons:

11 (A) A public school corporation is not operated for profit but
 12 to ensure the citizens of Indiana rights guaranteed them by the
 13 Constitution of the State of Indiana.

14 (B) The obligation to educate children and the methods by
 15 which the education is effected will change rapidly with:

16 (i) increasing technology;

17 (ii) the needs of an advancing civilization; and

18 (iii) requirements for substantial educational innovation.

19 (C) The general assembly has delegated the discretion to carry
 20 out this changing and innovative educational function to the
 21 governing bodies of school corporations, composed of citizens
 22 elected or appointed under applicable law, a delegation that
 23 these bodies may not and should not bargain away.

24 (D) **In some situations**, public school corporations have
 25 different obligations concerning certificated school employees
 26 under constitutional and statutory requirements than private
 27 employers have to their employees.

28 SECTION 61. IC 20-29-5-7, AS ADDED BY P.L.48-2011,
 29 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2013]: Sec. 7. (a) This section ~~does not apply to the~~
 31 ~~bargaining team for the exclusive representative.~~ **applies to any and**
 32 **all discussion committees.**

33 (b) The percentage of teacher positions the exclusive representative
 34 may appoint to serve on a statutory or locally created district wide
 35 committee may not exceed the percentage of teachers in the school
 36 corporation who are members of the exclusive representative. If
 37 multiplying the number of teacher positions on the committee by the
 38 percentage of teachers in the school corporation who are members of
 39 the exclusive representative does not produce a whole number, the
 40 product must be rounded up to the nearest whole number. The
 41 percentage of positions applies to the number of teacher positions on
 42 a committee and not to the total number of positions on a committee.



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1 (c) The percentage of teacher positions the exclusive representative
2 may appoint to serve on a statutory or locally created school wide
3 committee may not exceed the percentage of teachers in the school who
4 are members of the exclusive representative. If multiplying the number
5 of teacher positions on the committee by the percentage of teachers in
6 the school who are members of the exclusive representative does not
7 produce a whole number, the product must be rounded up to the nearest
8 whole number. The percentage of positions applies to the number of
9 teacher positions on a committee and not to the total number of
10 positions on a committee.

11 (d) A committee to which this section applies may not address
12 subjects of bargaining under this article. A school employer's
13 appointment of a teacher to a committee is not an unfair practice as it
14 relates to the appointment of the teacher committee members.

15 (e) By September 15 of each school year, the local president or other
16 officer or designee of the exclusive representative shall certify by
17 affidavit to the school employer the number of teachers in each school
18 and in the entire school corporation who are members of the exclusive
19 representative.

20 SECTION 62. IC 20-29-6-4, AS AMENDED BY P.L.48-2011,
21 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JULY 1, 2011 (RETROACTIVE)]: Sec. 4. (a) A school employer shall
23 bargain collectively with the exclusive representative on the following:

- 24 (1) Salary.
- 25 (2) Wages.
- 26 (3) Salary and wage related fringe benefits, including accident,
27 sickness, health, dental, vision, life, disability, retirement benefits,
28 and paid time off as permitted to be bargained under
29 IC 20-28-9-11.

30 (b) Salary and wages include the amounts of pay increases available
31 to employees under the salary scale adopted under ~~IC 20-28-9-1~~,
32 **IC 20-28-9-1.5**, but do not include the teacher evaluation procedures
33 and criteria, or any components of the teacher evaluation plan, rubric,
34 or tool.

35 **(c) This subsection applies after June 30, 2013. The**
36 **establishment of a voluntary sick day bank under IC 20-28-9-13**
37 **may be collectively bargained for under this section. However, the**
38 **terms of operation or procedures of a voluntary sick day bank may**
39 **not be collectively bargained for under this section.**

40 SECTION 63. IC 20-29-6-4.5, AS ADDED BY P.L.48-2011,
41 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2013]: Sec. 4.5. (a) For a contract, **or any part of a contract,**

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1 entered into after June 30, 2011, a school employer may not bargain
2 collectively with the exclusive representative on the following:

- 3 (1) The school calendar.
- 4 (2) Teacher dismissal procedures and criteria.
- 5 (3) Restructuring options available to a school employer under
6 federal or state statutes, regulations, or rules because of the failure
7 of the school corporation or a school to meet federal or state
8 accountability standards.
- 9 (4) The ability of a school employer to contract, partner, or
10 operate jointly with an educational entity that provides
11 postsecondary credits to students of the school employer or dual
12 credits from the school employer and the educational entity.
- 13 (5) Any subject not expressly listed in section 4 of this chapter.

14 (b) A subject set forth in subsection (a) that may not be bargained
15 collectively may not be included in an agreement entered into under
16 this article.

17 SECTION 64. IC 20-29-6-13, AS AMENDED BY P.L.6-2012,
18 SECTION 139, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2013]: Sec. 13. (a) If, at any time after at least
20 sixty (60) days following the beginning of formal bargaining
21 collectively between the parties, an impasse is declared, the board shall
22 appoint a mediator from the board's staff or an ad hoc panel.

23 (b) The mediator shall begin mediation within fifteen (15) days after
24 the board receives notice of impasse.

25 (c) The mediation must consist of **at least one (1) but** not more than
26 three (3) mediation sessions and must result in one (1) of the following:

- 27 (1) An agreement between the parties on the items permitted to be
28 bargained under section 4 of this chapter.
- 29 (2) Each party's last best offer, including fiscal rationale, related
30 to items permitted to be bargained under section 4 of this chapter.

31 (d) Costs for the mediator shall be borne equally by the parties. **Not**
32 **later than thirty (30) days after mediation has concluded, each**
33 **party shall pay the party's costs for mediation to the Indiana**
34 **education employment relations board established by IC 20-29-3-1.**

35 (e) Mediation shall be completed within thirty (30) days.

36 SECTION 65. IC 20-29-6-15.1, AS ADDED BY P.L.229-2011,
37 SECTION 181, IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JULY 1, 2013]: Sec. 15.1. (a) If an agreement has not
39 been reached on the items permitted to be bargained collectively under
40 section 4 of this chapter, within fifteen (15) days after mediation under
41 section 13 of this chapter has ended, the board shall initiate factfinding.

42 (b) Factfinding must culminate in the factfinder imposing contract

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1 terms on the parties. The factfinder must select one (1) party's last best
 2 offer as the contract terms. The factfinder's order must be restricted to
 3 only those items permitted to be bargained and included in the
 4 collective bargaining agreement under section 4 of this chapter and
 5 must not put the employer in a position of deficit financing (as defined
 6 in IC 20-29-2-6). The factfinder's order may not impose terms beyond
 7 those proposed by the parties in their last, best offers.

8 (c) Costs for the factfinder shall be borne equally by the parties. **Not**
 9 **later than thirty (30) days after mediation has concluded, each**
 10 **party shall pay the party's costs for mediation to the Indiana**
 11 **education employment relations board established by IC 20-29-3-1.**

12 (d) Factfinding may not last longer than fifteen (15) days.

13 SECTION 66. IC 20-29-6-16, AS AMENDED BY P.L.229-2011,
 14 SECTION 182, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2013]: Sec. 16. (a) ~~If an agreement has not been~~
 16 ~~reached on the items to be bargained collectively by November 1, as~~
 17 ~~provided in IC 6-1.1-17-5, the parties shall continue the terms of the~~
 18 ~~current contract that is in effect, and the school employer may issue~~
 19 ~~tentative individual contracts and prepare its budget on that basis.~~
 20 ~~During this period, in order to allow the successful resolution of the~~
 21 ~~dispute, the school employer may not unilaterally change the terms or~~
 22 ~~conditions of employment that are issues in dispute.~~

23 (b) (a) Upon the expiration of the current contract that is in effect,
 24 the school employer shall continue under the terms of the current
 25 contract that is in effect, with no increase or increment in salary, wages,
 26 or benefits for any bargaining unit employee until a new contract is
 27 executed, unless continuation would put the school employer in a
 28 position of deficit financing due to a reduction in the employer's actual
 29 general fund revenue or an increase in an employer's expenditures
 30 when the expenditures exceed the current year actual general fund
 31 revenue.

32 (c) (b) The only parts of the contract that must continue under this
 33 section are the items contained in the contract and listed in section 4 of
 34 this chapter.

35 (d) (c) This section may not be construed as relieving the school
 36 employer or the school employee organization from the duty to bargain
 37 collectively until a mutual agreement has been reached and a contract
 38 entered as called for in this chapter.

39 SECTION 67. IC 20-29-7-3, AS ADDED BY P.L.1-2005,
 40 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2013]: Sec. 3. (a) This chapter does not in any way restrict the
 42 right of a:

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1 (1) school employer; or
2 (2) school employee organization;
3 to bring suit for specific performance or breach of performance, or
4 both, of a collective bargaining contract in any court having
5 jurisdiction.

6 **(b) A lawsuit for specific performance or breach of a collective**
7 **bargaining agreement under this chapter must be commenced in**
8 **the time period set forth in IC 34-11-2-14.**

9 SECTION 68. IC 20-29-7-5 IS ADDED TO THE INDIANA CODE
10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
11 1, 2013]: **Sec. 5. The hearing examiner or agent of the board that**
12 **determines the matter raised in the complaint shall assign the costs**
13 **of the hearing in proportion to the liability of the parties.**

14 SECTION 69. IC 20-29-8-7, AS AMENDED BY P.L.229-2011,
15 SECTION 183, IS AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2013]: Sec. 7. (a) When a factfinder is
17 requested or required under IC 20-29-6, the board shall appoint a
18 factfinder from the staff or panel established under section 6 of this
19 chapter.

20 (b) The factfinder shall make an investigation and hold hearings as
21 the factfinder considers necessary in connection with a dispute.

22 (c) The factfinder:
23 (1) may restrict the factfinder's findings to those issues that the
24 factfinder determines significant;
25 (2) must restrict the findings to the items listed in IC 20-29-6-4;
26 and
27 (3) may not impose terms beyond those proposed by the parties in
28 their last, best offers.

29 (d) The factfinder may use evidence furnished to the factfinder by:
30 (1) the parties;
31 (2) the board;
32 (3) the board's staff; or
33 (4) any other state agency.

34 (e) The factfinder shall conduct the factfinding hearing in public in
35 a room or facility owned by the county or local unit of government
36 located in the county in which the school employer is located, or if the
37 school employer is located in more than one (1) county, in the county
38 in which the greatest number of students who attend the school
39 employer's schools reside. The public hearing may begin not earlier
40 than October 1 in the first year of the state budget biennium and must
41 be concluded by December 31 of the same year.

42 (f) The factfinding process may not exceed ~~fifteen (15)~~ **thirty (30)**

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1 days from beginning to end, and not more than two (2) of those days
 2 may be used for public testimony, which may be taken at the discretion
 3 of the factfinder. During the public hearing, each party shall present
 4 fully its last, best offer, including the fiscal rationale for the offer. Only
 5 general operating funds and those funds certified by the department of
 6 education and the department of local government finance may be
 7 considered as a source of the funding for items, unless the school
 8 funding formula allows other funds to be used for certain items.

9 (g) The factfinder shall make a recommendation as to the settlement
 10 of the disputes over which the factfinder has jurisdiction.

11 (h) The factfinder shall:

12 (1) make the investigation, hearing, and findings as expeditiously
 13 as the circumstances permit; and

14 (2) deliver the findings to the parties and to the board.

15 (i) The board, after receiving the findings and recommendations,
 16 may make additional findings and recommendations to the parties
 17 based on information in:

18 (1) the report; or

19 (2) the board's own possession.

20 The board may not make any recommendations to the parties related to
 21 any items not specifically identified in IC 20-29-6-4.

22 (j) At any time within five (5) days after the findings and
 23 recommendations are delivered to the board, the board may make the
 24 findings and recommendations of the factfinder and the board's
 25 additional findings and recommendations, if any, available to the
 26 public through news media and other means the board considers
 27 effective.

28 (k) The board shall make the findings and recommendations
 29 described in subsection (j) available to the public not later than ten (10)
 30 days after the findings and recommendations are delivered to the board.

31 SECTION 70. IC 20-29-8-10.1, AS ADDED BY P.L.229-2011,
 32 SECTION 184, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2013]: Sec. 10.1. A person who has served as
 34 a mediator in a dispute between a school employer and an exclusive
 35 representative may not serve as a factfinder in a dispute arising in the
 36 same school corporation within a period of ~~five (5)~~ **two (2)** years
 37 except by the mutual consent of the parties.

38 SECTION 71. IC 34-11-2-14 IS ADDED TO THE INDIANA
 39 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2013]: **Sec. 14. A lawsuit for specific**
 41 **performance or breach of a collective bargaining agreement under**
 42 **IC 20-29-7 must be commenced within three (3) years after the**

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1 **date of injury, or within three (3) years after the date on which the**
2 **plaintiff should have known of the injury, whichever date occurs**
3 **first.**

4 SECTION 72. **An emergency is declared for this act.**

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