

# SENATE BILL No. 354

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 20-26-15.

**Synopsis:** Freeway school corporations and schools. Provides that the state board of education shall, upon request by a freeway school corporation or a freeway school, waive certain educational benefit requirements for a period of not more than 36 months if the freeway school corporation or freeway school meets certain thresholds regarding its school accountability grade.

**Effective:** July 1, 2018.

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## Kruse

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January 4, 2018, read first time and referred to Committee on Education and Career Development.

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Second Regular Session 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

## SENATE BILL No. 354

A BILL FOR AN ACT to amend the Indiana Code concerning education.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 20-26-15-7, AS AMENDED BY P.L.242-2017,  
2 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2018]: Sec. 7. The minimum educational benefits that a  
4 freeway school corporation or a freeway school must produce under  
5 this chapter are the following:  
6 (1) An average attendance rate that increases:  
7 (A) not less than two percent (2%) each school year until the  
8 average attendance rate is eighty-five percent (85%); and  
9 (B) one percent (1%) each school year until the average  
10 attendance rate is ninety percent (90%).  
11 (2) **Except as provided under section 15 of this chapter**, a  
12 successful completion rate of the assessment program by meeting  
13 essential standards under the statewide assessment program or a  
14 locally adopted assessment program established under section  
15 6(7) of this chapter that increases:  
16 (A) not less than two percent (2%) each school year until the  
17 successful completion rate is not less than eighty-five percent



- 1 (85%); and  
 2 (B) one percent (1%) each school year until the successful  
 3 completion rate is not less than ninety percent (90%);  
 4 of the students in the designated grade levels under the statewide  
 5 assessment program or the locally adopted assessment program  
 6 that are grades contained in the freeway school corporation or  
 7 freeway school.  
 8 (3) Beginning with the class of students who expect to graduate  
 9 four (4) years after a freeway school corporation or a freeway  
 10 school that is a high school obtains freeway status, a graduation  
 11 rate as determined under 511 IAC 6.1-1-2(k) that increases:  
 12 (A) not less than two percent (2%) each school year until the  
 13 graduation rate is not less than eighty-five percent (85%); and  
 14 (B) one percent (1%) each school year until the graduation rate  
 15 is ninety percent (90%).  
 16 **Except as provided under section 15 of this chapter**, after a freeway  
 17 school corporation or a freeway school has achieved the minimum rates  
 18 required under subdivisions (1) through (3), the freeway school  
 19 corporation or freeway school must either maintain the minimum  
 20 required rates or show continued improvement of those rates.  
 21 SECTION 2. IC 20-26-15-8, AS ADDED BY P.L.1-2005,  
 22 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JULY 1, 2018]: Sec. 8. (a) The contract must contain the following  
 24 provisions:  
 25 (1) A list of the statutes and rules that are suspended from  
 26 operation in a freeway school corporation or freeway school, as  
 27 listed in section 5 of this chapter.  
 28 (2) A description of the privileges of a freeway school corporation  
 29 or freeway school, as listed in section 6 of this chapter.  
 30 (3) A description of the educational benefits listed in section 7 of  
 31 this chapter that a freeway school corporation or freeway school  
 32 agrees to:  
 33 (A) achieve by the end of five (5) complete school years after  
 34 the contract is signed; and  
 35 (B) maintain at the end of:  
 36 (i) the sixth; and  
 37 (ii) any subsequent;  
 38 complete school year after the contract is signed.  
 39 (4) **Subject to section 15 of this chapter**, a plan and a schedule  
 40 for the freeway school corporation or freeway school to achieve  
 41 the educational benefits listed in section 7 of this chapter by the  
 42 end of five (5) complete school years after the contract is signed.



- 1 The schedule must show some percentage of improvement by the  
 2 end of the second, third, and fourth complete school years after  
 3 the contract is signed.
- 4 (5) A school by school strategy, including curriculum, in which  
 5 character education is demonstrated to be a priority. The strategy  
 6 required under this subdivision must include the following  
 7 subjects as integral parts of each school's character education:
- 8 (A) Hygiene.
  - 9 (B) Alcohol and drugs.
  - 10 (C) Diseases transmitted sexually or through drug use,  
 11 including AIDS.
  - 12 (D) Honesty.
  - 13 (E) Respect.
  - 14 (F) Abstinence and restraint.
- 15 (6) A plan under which the freeway school corporation or freeway  
 16 school will offer courses that will allow a student to become  
 17 eligible to receive an academic honors diploma.
- 18 (7) A plan under which the freeway school corporation or freeway  
 19 school will maintain a safe and disciplined learning environment  
 20 for students and teachers.
- 21 (b) In the contract:
- 22 (1) the quantitative measures of benefits may be higher, but not  
 23 lower, than the minimum educational benefits listed in section 7  
 24 of this chapter; and
  - 25 (2) educational benefits may be included in addition to the  
 26 minimum educational benefits listed in section 7 of this chapter.
- 27 SECTION 3. IC 20-26-15-10, AS ADDED BY P.L.1-2005,  
 28 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 29 JULY 1, 2018]: Sec. 10. **Subject to section 15 of this chapter**, on July  
 30 1 of each year, the state board shall determine whether a freeway  
 31 school corporation or freeway school that has completed:
- 32 (1) a second, third, or fourth complete school year under a  
 33 contract entered under this chapter has achieved the scheduled  
 34 improvement in educational benefits that the freeway school  
 35 corporation or freeway school has agreed to achieve;
  - 36 (2) a fifth complete school year under a contract entered under  
 37 this chapter has achieved the educational benefits that the freeway  
 38 school corporation or freeway school has agreed to achieve; or
  - 39 (3) more than five (5) full school years under a contract entered  
 40 under this chapter has maintained the educational benefits that the  
 41 freeway school corporation or freeway school has agreed to  
 42 maintain.



1 SECTION 4. IC 20-26-15-11, AS ADDED BY P.L.1-2005,  
 2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2018]: Sec. 11. (a) **Except as provided under section 15 of**  
 4 **this chapter**, a school corporation that enters into a contract under this  
 5 chapter to:

- 6 (1) be a freeway school corporation; or
- 7 (2) operate a freeway school;

8 must achieve the educational benefits that the school corporation  
 9 agrees in the contract to achieve.

10 (b) **Except as provided under section 15 of this chapter**, if a  
 11 school corporation that enters into a contract under this chapter to be  
 12 a freeway school corporation or to operate a freeway school fails to  
 13 achieve any of the educational benefits agreed upon in the contract at  
 14 the end of a school year:

- 15 (1) the state board shall review the school corporation's plan and
- 16 schedule for achieving the educational benefits, and, if necessary,
- 17 modify the plan; and
- 18 (2) the year in which the educational benefits are not achieved is
- 19 not included in the five (5) year contract period.

20 (c) **Except as provided under section 15 of this chapter**, a  
 21 contract is void and a school corporation ceases immediately to be a  
 22 freeway school corporation or to be eligible to operate a freeway school  
 23 if:

- 24 (1) the school corporation or school has previously undergone a
- 25 plan and schedule review under subsection (b); and
- 26 (2) the state board determines that the school corporation or
- 27 school failed to achieve the following that the school corporation
- 28 agreed to achieve in the contract:
  - 29 (A) at the end of the second, third, or fourth complete school
  - 30 year after a contract is signed under this chapter, two (2) of the
  - 31 three (3) scheduled improvements in educational benefits that
  - 32 are listed in section 7 of this chapter; or
  - 33 (B) at the end of the fifth complete school year after a contract
  - 34 is signed under this chapter, the educational benefits stated in
  - 35 the contract.

36 SECTION 5. IC 20-26-15-12, AS ADDED BY P.L.1-2005,  
 37 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JULY 1, 2018]: Sec. 12. (a) **Except as provided under section 15 of**  
 39 **this chapter**, a school corporation that enters into a contract under this  
 40 chapter to be a freeway school corporation or to operate a freeway  
 41 school must maintain the educational benefits that the school  
 42 corporation agrees to achieve in the contract.



1           **(b) Except as provided under section 15 of this chapter**, if the  
 2 state board determines that a freeway school corporation or freeway  
 3 school has failed to maintain the educational benefits described in  
 4 subsection (a) for two (2) consecutive or nonconsecutive school years  
 5 beginning with the end of the sixth school year after a contract is  
 6 signed under this chapter:

7           (1) the contract is void; and

8           (2) the school corporation ceases to be:

9               (A) a freeway school corporation; or

10              (B) eligible to operate a freeway school;

11 on July 1 following the second school year in which the freeway school  
 12 corporation or freeway school failed to maintain the required  
 13 educational benefits.

14           SECTION 6. IC 20-26-15-15 IS ADDED TO THE INDIANA  
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 16 [EFFECTIVE JULY 1, 2018]: **Sec. 15. (a) This section applies to a**  
 17 **school corporation or school that operates or is a freeway school**  
 18 **corporation or freeway school under this chapter on July 1, 2018.**

19           **(b) Notwithstanding any other law or a contract entered into**  
 20 **with the state board under this chapter, if a freeway school**  
 21 **corporation or freeway school does not achieve the statewide**  
 22 **assessment program or locally adopted assessment program**  
 23 **educational benefits described in section 7(2) of this chapter, the**  
 24 **freeway school corporation or freeway school may request that the**  
 25 **state board waive those educational benefit requirements for a**  
 26 **period of not more than thirty-six (36) months.**

27           **(c) Subject to subsection (d), the state board shall, upon request**  
 28 **by a freeway school corporation or freeway school, waive the**  
 29 **educational benefit requirements described in subsection (b) for**  
 30 **the freeway school corporation or freeway school for a period of**  
 31 **not more than thirty-six (36) months if the freeway school**  
 32 **corporation or freeway school has not been placed in the lowest**  
 33 **two (2) categories or designations under IC 20-31-8-3 for the year**  
 34 **in which the freeway school corporation or freeway school requests**  
 35 **the waiver.**

36           **(d) If the freeway school corporation or freeway school is placed**  
 37 **in the lowest two (2) categories or designations under IC 20-31-8-3**  
 38 **at any time during the period of the waiver under subsection (c),**  
 39 **the state board shall revoke the waiver and the freeway school**  
 40 **corporation or freeway school is subject to all of the requirements**  
 41 **under this chapter and any contract entered into with the state**  
 42 **board under this chapter.**



1           **(e) During the period of a waiver granted under subsection (c),**  
2           **a freeway school corporation or freeway school may continue to**  
3           **operate as a freeway school corporation or freeway school**  
4           **regardless of whether the freeway school corporation or freeway**  
5           **school meets the educational benefit requirements described in**  
6           **section 7(2) of this chapter.**

