

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 ENROLLED ACT No. 354

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-26-15-7, AS AMENDED BY P.L.242-2017, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 7. **Except as provided under section 15 of this chapter (before its expiration)**, the minimum educational benefits that a freeway school corporation or a freeway school must produce under this chapter are the following:

- (1) An average attendance rate that increases:
 - (A) not less than two percent (2%) each school year until the average attendance rate is eighty-five percent (85%); and
 - (B) one percent (1%) each school year until the average attendance rate is ninety percent (90%).
- (2) A successful completion rate of the assessment program by meeting essential standards under the statewide assessment program or a locally adopted assessment program established under section 6(7) of this chapter that increases:
 - (A) not less than two percent (2%) each school year until the successful completion rate is not less than eighty-five percent (85%); and
 - (B) one percent (1%) each school year until the successful completion rate is not less than ninety percent (90%);of the students in the designated grade levels under the statewide assessment program or the locally adopted assessment program

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that are grades contained in the freeway school corporation or freeway school.

(3) Beginning with the class of students who expect to graduate four (4) years after a freeway school corporation or a freeway school that is a high school obtains freeway status, a graduation rate as determined under 511 IAC 6.1-1-2(k) that increases:

- (A) not less than two percent (2%) each school year until the graduation rate is not less than eighty-five percent (85%); and
- (B) one percent (1%) each school year until the graduation rate is ninety percent (90%).

Except as provided under section 15 of this chapter (before its expiration), after a freeway school corporation or a freeway school has achieved the minimum rates required under subdivisions (1) through (3), the freeway school corporation or freeway school must either maintain the minimum required rates or show continued improvement of those rates.

SECTION 2. IC 20-26-15-8, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 8. (a) The contract must contain the following provisions:

- (1) A list of the statutes and rules that are suspended from operation in a freeway school corporation or freeway school, as listed in section 5 of this chapter.
- (2) A description of the privileges of a freeway school corporation or freeway school, as listed in section 6 of this chapter.
- (3) A description of the educational benefits listed in section 7 of this chapter that a freeway school corporation or freeway school agrees to:
 - (A) achieve by the end of five (5) complete school years after the contract is signed; and
 - (B) maintain at the end of:
 - (i) the sixth; and
 - (ii) any subsequent; complete school year after the contract is signed.
- (4) **Subject to section 15 of this chapter (before its expiration),** a plan and a schedule for the freeway school corporation or freeway school to achieve the educational benefits listed in section 7 of this chapter by the end of five (5) complete school years after the contract is signed. The schedule must show some percentage of improvement by the end of the second, third, and fourth complete school years after the contract is signed.
- (5) A school by school strategy, including curriculum, in which



character education is demonstrated to be a priority. The strategy required under this subdivision must include the following subjects as integral parts of each school's character education:

- (A) Hygiene.
 - (B) Alcohol and drugs.
 - (C) Diseases transmitted sexually or through drug use, including AIDS.
 - (D) Honesty.
 - (E) Respect.
 - (F) Abstinence and restraint.
- (6) A plan under which the freeway school corporation or freeway school will offer courses that will allow a student to become eligible to receive an academic honors diploma.
- (7) A plan under which the freeway school corporation or freeway school will maintain a safe and disciplined learning environment for students and teachers.

(b) In the contract:

- (1) the quantitative measures of benefits may be higher, but not lower, than the minimum educational benefits listed in section 7 of this chapter; and
- (2) educational benefits may be included in addition to the minimum educational benefits listed in section 7 of this chapter.

SECTION 3. IC 20-26-15-10, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 10. **Subject to section 15 of this chapter (before its expiration)**, on July 1 of each year, the state board shall determine whether a freeway school corporation or freeway school that has completed:

- (1) a second, third, or fourth complete school year under a contract entered under this chapter has achieved the scheduled improvement in educational benefits that the freeway school corporation or freeway school has agreed to achieve;
- (2) a fifth complete school year under a contract entered under this chapter has achieved the educational benefits that the freeway school corporation or freeway school has agreed to achieve; or
- (3) more than five (5) full school years under a contract entered under this chapter has maintained the educational benefits that the freeway school corporation or freeway school has agreed to maintain.

SECTION 4. IC 20-26-15-11, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 11. (a) **Except as provided under section 15 of**



this chapter (before its expiration), a school corporation that enters into a contract under this chapter to:

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

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

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

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

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

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

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

(b) **Except as provided under section 15 of this chapter (before its expiration)**, if the state board determines that a freeway school corporation or freeway school has failed to maintain the educational



benefits described in subsection (a) for two (2) consecutive or nonconsecutive school years beginning with the end of the sixth school year after a contract is signed under this chapter:

- (1) the contract is void; and
- (2) the school corporation ceases to be:
 - (A) a freeway school corporation; or
 - (B) eligible to operate a freeway school;

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

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

(b) Notwithstanding any other law or a contract entered into with the state board under this chapter, a freeway school corporation or freeway school may request that the state board waive the educational benefit requirements under section 7 of this chapter for a period of not more than thirty-six (36) months.

(c) The state board shall, upon request by a freeway school corporation or freeway school, waive the educational benefit requirements described in subsection (b) for the freeway school corporation or freeway school for a period of not more than thirty-six (36) months.

(d) During the period of a waiver granted under subsection (c), a freeway school corporation or freeway school may continue to operate as a freeway school corporation or freeway school regardless of whether the freeway school corporation or freeway school meets the educational benefit requirements described in section 7 of this chapter.

(e) A freeway school corporation or freeway school may receive a waiver from the state board under this section for that freeway school corporation or freeway school only one (1) time.

(f) This section expires January 1, 2022.

SECTION 7. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "committee" refers to the education interim study committee established by IC 2-5-1.3-4(5).**

(b) The definitions in IC 20-18-2 apply throughout this SECTION.

(c) The legislative council is urged to assign to the committee the task of studying the accreditation of elementary schools and high



schools in Indiana.

(d) This SECTION expires January 1, 2019.

SECTION 8. An emergency is declared for this act.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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