DIGEST OF SB 321 (Updated February 20, 2014 11:06 am - DI 116)


Synopsis: Charter school funding. Allows a charter school organizer to notify the department that it wants to receive the tuition support distributions for the state fiscal year 2014-2015 for all of the charter schools that the organizer operates. Requires the department to verify the charter schools operated by the organizer and to distribute the tuition support for the verified charter schools to the organizer. Permits the organizer to distribute the tuition support to each charter school it operates in the amounts determined by the organizer. Requires identification numbers and accounts to be used at the organizer and charter school levels. Prohibits an organizer from using tuition support for expenses incurred outside Indiana that are not directly related to the charter school the organizer operates in Indiana. Provides that a student, and the student’s siblings, who attend a charter school may attend a different charter school held by the same organizer in subsequent years. Provides that if the state board adopts a rule to assign a category or designation of school improvement to a school corporation the state board shall also assign a category or designation of school improvement to a charter school organizer.

Effective: Upon passage; July 1, 2014.

Schneider, Banks, Yoder
(HOUSE SPONSORS — BEHNING, THOMPSON)

January 14, 2014, read first time and referred to Committee on Education and Career Development.
January 23, 2014, reported favorably — Do Pass; reassigned to Committee on Appropriations.
February 3, 2014, read second time, amended, ordered engrossed.

HOUSE ACTION
February 10, 2014, read first time and referred to Committee on Education.

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ENGROSSED
SENATE BILL No. 321

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

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

SECTION 1. IC 20-24-3-17, AS ADDED BY P.L.280-2013, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) The department shall assign a school corporation identification number for each charter school established under this chapter, organizer granted a charter.

(b) If an organizer assigned a school corporation identification number under subsection (a) consists of more than one (1) charter school, the department shall assign each charter school a separate school identification number.

(c) If a charter school assigned a school corporation identification number under subsection (a), it shall consist of more than one (1) campus, the department shall assign each charter school campus in addition to the school corporation identification number under subsection (a), a separate school identification number.

SECTION 2. IC 20-24-5-5, AS AMENDED BY P.L.91-2011, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2014]: Sec. 5. (a) Except as provided in subsections (b), (c), and (d), a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission. The organizer must determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by random drawing in a public meeting.

(c) A charter school may limit new admissions to the charter school to:

(1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; and

(2) ensure that a student who attends a charter school during a school year may continue to attend a different charter school held by the same organizer in subsequent years; and

(2)(3) allow the siblings of a student who attends a charter school or a charter school held by the same organizer to attend the same charter school the student is attending.

(d) This subsection applies to an existing school that converts to a charter school under IC 20-24-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

(1) those students who were enrolled in the charter school on the date of the conversion; and

(2) siblings of students described in subdivision (1).

SECTION 3. IC 20-24-7-1, AS ADDED BY P.L.1-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The organizer is the fiscal agent for the charter school.

(b) The organizer has exclusive control of:

(1) funds received by the charter school; and

(2) financial matters of the charter school.

(c) The organizer shall maintain accounts of all funds received and disbursed by the organizer. The organizer shall maintain separate accountings of all funds received and disbursed by the each charter school it holds.

(d) Notwithstanding IC 20-43, an organizer that operates more than one (1) charter school may file, before July 1, 2014, a notice
with the department that the organizer desires to receive the
tuition support distributions for the state fiscal year beginning July
1, 2014, for all of the charter schools that the organizer operates.
After the department verifies that the organizer operates the
charter schools, the department shall distribute the tuition support
for the verified charter schools to the organizer. The organizer
may distribute the tuition support distribution it receives to each
charter school it operates in the amounts determined by the
organizer. However, an organizer that receives money from the
state under this subsection may not use any of the money received
for expenses incurred outside Indiana that are not directly related
to the charter school the organizer operates in Indiana.

SECTION 4. IC 20-31-8-7 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2014]: Sec. 7. If the state board adopts a rule to assign a category
or designation of school improvement to a school corporation, the
state board shall also adopt a rule to assign a category or
designation of school improvement to a charter school organizer.

SECTION 5. An emergency is declared for this act.
COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 321, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 321 as introduced.)

Committee Vote: Yeas 7, Nays 2

Senator Kruse, Chairperson

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 321, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective date in SECTION 9 with "[EFFECTIVE UPON PASSAGE]".

Page 2, line 4, after "each" insert "charter school".

Page 2, delete lines 7 through 12.

Page 2, line 35, after "attend the" insert "same".

Page 2, line 36, delete "," and insert "the student is attending.".

Page 3, delete lines 2 through 42.

Page 4, between lines 27 and 28, begin a new paragraph and insert:

"(d) Notwithstanding IC 20-43, an organizer that operates more than one (1) charter school may file, before July 1, 2014, a notice with the department that the organizer desires to receive the tuition support distributions for the state fiscal year beginning July 1, 2014, for all of the charter schools that the organizer operates. After the department verifies that the organizer operates the charter schools, the department shall distribute the tuition support for the verified charter schools to the organizer. The organizer may distribute the tuition support distribution it receives to each charter school it operates in the amounts determined by the organizer. However, an organizer that receives money from the state under this subsection may not use any of the money received

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for expenses incurred outside Indiana or attributable to out-of-state activities.".

Page 4, delete lines 28 through 42.
Delete pages 5 through 8.
Page 9, delete lines 1 through 35, begin a new paragraph and insert:
"SECTION 4. An emergency is declared for this act."
Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 321 as printed January 24, 2014.)

KENLEY, Chairperson
Committee Vote: Yeas 9, Nays 2.

SENATE MOTION

Madam President: I move that Senate Bill 321 be amended to read as follows:
Page 3, line 11, delete "or attributable to" and insert "that are not directly related to the charter school the organizer operates in Indiana."
Page 3, delete line 12.
(Reference is to SB 321 as printed January 31, 2014.)

SCHNEIDER

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 321, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:
Page 3, between lines 12 and 13, begin a new paragraph and insert:
"SECTION 4. IC 20-31-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. If the state board adopts a rule to assign a category or designation of school improvement to a school corporation, the
state board shall also adopt a rule to assign a category or designation of school improvement to a charter school organizer."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 321 as reprinted February 4, 2014.)

BEHNING, Chair

Committee Vote: yeas 10, nays 2.