Citations Affected:  IC 20-19; IC 20-24; IC 20-30.

Synopsis:  Virtual education. Provides that the state board of education (state board) may adopt rules regarding virtual education programs of school corporations. Provides that a student who does not participate in a school corporation's virtual education program before July 1, 2019, must complete the school corporation's onboarding process and orientation before the student may participate in the school corporation's virtual education program. Provides that, if the lesser of at least: (1) 100 students of a school corporation; or (2) 25% of the total number of students enrolled in the school corporation; receive at least 50% of instruction through a school corporation's virtual education program, the school corporation shall establish a dedicated virtual education school. Requires a school corporation that issued a charter before July 1, 2015, to register with the state board for charter authority. Provides that a student who is not enrolled in a virtual charter school before July 1, 2019, must complete the virtual charter school's onboarding process and orientation before the student may enroll in the virtual charter school. Provides that, if an organizer of a virtual charter school operates more than one virtual charter school, the organizer must, during the onboarding process and orientation, identify and make (Continued next page)

Effective:  July 1, 2019.

Raatz, Kruse

January 14, 2019, read first time and referred to Committee on Education and Career Development.  
February 14, 2019, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.  
February 21, 2019, amended, reported favorably — Do Pass.
Digest Continued

a recommendation regarding which one of the virtual charter schools that the organizer operates is best suited for the student and the student should attend. Provides that, if a student enrolls in a virtual charter school, the organizer of the virtual charter school may not allow the student to transfer during the same school year to another virtual charter school that is operated by the organizer. Establishes actions that the state board may implement if a charter school is placed in the lowest category or designation of school performance for four consecutive years. Requires an authorizer to assist a virtual charter school that is authorized by the authorizer in implementing and complying with certain rules adopted by the state board. Repeals a provision that provides that a charter school will be closed if the charter school is placed in the lowest category or designation of accountability for four consecutive years.
SENATE BILL No. 567

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 20-19-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 8. School Corporation Virtual Education Programs
Sec. 1. As used in this chapter, "virtual education program" means a program provided by a school corporation in which more than fifty percent (50%) of instruction, other than instruction for recovery credit courses, to students participating in the program is provided in an interactive learning environment created through technology in which the student is separated from a teacher by time or space, or both.
Sec. 2. The state board may adopt rules under IC 4-22-2 to establish requirements regarding virtual education programs, including the following:
   (1) Minimum requirements for the mandatory onboarding
process and orientation required under section 3 of this chapter.
(2) Requirements relating to tracking and monitoring student participation and attendance.
(3) Ongoing student engagement and counseling policy requirements.
(4) Employee policy requirements, including professional development requirements.
(5) Financial and data reporting requirements that are in addition to any other financial and data reporting requirements for school corporations.
(6) Maximum student to teacher ratios.

Sec. 3. (a) A school corporation shall establish and implement an onboarding process and orientation for students participating in a virtual education program.
(b) A student who does not participate in a school corporation's virtual education program before July 1, 2019, must complete the onboarding process and orientation established by the school corporation under subsection (a) before the student may participate in the school corporation's virtual education program.
If a student does not participate in the school corporation's onboarding process and orientation established under subsection (a), the student may not participate in the school corporation's virtual education program.
(c) Nothing in this section may be construed to prohibit a student from otherwise receiving instructional services from the school corporation in which the student has legal settlement. However, a student who does not meet the requirements of subsection (b) may not participate in the school corporation's virtual education program.

Sec. 4. If the lesser of at least:
(1) one hundred (100) students of a school corporation; or
(2) twenty-five percent (25%) of the total number of students enrolled in the school corporation;
receive at least fifty percent (50%) of instruction through a school corporation's virtual education program, the school corporation shall establish a dedicated virtual education school.

SECTION 2. IC 20-24-1-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:
Sec. 10. "Virtual charter school" means any charter school, including a conversion charter school, in which more than fifty percent (50%) of instruction is provided in an interactive
learning environment created through technology in which students are separated from their teacher by time or space, or both.

SECTION 3. IC 20-24-2.2-1.2, AS ADDED BY P.L.221-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1.2. (a) This section applies to an authorizer described in IC 20-24-1-2.5(1), IC 20-24-1-2.5(2), and IC 20-24-1-2.5(5) if the does not apply to an authorizer described in IC 20-24-1-2.5(2) or IC 20-24-1-2.5(5) that has not previously issued a charter for any charter school prior to July 1, 2015.

(b) A governing body of a school corporation may register with the state board for charter authority within the attendance area of the school corporation. The state board shall post on the state board's Internet web site an application received from an authorizer to register with the state board under this section within ten (10) days after receipt of the application. The state board may not charge an authorizer a fee to register with the state board under this section.

(c) A governing board of a nonprofit college or university described in IC 20-24-1-2.5(5) may apply to the state board for statewide, regional, or local chartering authority.

(d) The state board shall publicize to all governing bodies the opportunity to register with the state board for chartering authority within their school corporation. Not later than May 1 of each year, the state board shall provide information about the opportunity, including a registration deadline, to all governing bodies. To register as an authorizer, each interested governing body must submit the following information in a format prescribed by the state board:

(1) A written notification of intent to serve as a charter authorizer in accordance with this article.

(2) An explanation of the governing body's strategic vision for chartering.

(3) An explanation of the governing body's budget and personnel capacity and commitment to execute the duties of quality charter authorizing in accordance with this article.

(4) An explanation of how the governing body will solicit charter school applicants in accordance with IC 20-24-3.

(5) A description or outline of the performance framework the governing body will use to guide the establishment of a charter contract and for the oversight and evaluation of charter schools, consistent with this article.

(6) A draft of the governing body's renewal, revocation, and nonrenewal processes, consistent with this article.

SB 567—LS 7401/DI 110
(7) A statement of assurance that the governing body commits to serving as a charter authorizer in fulfillment of the expectations, spirit, and intent of this article, and that the governing body will fully adopt standards of quality charter school authorizing in accordance with section 1.5 of this chapter.

(c) Within sixty (60) days of receipt of the information described in subsection (d), the state board shall register the governing body as a charter authorizer within the attendance area of the school corporation and shall provide the governing body a letter confirming the governing body's registration as a charter authorizer. A governing body may not engage in any charter authorizing functions without a current registration as a charter authorizer with the state board.

(f) The state board shall establish an annual application and approval process, including cycles and deadlines during the state fiscal year, for registering an entity described in IC 20-24-1-2.5(5) for authorizer authority. Not later than May 1 of each year, the state board shall make available information and guidelines for an applicant described in IC 20-24-1-2.5(5) concerning the opportunity to apply for chartering authority under this article. The application process must require each applicant to submit an application that clearly explains or presents the following elements:

   (1) A written notification of intent to serve as a charter authorizer in accordance with this article.
   (2) The applicant's strategic vision for chartering.
   (3) A plan to support the applicant's strategic vision described in subdivision (2), including an explanation and evidence of the applicant's budget and personnel capacity and commitment to execute the duties of quality charter authorizing in accordance with this article.
   (4) A draft or preliminary outline of the request for proposals that the applicant would, if approved by the state board under this section, issue to solicit charter school applicants under IC 20-24-3.
   (5) A draft of the performance framework that the applicant would, if approved by the state board under this section, use to guide the establishment of a charter contract and for ongoing oversight and evaluation of charter schools consistent with this article.
   (6) A draft of the applicant's renewal, revocation, and nonrenewal processes.
   (7) A statement of assurance that the applicant commits to serving as a charter authorizer in fulfillment of the expectations, spirit,
and intent of this article, and that the applicant will fully adopt standards of quality charter school authorizing in accordance with section 1.5 of this chapter.

(g) Not later than July 1 of each year, the state board shall grant or deny chartering authority to an applicant under subsection (f). The state board shall make its decision on the merits of each applicant's proposal and plans submitted under subsection (f).

(h) Within thirty (30) days of the state board's decision under subsection (g), the state board shall execute a renewable authorizing contract with an applicant that the state board has approved for chartering authority. The initial term of each authorizing contract is six (6) years. The authorizing contract must specify each approved applicant's agreement to serve as a charter authorizer in accordance with this article and shall specify additional performance terms based on the applicant's proposal and plan for chartering. An approved applicant may not commence charter authorizing without an authorizing contract in effect.

(i) The state board shall maintain on the state board's Internet web site the names of each authorizer approved by the state board under this section.

(j) If an authorizer described in IC 20-24-1-2.5(1) issued a charter before July 1, 2015, the authorizer must comply with this section before it may renew an existing charter or authorize a new charter for a charter school. If an authorizer described in this subsection:

(1) issued a charter before July 1, 2015;

(2) authorizes more than one (1) charter school; and

(3) is denied charter authority by the state board when the authorizer applies to register for charter authority under this section;

the authorizer may, subject to any other requirements or limitations under this article, complete the term of each current charter but may not subsequently renew the charter for any charter school or grant any new charters.

SECTION 4. IC 20-24-2.2-2 IS REPEALED [EFFECTIVE JULY 1, 2019]. See: 2; (a) The minimum standard for renewal and the standard to avoid closure imposed by authorizers on a charter school is a requirement that the charter school not remain in the lowest category or designation of school improvement; including any alternative accountability category or designation; in the third year after initial placement in the lowest category or designation established under IC 20-31-8-4.

SB 567—LS 7401/DI 110
(b) An authorizer of a charter school that does not meet the minimum standard for charter school renewal described in subsection (a) may petition the state board at any time to request permission to renew the charter school’s charter notwithstanding the fact that the charter school does not meet the minimum standard. If timely notification is made, the state board shall hold a hearing to consider the authorizer’s request at the state board’s next regularly scheduled board meeting.

(c) In determining whether to grant a request under subsection (b), the state board shall consider the following:

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

(2) High mobility of the student population resulting from the specific purpose of the charter school;

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

(d) After the hearing, the state board must implement one (1) or more of the following actions:

(1) Grant the authorizer’s request to renew the charter of the charter school. The state board may determine the length of the renewal and any conditions of the renewal placed upon either the charter school or the authorizer;

(2) Order the closure of the charter school at the end of the current school year;

(3) Order the reduction of any administrative fee collected under IC 20-24-7-4 that is applicable to the charter school identified in subsection (b). The reduction must become effective at the beginning of the month following the month of the authorizer’s hearing before the state board.

A charter school that is closed by the state board under this section may not be granted a charter by any authorizer.

SECTION 5. IC 20-24-2.2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Sec. 2.5. (a) If a charter school is placed in the lowest category or designation of school improvement under IC 20-31-8-4, including any alternative accountability category or designation, for the third year after initial placement in the lowest category or designation under IC 20-31-8-4, the state board shall:

SB 567—LS 7401/DI 110
(1) hold a hearing; and
(2) implement one (1) of the following actions:

(A) Require the implementation of a charter school improvement plan.

(B) Order the reduction of any administrative fee collected under IC 20-24-7-4 or IC 20-24-7-4.5 that is applicable to the charter school. The reduction must become effective at the beginning of the month following the month of the authorizer's hearing before the state board.

(C) Prohibit or limit the enrollment of new students in the charter school.

(D) Cancel the charter between the authorizer and organizer.

(E) Order the closure of the charter school at the end of the current school year.

A charter school that is closed by the state board under this section may not be granted a charter by any authorizer.

(b) In determining which action to implement under subsection (a)(2), the state board shall consider the following:

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

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

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

SECTION 6. IC 20-24-2.2-4, AS AMENDED BY P.L.250-2017, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. If any authorizer renews the charter of, fails to close, or grants a new charter to a charter school that the state board has ordered closed under section 2(d) 2.5 of this chapter, the authorizer's authority to authorize new charter schools may be suspended by the state board until such a time as the state board formally approves the authorizer to authorize new charter schools. A determination under this section to suspend an authorizer's authority to authorize new charter schools must identify the deficiencies that, if corrected, will result in the approval of the authorizer to authorize new charter schools.

SECTION 7. IC 20-24-2.2-6, AS AMENDED BY P.L.250-2017, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2019: Sec. 6. (a) If deficiencies identified under section 4 of this chapter are not corrected within two (2) years after the date the state board suspends the authorizer's authority to authorize new charter schools in a final order under section 4 of this chapter, the state board, following an affirmative vote of two-thirds (2/3) of the members, may revoke the authorizer's authority to function as an authorizer. The state board shall take all necessary steps to decommission the authorizer, including overseeing the orderly winding up of authorization activities or responsibilities, and ensuring the transfer of any charter school records or administrative fees due under IC 20-24-7-4 in the authorizer's custody.

(b) Charter schools authorized by an authorizer that has been decommissioned under subsection (a) must apply to be approved by another authorizer within one hundred fifty (150) days after the date the state board revokes the authorizer's authority to function as an authorizer, regardless of whether the state board has begun the process of winding up authorization activities of the authorizer. A charter school that is not approved under this subsection must close at the end of the charter school's current school year containing the date in which the charter school's application under this subsection is disapproved. A charter school that is closed by the state board under section 2.5 of this chapter may not be approved by another authorizer under this subsection.

SECTION 8. IC 20-24-4-1, AS AMENDED BY P.L.192-2018, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) A charter must meet the following requirements:

1. Be a written instrument.
2. Be executed by an authorizer and an organizer.
3. Confer certain rights, franchises, privileges, and obligations on a charter school.
4. Confirm the status of a charter school as a public school.
5. Subject to subdivision (6)(E) and (17), be granted for:
   A. not less than three (3) years or more than seven (7) years; and
   B. a fixed number of years agreed to by the authorizer and the organizer.
6. Provide for the following:
   A. A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in...
effect.
(B) Renewal, if the authorizer and the organizer agree to renew the charter.
(C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.
(D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:
   (i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;
   (ii) describe improvements undertaken or planned for the charter school; and
   (iii) detail the charter school's plans for the next charter term.
(E) Not later than the end of the calendar year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer. The authorizer shall make a final ruling on the renewal application not later than April 1 after the filing of the renewal application. A renewal granted under this clause is not subject to the three (3) year minimum described in subdivision (5). The April 1 deadline does not apply to any review or appeal of a final ruling. After the final ruling is issued, the charter school may obtain further review by the authorizer of the authorizer's final ruling in accordance with the terms of the charter school's charter and the protocols of the authorizer.
(7) Specify the grounds for the authorizer to:
   (A) revoke the charter before the end of the term for which the charter is granted; or
   (B) not renew a charter.
(8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:
   (A) Evidence of improvement in:
      (i) assessment measures, including the statewide assessment program measures;
      (ii) attendance rates;
      (iii) graduation rates (if appropriate);
      (iv) increased numbers of Indiana diplomas with a Core 40
10
designation and other college and career ready indicators
including advanced placement participation and passage,
dual credit participation and passage, and International
Baccalaureate participation and passage (if appropriate);
(v) increased numbers of Indiana diplomas with Core 40
with academic honors and technical honors designations (if
appropriate);
(vi) student academic growth;
(vii) financial performance and stability; and
(viii) governing board performance and stewardship,
including compliance with applicable laws, rules and
regulations, and charter terms.
(B) Evidence of progress toward reaching the educational
goals set by the organizer.

(9) Describe the method to be used to monitor the charter
school’s:
(A) compliance with applicable law; and
(B) performance in meeting targeted educational performance.

(10) Specify that the authorizer and the organizer may amend the
charter during the term of the charter by mutual consent and
describe the process for amending the charter.

(11) Describe specific operating requirements, including all the
matters set forth in the application for the charter.

(12) Specify a date when the charter school will:
(A) begin school operations; and
(B) have students attending the charter school.

(13) Specify that records of a charter school relating to the
school’s operation and charter are subject to inspection and
copying to the same extent that records of a public school are
subject to inspection and copying under IC 5-14-3.

(14) Specify that records provided by the charter school to the
department or authorizer that relate to compliance by the
organizer with the terms of the charter or applicable state or
federal laws are subject to inspection and copying in accordance
with IC 5-14-3.

(15) Specify that the charter school is subject to the requirements
of IC 5-14-1.5.

(16) This subdivision applies to a charter established or renewed
for an adult high school after June 30, 2014. The charter must
require:
(A) that the school will offer flexible scheduling;
(B) that students will not complete the majority of instruction
of the school's curriculum online or through remote
instruction;
(C) that the school will offer dual credit or industry
certification course work that aligns with career pathways as
recommended by the Indiana career council established by
IC 22-4.5-9-3; and
(D) a plan:
(i) to support successful program completion and to assist
transition of graduates to the workforce or to a
postsecondary education upon receiving a diploma from the
adult high school; and
(ii) to review individual student accomplishments and
success after a student receives a diploma from the adult
high school.

(17) This subdivision applies to a charter between an
authorizer and an organizer of a charter school granted or
renewed after June 30, 2019. The charter must require that a
charter school:
(A) comply with actions implemented by the state board
under IC 20-24-2.2-2.5; and
(B) if the state board implements closure of the charter
school under IC 20-24-2.2-2.5, the charter is revoked at the
time the charter school closes.

(b) A charter school shall set annual performance targets in
conjunction with the charter school's authorizer. The annual
performance targets shall be designed to help each school meet
applicable federal, state, and authorizer expectations.

SECTION 9. IC 20-24-5-4.5 IS ADDED TO THE INDIANA CODE
AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
1, 2019]: Sec. 4.5. (a) A virtual charter school shall establish and
implement an onboarding process and orientation for virtual
charter school students.

(b) A student who is not enrolled in a virtual charter school
before July 1, 2019, must complete the onboarding process and
orientation established by the virtual charter school under
subsection (a) before the student may enroll in the virtual charter
school. If a student does not participate in the virtual charter
school's onboarding process and orientation established under
subsection (a), the student may not enroll in the virtual charter
school.

(c) If an organizer of a virtual charter school operates more
than one (1) virtual charter school, the organizer shall, during the
onboarding process and orientation established under subsection (a), identify and make a recommendation regarding which one (1) of the virtual charter schools that the organizer operates is best suited for the student and the student should attend.

(d) An authorizer shall review and monitor whether a virtual charter school that is authorized by the authorizer complies with the requirements under this section.

SECTION 10. IC 20-24-5-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4.7. (a) This section applies to an organizer that operates more than one (1) virtual charter school.

(b) If a student enrolls in a virtual charter school, the organizer of the virtual charter school may not allow the student to transfer during the same school year to another virtual charter school that is operated by the organizer.

SECTION 11. IC 20-24-5-5, AS AMENDED BY P.L.215-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) Except as provided in subsections (b), (c), (d), (e), and (f) and sections 4.5 and 4.7 of this chapter, 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, with each timely applicant limited to one (1) entry in the drawing. However, the organizer of a charter school located in a county with a consolidated city shall determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by using a publicly verifiable random selection process.

(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;
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;

SB 567—LS 7401/DI 110
(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;

(4) allow preschool students who attend a Level 3 or Level 4 Paths to QUALITY program preschool to attend kindergarten at a charter school if the charter school and the preschool provider have entered into an agreement to share services or facilities; and

(5) allow each student who qualifies for free or reduced price lunch under the national school lunch program to receive preference for admission to a charter school if the preference is specifically provided for in the charter school's charter and is approved by the authorizer.

(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).

(e) A charter school may give enrollment preference to children of the charter school's founders, governing body members, and charter school employees, as long as the enrollment preference under this subsection is not given to more than ten percent (10%) of the charter school's total population.

(f) A charter school may not suspend or expel a charter school student or otherwise request a charter school student to transfer to another school on the basis of the following:

(1) Disability.

(2) Race.

(3) Color.

(4) Gender.

(5) National origin.

(6) Religion.

(7) Ancestry.

A charter school student may be expelled or suspended only in a manner consistent with discipline rules established under IC 20-24-5.5.

SECTION 12. IC 20-24-7-13, AS AMENDED BY P.L.191-2018, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) As used in this section; "virtual charter school" means any charter school, including a conversion charter school, in which more than fifty percent (50%) of instruction is provided in an interactive learning environment created through
technology in which students are separated from their teacher by time
or space; or both.

(b) (a) A virtual charter school may apply for authorization with any
statewide authorizer in accordance with the authorizer's guidelines.

(e) (b) For each state fiscal year, a virtual charter school is entitled
to receive funding in a month from the state in an amount equal to the
sum of:

(1) the product of:
(A) the number of students included in the virtual charter
school's current ADM; multiplied by
(B) the result of:
(i) ninety percent (90%) of the school's foundation amount
determined under IC 20-43-3-8; divided by
(ii) twelve (12); plus
(2) the total of any:
(A) special education grants under IC 20-43-7;
(B) career and technical education grants under IC 20-43-8;
(C) honor grants under IC 20-43-10; and
(D) complexity grants under IC 20-43-13;
to which the virtual charter school is entitled for the month.

For each state fiscal year, a virtual charter school is entitled to receive
special education grants under IC 20-43-7 calculated in the same
manner as special education grants are calculated for other school
corporations.

(d) (c) The state board shall adopt rules under IC 4-22-2 to govern
the operation of virtual charter schools. The rules adopted under this
subsection may include the following:

(1) Minimum requirements for the mandatory onboarding
process and orientation required under IC 20-24-5-4.5.
(2) Requirements relating to tracking and monitoring student
participation and attendance.
(3) Ongoing student engagement and counseling policy
requirements.
(4) Employee policy requirements, including professional
development requirements.
(5) Financial and data reporting requirements that are in
addition to any other financial and data reporting
requirements for virtual charter schools.
(6) Maximum student to teacher ratios.

d) (d) The department, with the approval of the state board, shall
before December 1 of each year submit an annual report to the budget
committee concerning the program under this section.
(f) Each school year, at least sixty percent (60%) of the students who are enrolled in virtual charter schools under this section for the first time must have been included in the state's fall count of ADM conducted in the previous school year.

(g) Each virtual charter school shall report annually to the department concerning the following, on a schedule determined by the department:
   (1) Classroom size.
   (2) The ratio of teachers per classroom.
   (3) The number of student-teacher meetings conducted in person or by video conference.
   (4) Any other information determined by the department.

The department shall provide this information annually to the state board of education and the legislative council in an electronic format under IC 5-14-6.

(h) A virtual charter school shall adopt a student engagement policy. A student who regularly fails to participate in courses may be withdrawn from enrollment under policies adopted by the virtual charter school. The policies adopted by the virtual charter school must ensure that:
   (1) adequate notice of the withdrawal is provided to the parent and the student; and
   (2) an opportunity is provided, before the withdrawal of the student by the virtual charter school, for the student or the parent to demonstrate that failure to participate in the course is due to an event that would be considered an excused absence under IC 20-33-2.

(i) A student who is withdrawn from enrollment for failure to participate in courses pursuant to the school's student engagement policy may not reenroll in that same virtual charter school for the school year in which the student is withdrawn.

(j) An authorizer shall review and monitor whether a virtual charter school that is authorized by the authorizer complies with the requirements described in subsection (h) or (i): subsections (g) and (h).

(j) An authorizer shall assist a virtual charter school that is authorized by the authorizer in implementing and complying with the rules adopted by the state board under subsection (c).

SECTION 13. IC 20-30-5-20, AS AMENDED BY P.L.228-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 20. (a) As used in this section, "charter school" does not include a virtual charter school, as defined in IC 20-24-7-13.

SB 567—LS 7401/DI 110
IC 20-24-1-10.

(b) As used in this section, "psychomotor skills" means skills using hands on practice to support cognitive learning.

(c) Except as provided in subsection (f), each school corporation, charter school, and accredited nonpublic school shall include in the charter school's, school corporation's, or accredited nonpublic school's high school health education curriculum instruction in cardiopulmonary resuscitation and use of an automated external defibrillator for its students. The instruction must incorporate the psychomotor skills necessary to perform cardiopulmonary resuscitation and use an automated external defibrillator and must include either of the following:

(1) An instructional program developed by the American Heart Association or the American Red Cross.

(2) An instructional program that is nationally recognized and is based on the most current national evidence based emergency cardiovascular care guidelines for cardiopulmonary resuscitation and the use of an automated external defibrillator.

(d) A school corporation, charter school, or an accredited nonpublic school may offer the instruction required in subsection (c) or may arrange for the instruction to be provided by available community based providers. The instruction is not required to be provided by a teacher. If instruction is provided by a teacher, the teacher is not required to be a certified trainer of cardiopulmonary resuscitation.

(c) This section shall not be construed to require a student to become certified in cardiopulmonary resuscitation and the use of an automated external defibrillator. However, if a school corporation, charter school, or accredited nonpublic school chooses to offer a course that results in certification being earned, the course must be taught by an instructor authorized to provide the instruction by the American Heart Association, the American Red Cross, or a similar nationally recognized association.

(f) A school administrator may waive the requirement that a student receive instruction under subsection (c) if the student has a disability or is physically unable to perform the psychomotor skill component of the instruction required under subsection (c).
COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 567, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 7, delete "instruction" and insert "instruction, other than instruction for recovery credit courses, ".

Page 2, delete lines 15 through 18, begin a new paragraph and insert:

"(b) A student who does not participate in a school corporation's virtual education program before July 1, 2019, must complete the onboarding process and orientation established by the school corporation under subsection (a) before the student may participate in the school corporation's virtual education program. If a student does not participate in the school corporation's onboarding process and orientation established under subsection (a), the student may not participate in the school corporation's virtual education program."

Page 2, delete lines 32 through 42.

Page 3, delete lines 1 through 7.

Page 7, between lines 21 and 22, begin a new line double block indented and insert:

"(C) Prohibit or limit the enrollment of new students in the charter school."

Page 7, line 22, delete "(C)" and insert "(D)".

Page 7, line 24, delete "(D)" and insert "(E)".

Page 7, delete lines 39 through 42.

Page 8, delete lines 1 through 8.

Page 9, line 13, delete ",(18)," and insert ",(17),".

Page 11, delete lines 37 through 42.

Page 12, delete lines 1 through 3.

Page 12, line 4, delete "(18)" and insert "(17)".

Page 12, line 21, delete "all".

Page 12, delete lines 22 through 27, begin a new paragraph and insert:

"(b) A student who is not enrolled in a virtual charter school before July 1, 2019, must complete the onboarding process and orientation established by the virtual charter school under subsection (a) before the student may enroll in the virtual charter school. If a student does not participate in the virtual charter school..."
school's onboarding process and orientation established under subsection (a), the student may not enroll in the virtual charter school.

(c) If an organizer of a virtual charter school operates more than one (1) virtual charter school, the organizer shall, during the onboarding process and orientation established under subsection (a), identify and make a recommendation regarding which one (1) of the virtual charter schools that the organizer operates is best suited for the student and the student should attend."

Page 12, delete lines 31 through 42, begin a new paragraph and insert:

"SECTION 10. IC 20-24-5-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4.7. (a) This section applies to an organizer that operates more than one (1) virtual charter school.

(b) If a student enrolls in a virtual charter school, the organizer of the virtual charter school may not allow the student to transfer during the same school year to another virtual charter school that is operated by the organizer.

SECTION 11. IC 20-24-5-5, AS AMENDED BY P.L.215-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) Except as provided in subsections (b), (c), (d), (e), and (f) and sections 4.5 and 4.7 of this chapter, 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, with each timely applicant limited to one (1) entry in the drawing. However, the organizer of a charter school located in a county with a consolidated city shall determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by using a publicly verifiable random selection process.

(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;
(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;
(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;
(4) allow preschool students who attend a Level 3 or Level 4 Paths to QUALITY program preschool to attend kindergarten at a charter school if the charter school and the preschool provider have entered into an agreement to share services or facilities; and
(5) allow each student who qualifies for free or reduced price lunch under the national school lunch program to receive preference for admission to a charter school if the preference is specifically provided for in the charter school's charter and is approved by the authorizer.

(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).

(e) A charter school may give enrollment preference to children of the charter school's founders, governing body members, and charter school employees, as long as the enrollment preference under this subsection is not given to more than ten percent (10%) of the charter school's total population.

(f) A charter school may not suspend or expel a charter school student or otherwise request a charter school student to transfer to another school on the basis of the following:
   (1) Disability.
   (2) Race.
   (3) Color.
   (4) Gender.
   (5) National origin.
   (6) Religion.
   (7) Ancestry.

A charter school student may be expelled or suspended only in a manner consistent with discipline rules established under IC 20-24-5.5.".

Delete pages 13 through 14.

SB 567—LS 7401/DI 110
Page 15, delete lines 1 through 34.

Page 17, between lines 33 and 34, begin a new paragraph and insert: "(j) An authorizer shall assist a virtual charter school that is authorized by the authorizer in implementing and complying with the rules adopted by the state board under subsection (c)."

Page 18, delete lines 36 through 42, begin a new paragraph and insert:

"SECTION 15. IC 20-43-1-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 33. "Virtual education program" has the meaning set forth in IC 20-19-8-1.

SECTION 16. IC 20-43-6-3, AS AMENDED BY P.L.217-2017, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) A school corporation's basic tuition support for a state fiscal year is the amount determined under the applicable provision of this section.

(b) The school corporation's basic tuition support for a state fiscal year is equal to the result of STEP FIVE in the following formula:

STEP ONE: Determine the total number of students in the school corporation's current ADM for the year who participated in the school corporation's virtual education program.

STEP TWO: Determine the result of:

(A) foundation amount multiplied by the school corporation's current ADM for the year; minus

(B) the STEP ONE amount.

STEP THREE: Determine the result of:

(A) the foundation amount; multiplied by

(B) the STEP TWO amount.

STEP FOUR: Determine the result of:

(A) the STEP ONE amount; multiplied by

(B) ninety percent (90%) of the foundation amount.

STEP FIVE: Determine the result of:

(A) the STEP THREE amount; plus

(B) the STEP FOUR amount.

(c) This subsection applies to students of a virtual charter school. A virtual charter school's basic tuition support for a state fiscal year for
those students is the amount determined under IC 20-24-7-13.". Delete page 19. Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 567 as introduced.)

RAATZ, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 567, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 16, delete lines 37 through 42.

Page 17, delete lines 1 through 29.

and when so amended that said bill do pass.

(Reference is to SB 567 as printed February 15, 2019.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 0.