



March 20, 2015

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# ENGROSSED HOUSE BILL No. 1438

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DIGEST OF HB 1438 (Updated March 18, 2015 2:05 pm - DI 116)

**Citations Affected:** IC 20-24.

**Synopsis:** Adult high schools. Provides that the department of education shall distribute funding for adult high schools to the adult high school's organizer. Provides that an adult high school may be authorized by the executive of a consolidated city.

**Effective:** Upon passage.

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## DeVon, Moed

(SENATE SPONSORS — KRUSE, YODER, RAATZ, STOOPS)

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January 14, 2015, read first time and referred to Committee on Education.  
January 20, 2015, amended, reported — Do Pass.  
January 22, 2015, read second time, ordered engrossed. Engrossed.  
January 26, 2015, read third time, passed. Yeas 96, nays 0.

SENATE ACTION

February 24, 2015, read first time and referred to Committee on Education & Career Development.  
March 19, 2015, reported favorably — Do Pass.

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EH 1438—LS 6909/DI 116





March 20, 2015

First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1438

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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 20-24-3-18.5, AS ADDED BY P.L.47-2014,  
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 18.5. (a) Notwithstanding IC 20-24-1-2.5 and  
4 except as provided in subsection (b), an adult high school as defined in  
5 IC 20-24-1-2.3 may only be authorized by the charter board **or the**  
6 **executive of a consolidated city.**

7 (b) This section does not prohibit ~~the mayor of Indianapolis~~ **an**  
8 **authorizer** from renewing a charter of an adult high school that was  
9 initially authorized by ~~the mayor of Indianapolis~~ **the authorizer** prior  
10 to July 1, 2014.

11 SECTION 2. IC 20-24-7-1, AS AMENDED BY P.L.35-2014,  
12 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 UPON PASSAGE]: Sec. 1. (a) The organizer is the fiscal agent for the  
14 charter school.

15 (b) The organizer has exclusive control of:

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1 (1) funds received by the charter school; and

2 (2) financial matters of the charter school.

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

7 (d) Notwithstanding IC 20-43, an organizer that operates more than  
8 one (1) charter school may file, before ~~July 1, 2014~~, **July 1 of each**  
9 **year**, a notice with the department that the organizer desires to receive  
10 the tuition support distributions, **and in the case of an adult high**  
11 **school (as defined in IC 20-24-1-2.3), funding provided in the state**  
12 **biennial budget for adult high schools, for the state fiscal year**  
13 **beginning July 1, 2014**, for all the charter schools the organizer  
14 operates. After the organizer's authorizer or authorizers verify to the  
15 department that the organizer operates the charter schools, the  
16 department shall distribute the tuition support, **and in the case of an**  
17 **adult high school (as defined in IC 20-24-1-2.3), funding provided**  
18 **in the state biennial budget for adult high schools**, for the verified  
19 charter schools to the organizer. The organizer may distribute the  
20 tuition support distribution it receives to each charter school it operates  
21 in the amounts determined by the organizer. However, an organizer that  
22 receives money from the state under this subsection may not use any of  
23 the money received for expenses incurred outside Indiana that are not  
24 directly related to the charter school the organizer operates in Indiana.

25 (e) Organizers receiving tuition support under this section may  
26 submit a consolidated audit in accordance with guidelines established  
27 by the state examiner and submit any required financial reporting to the  
28 department in a manner prescribed by the state examiner. The state  
29 examiner shall establish guidelines and prescribe reporting  
30 requirements for organizers under this section that are consistent with  
31 generally accepted accounting principles (GAAP) and the needs of the  
32 department.

33 SECTION 3. IC 20-24-7-2, AS AMENDED BY P.L.205-2013,  
34 SECTION 229, IS AMENDED TO READ AS FOLLOWS  
35 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Not later than each of the  
36 dates established by the department for determining ADM under  
37 IC 20-43-4-3, the organizer shall submit to the department the  
38 following information on a form prescribed by the department:

39 (1) The number of students enrolled in the charter school.

40 (2) The name and address of each student.

41 (3) The name of the school corporation in which the student has



1           legal settlement.  
2           (4) The name of the school corporation, if any, that the student  
3           attended during the immediately preceding school year.  
4           (5) The grade level in which the student will enroll in the charter  
5           school.  
6           The department shall verify the accuracy of the information reported.  
7           (b) The department shall distribute state tuition support  
8           distributions, **and in the case of an adult high school (as defined in**  
9           **IC 20-24-1-2.3), funding provided in the state biennial budget for**  
10          **adult high schools**, to the organizer. The department shall make a  
11          distribution under this subsection at the same time and in the same  
12          manner as the department makes a distribution of state tuition support  
13          under IC 20-43-2 to other school corporations.  
14          **SECTION 4. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1438, 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 2, line 8, strike " July 1, 2014," and insert "**July 1 of each year**,".

Page 2, line 12, strike "for the state fiscal year beginning July 1, 2014,".

and when so amended that said bill do pass.

(Reference is to HB 1438 as introduced.)

BEHNING

Committee Vote: yeas 12, nays 0.

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COMMITTEE REPORT

Madam President: The Senate Committee on Education & Career Development, to which was referred House Bill No. 1438, 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.

(Reference is to HB 1438 as printed January 20, 2015.)

KRUSE, Chairperson

Committee Vote: Yeas 8, Nays 0

