



**Dear ISBA Members:**

This has been a busy week with the legislature given the bill filing deadline yesterday (1/14) and the hundreds of introduced bills being released to the public. Governor Holcomb's proposed 2021-2023 biennial budget was also released this week on Wednesday. Here is the **Week #2 ISBA Legislative Update** with timely updates on these and other issues.

### **ISBA Bill Tracking List**

The ISBA 2021 Bill Tracking List is now available [HERE](#). This bill list will continue to be updated daily with new information. **There are presently more than 130 bills on the tracking list** and this count will increase into early next week.

### **Governor Holcomb's Proposed 2021-2023 State Budget**

Governor Holcomb released his proposed biennial budget on Wednesday, January 13, 2021, with a recommended tuition support increase of 2% in FY

2022 and an additional 1% increase in FY 2023. ISBA commends Governor Holcomb for his continued support of K-12 education. What he proposes is a promising start to the budget session, as just a few months ago there was anticipation of budget cuts or flat funding due the Coronavirus Recession.

Also, the Governor's proposed budget recommends investment of \$400 million of reserve funds in the Pre-1996 Teacher Retirement Fund (TRF). Cris Johnston, Office of Management and Budget Director, shared the following information to provide more insights about the pension proposal:

Governor Holcomb's proposal contemplates a one-time incremental \$400 million appropriation to pre-pay appropriations that would otherwise be paid to the TRF Pre-96 Fund from the state general fund in future years. INPRS estimates that an incremental \$400M appropriation in FY '21 would free-up approximately \$69M/year without impacting the current plan to attain 100% funded status of the TRF Pre-96 Fund in 2037. Which TRF plan is impacted by this proposal? This proposal applies to the TRF Pre-'96 defined benefit plan (for teachers hired before July 1, 1995). It does not apply to the TRF '96 defined benefit plan (for teachers hired after June 30, 1995). Employers do not contribute to the TRF Pre-'96 defined benefit plan. It is funded directly by the state.

*How is this proposal different than prior enacted legislation that provided a \$150M appropriation to the TRF-'96 Fund in 2019?*

Teachers are members of one of two pension funds. While the benefits are the same for each fund, the source of the funding for each fund is different. 2019 HEA 1001 provided a one-time incremental \$150M contribution to the TRF '96 fund. This fund covers teachers hired after June 30, 1995 and is funded from school district contributions. The 2019 \$150M contribution from the State resulted in lower contributions needed from school districts. This latest proposal impacts the other teacher fund commonly referred to as the TRF Pre-

96 Fund. This fund is a legacy fund established in 1921 and was closed to new members upon the establishment of the TRF '96 fund. The TRF pre-'96 fund receives funding directly from the state of Indiana, not school districts.

### ***KEY BILL ACTIVITY DURING WEEK #2:***

#### **Senate Bill 2 – ISBA Position: Support/Priority Bill**

Senate Education and Career Development Committee approved its first bill of the session. The panel voted unanimously 12-0 on Wednesday to approve [Senate Bill 2](#) (with amendments), a bipartisan measure authored by Senator Jeff Raatz to provide full funding for students receiving virtual education due to COVID-19. Under current law, students enrolled in virtual programs for more than 50 percent of instructional time are funded at only 85 percent. SB 2 will now be recommitted to the Senate Appropriations Committee for further deliberation. As reported last week, the House version of this bill, [HB 1003](#), passed in the Ways & Means Committee by a 24-0 vote.

#### **House Bill 1002 – ISBA Position: Support/Priority Bill**

[House Bill 1002](#) (**Civil Immunity Related to COVID-19**; Author: Representative Jerry Torr). The House Judiciary Committee heard testimony on the bill on Wednesday. No vote was taken. ISBA, as well as several other business and health organizations, testified in support of the bill. The language in this bill is broader than that in SB 1. The author indicated that he anticipates amendments to the bill will be presented next week.

#### **Senate Bill 1 – ISBA Position: Support/Priority Bill**

[Senate Bill 1](#) (**Civil Immunity Related to COVID-19**; Author: Senator Mark Messmer). Sen. Messmer presented an amendment to the original bill to provide civil immunity to manufacturers of PPE, which was accepted by the Senate Judiciary Committee. The Committee also accepted an amendment by

Senator Mike Young to exclude worker compensation claims from the immunity provisions. The amended bill passed out of the Committee by a vote of 8-3. ISBA testified in support of this bill last week expressing the need for this protection given the fact that school corporations serve the community in various roles, specifically as educators, as employers, and as community centers. Given these roles and the large number of people in school buildings and on school property at any one time, the possibility of several lawsuits alleging exposure to COVID-19 is great and defending each of them would be a strain on a school corporation's limited financial resources. While school corporations have insurance policies, there are concerns about the extent of the available coverage and what claims will be paid or not paid. In light of the numerous decisions that are made by school officials in an effort to keep everyone safe, this legislation is needed to protect school corporations.

#### **House Bill 1186 – ISBA Position: Support/Priority Bill**

[House Bill 1186](#) (**Early Graduation and ADM Counts**; Authors: Representatives Cherry, Rowray, Thompson, and Cook). The House Ways & Means Committee considered this bill that enables school corporations to count seniors who graduate after the fall semester in the spring ADM count (for full funding of these students during the school year). ISBA thanks Mr. Denny Costerison for offering testimony in support of this bill on behalf of ISBA. Other people or organizations supporting this bill included IASP, ISTA, ISRSA, and Dr. Jack Parker, Superintendent, Mt. Vernon Community School Corporation. No one testified in opposition to this bill. The bill was held and will be voted on at a later time.

#### **Senate Bill 19 – ISBA Position: Neutral**

[Senate Bill 19](#) (**Required Information on Student ID Cards**; Authors: Senators Jon Ford and Mike Crider). This bill passed out of Senate Family and Children Services by a vote of 7-2. Senators Koch and Houchin voted against

it, expressing concern about other organizations, other hotlines being mandated by the General Assembly to be on a student ID card. Senator JD Ford noted he tried to get a bill passed last year regarding sexual assault at the post-secondary level and asked the author if he would be willing to consider adding information about sexual assault to his bill (exactly the point that was being made by Sen. Koch). The author said yes. No one signed up to testify for or against the bill.

### **House Bill 1005 – ISBA Position: Oppose**

**HB 1005 (School Choice Matters)**; Authors Representatives Behning, Clere, Prescott). This bill proposes to create the Indiana Education Savings Account Program to pay for tuition at accredited non-public schools and other qualified expenses for students with disabilities, foster children, and children of military personnel. In addition, this bill will raise family income eligibility for the Indiana Choice Scholarship voucher program to 225% of income required to qualify for the national free and reduced-price meal program for the 2021-2022 school year and then 300% of income to qualify for free and reduced-price meal program in the 2022-23 school year. This bill has been assigned to the House Education Committee. ISBA will be preparing talking points and a call-to-action alert to members on this bill and will share with you as soon as possible.

### **State House Day**

Please mark your calendar for the **3rd Annual ISBA State House Day on February 9**. The 2021 session is a critical one for the future of K-12 education, and we invite your active participation in grassroots advocacy. This will be a completely virtual event via Zoom. We are asking the board legislative liaison **and** board president for every school board to attend. If either person cannot participate, please ask another representative from your school board to attend. Each school board may have two participants. This will be at no charge to attendees. Please register (no later than February 5) in Zoom by clicking this

link:

[https://us02web.zoom.us/webinar/register/WN\\_qSpulxpgS16DNvRR79X73g](https://us02web.zoom.us/webinar/register/WN_qSpulxpgS16DNvRR79X73g)

Please contact Brooke Orner at: [borner@isba-ind.org](mailto:borner@isba-ind.org) if you need any assistance with registration.

Please do commence efforts to reach out to your area legislators to (re-)introduce yourself and offer your service as a trusted resource on K-12 public education issues during the session and on an ongoing basis. Take the opportunity now to begin advocating for the [ISBA 2021 Legislative Priorities](#).

Thank you!

Sincerely,



**Terry Spradlin**

**Executive Director**

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