



Indiana School Boards Association

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Dear ISBA Members:

Here are the key developments of the eighth week of the 2019 budget session of the Indiana General Assembly pertaining to K-12 public education and school governance...

WEEK IN REVIEW

Thank you to the many school board legislative liaisons that attended the **First Annual ISBA State House Day** on Tuesday. We had a very good turnout of board members, and we were also joined during the day by approximately 25 legislators. Highlights of the day included a legislator panel with Senator Rod Bray, President Pro Tempore of the Senate; Rep. Bob Behning, Chairman of the House Education Committee; and Rep. Ed Delaney, a Democrat leader on the House Ways & Means Committee and House Education Committee. Members had an excellent chance to dialogue via a Q&A session with these leaders. In addition, ISBA was recognized for its 70th anniversary via a concurrent resolution read on the floor of the House and Senate. We thank Senator Jeff Ratz and Representative Bob Behning for authoring and sponsoring the resolution.

Regarding other matters, the committee report deadline of bills in the house of origin has now passed; and, yesterday was the second reading deadline for bills in the House of Representatives. On Monday of next week will be the third reading deadline in the House and on Tuesday in the Senate. Bills passing on, or before, the third reading deadline then move to the second chamber for further consideration.

The big news this week was the passage of HB 1001, the state budget, out of the Ways & Means Committee by a 15-6 vote. House Republicans included in their biennial budget the following priorities and elements for K-12 education:

- A total of \$611 million in “new dollars” for K-12 education over the biennium;

- Increases K-12 tuition support by \$461 million over the biennium:
 - FY '20 appropriation increased by \$150 million or 2.1% compared to FY '19;
 - FY '21 appropriation increased by \$311 million or 2.2% vs FY '20;
- The Foundation Grant amount will be \$5,442 per pupil for FY '20 and \$5,549 per pupil for FY '21. The Foundation increase will be 1.7% for the first year and 2.0% for the second year;
- Appropriates \$150 million to pay off the Post-1996 TRF unfunded liability, to then “free up” approximately \$140 million over the next biennium in Education Fund monies of school corporations (that is recommended to be spent on teacher pay raises);
- The Teacher Appreciation Grant of \$30 million each year will continue for the next two years;
- For the purposes of ADM and tuition support, moves the kindergarten cut-off date for children to turn five from August to September 1 in FY '20 and then from September 1 to October 1 in FY '21; this is a provision strongly supported by ISBA;
- Increases the Indiana Secured Schools Grant by \$5 million per year; this is a provision strongly supported by ISBA;
- Increases ELL funding in the Non-English Speaking program by \$2.6 million per year; this is a provision strongly supported by ISBA.

Now for the bad news:

- HB 1001 proposes to increase the per-student Charter and Innovation School grant for capital/operating expenses from \$500 to \$1000, a potential cost of approximately \$15 million/year;
- Increases the annual cap on the Scholarship Granting Organization (SGO) Tax Credit to \$15m in FY '20 and up to \$18m in FY '21;
- Increases the Choice Scholarship amount from 50% of tuition support to 70% of tuition support for students with a family income between 100% FRL to 125% FRL

HB 1001 Analysis:

The budget bill includes a mix of good and bad news. On the upside, the tuition support formula continues to increase from projections that were offered by politicians in December; and, the House budget exceeds Governor Holcomb’s budget request. We should thank Governor

Holcomb for moving the discussion toward reasonable tuition support numbers. The total new dollars in HB 1001 for K-12 education is \$611 million, which equates to 68% of the new money from the latest revenue forecast (when the Department of Child Services and Medicaid obligations are excluded). However, the annual increases still fall short of the current inflation rate of 2.5%. If the House Republicans would have used the monies committed to the increases for the charter school capital dollars, the SGO credit, and the Choice Scholarship voucher program, we would be very close to the much needed targeted funding amounts. We do appreciate and applaud the appropriation increases for ELL, kindergarten ADM count cut-off, and school safety.

OTHER BILLS OF SIGNIFICANCE HEARD IN COMMITTEE THIS WEEK

[HB 1629](#) – **Various Education Matters** (Rep. Behning); ISBA position: CONCERNS. The amended bill makes several changes that affect school corporations: the bill would allow school corporations to charge a fee for a search of electronic records if the search exceeds five hours; the bill would require future Core 40 college preparation curriculum models to include a requirement that each graduating senior complete a FAFSA (Free Application for Federal Student Aid) unless a principal, parent, or emancipated student provides a waiver; the bill would require schools to allow students who are suspended the opportunity to complete all school assignments missed during the period of suspension, and the bill would allow school corporations to seek reimbursement of some attorney fees in certain litigation matters. The bill passed out of the House Education Committee, 11-2, and passed on third reading in the House of Representatives yesterday, 67-33.

[HB 1397](#) – **School Corporations** (Rep. T. Cook); ISBA position: SUPPORT. The bill, as amended by the House Education Committee, would allow a school board to pass a resolution before September 15 transferring money from the operations fund to the education fund in order to increase the amount of education fund revenue available for collective bargaining purposes. The bill passed out of the House Education Committee, 13-0, and passed on third reading in the House of Representatives yesterday, 98-0.

[HB 1526](#) – **Hazing** (Rep. Austin); ISBA position: NEUTRAL. As introduced, the bill would have required school corporations to adopt and enforce anti-hazing policies. However, the bill was amended and now addresses hazing issues solely at the post-secondary level. The bill passed out of the House Education Committee, 13-0, and passed on third reading in the House of

Representatives yesterday, 85-13.

[HB 1607](#) – **Harassment and Orders of Protection** (Rep. Hatfield); ISBA position: NEUTRAL. The introduced bill would have allowed victims of bullying to seek a protective order against the alleged perpetrator of the bullying. The bill passed out of the House Judiciary Committee, 9-1. ISBA expressed its concerns to Rep. Hatfield about the potential impact of the bill on school administrators. The bill was amended on the floor of the House of Representatives by deleting all references to bullying and inserting language that would allow a victim of harassment to seek a protective order. The amended bill passed on third reading in the House of Representatives yesterday, 97-1.

FLOOR ACTION

[HB 1404](#) – **School Accountability** (Rep. Cook); ISBA position: OPPOSE. See the Week #7 Legislative Update for further description. As long as post-high school graduation metrics are included in the A-F accountability system in a potentially punitive manner, ISBA will continue to oppose the bill. This bill passed on third reading on Wednesday by a 58-38 vote. Here is the roll call of the representative voting for and against this bill: <http://www.iga.in.gov/static-documents/4/5/2/8/45284b67/HB1404.248.pdf> Please thank your area state representative who voted against this bill!

CALL-TO-ACTION ALERTS

Don't forget that ISBA has created new Legislator Contact Directories for your use to contact your area legislators. This information can be found on the ISBA Legislative Services page [HERE](#).

PLEASE CONTINUE TO CALL YOUR STATE SENATOR TO ASK FOR THEIR "NO" VOTE ON SB 246 THAT WOULD RESTRICT SCHOOL REFERENDA TO GENERAL ELECTIONS ONLY!

BILL TRACKING

The ISBA Bill Tracking List now includes 190 bills that are relevant to K-12 education, school governance, and other child-related legislation. Click [HERE](#) to view the bill tracking list.

*****Registration is now open for our next ISBA Live Legislative Update Webinar on Thursday,***

February 28, at 12 p.m. The webinar will focus on the state budget and school funding and will feature Representative Jeff Thompson, Chair of the K-12 funding subcommittee for Ways & Means, and Dr. Rob Toutkoushian, Professor at the University of Georgia who has a new study on where Indiana ranks on per-pupil spending and teacher compensation compared to other states. Go to the ISBA website at: <https://isba-ind.org> to register for the webinar.

Have a great weekend!