PROPOSED AMENDMENT

HB 1315 # 2

DIGEST

Muncie Community school corporation. Permits the Ball State University board of trustees to adopt a resolution to govern the Muncie Community school corporation using a newly appointed seven member governing board. Requires the governing body to engage academically innovative strategies. Specifies that only certain laws will apply to the Muncie Community school corporation. Specifies other conditions. Deletes provisions concerning operating the Muncie Community school corporation as a laboratory school.

1 Page 32, delete lines 9 through 42.
2 Page 33, delete lines 1 through 6, begin a new paragraph and insert:
3 "SECTION 25. IC 20-23-18 IS ADDED TO THE INDIANA CODE
4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2018]:
6
7 Chapter 18. Muncie Community School Corporation
8 Sec. 1. This chapter applies only to the Muncie Community
9 school corporation and only if the Ball State University board of
10 trustees adopts a resolution to take advantage of the relationship
11 between Ball State University and the Muncie Community school
12 corporation and to be governed by this chapter.
13
14 Sec. 2. The general assembly finds that provisions of this
15 chapter:
16 (1) are necessary to address unique issues faced by the Muncie
17 Community school corporation;
18 (2) take advantage of the relationship between Ball State
19 University and the Muncie Community school corporation; and
20 (3) are not precedent for and may not be appropriate for
21 issues faced by other school corporations.
22
23 Sec. 3. (a) Except as provided in subsection (c), the Muncie
24 Community school corporation is subject to all applicable federal
25 and state laws.
26 (b) If a provision of this chapter conflicts with any other law,
27 including IC 20-23-4, the provision in this chapter controls.
(c) Notwithstanding subsection (a), to provide all administrative
and academic flexibility to implement innovative strategies, the
Muncie Community school corporation is subject only to the
following:

1. IC 20-28-5-8 (conviction of certain felonies; notice and
   hearing; permanent revocation of license; data base of school
   employees who have been reported).
2. IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative
   observances).
4. IC 20-40 (government funds and accounts).
5. IC 20-41 (extracurricular funds and accounts).
6. IC 20-42 (fiduciary funds and accounts).
7. IC 20-42.5 (allocation of expenditures to student
   instruction and learning).
8. IC 20-43 (state tuition support).
9. IC 20-44 (property tax levies).
10. IC 20-46 (levies other than general fund levies).
11. IC 20-47 (related entities; holding companies; lease
    agreements).
12. IC 20-48 (borrowing and bonds).
13. IC 20-49 (state management of common school funds;
    state advances and loans).

Sec. 4. This chapter does not affect the distressed unit appeal
board's power to make a determination on the status of Muncie
Community school corporation as a distressed school corporation
under IC 6-1.1-20.3.

Sec. 5. (a) Consistent with IC 20-23-4-26, the Muncie
Community school corporation retains all of the characteristics of
a community school corporation.

(b) The governing body of the Muncie Community school
corporation has all the powers, rights, duties, and obligations of a
community school corporation.

Sec. 6. (a) If the Ball State University board of trustees adopts
a resolution to take advantage of the relationship between Ball
State University and the Muncie Community school corporation
and be governed by this chapter, the following apply:

1. The governing body of the Muncie Community school
corporation consists of seven (7) members.

2. The members of the governing body of the Muncie
Community school corporation shall be appointed as follows:
(A) Five (5) members shall be appointed by the Ball State University board of trustees from individuals nominated by the president of Ball State University.
(B) One (1) member shall be appointed by the Muncie city council.
(C) One (1) member shall be appointed by the mayor of Muncie.

(3) The terms for the initial members of the governing body are as follows:
(A) One (1) member appointed under subdivision (2)(A) shall serve an initial term of one (1) year.
(B) One (1) member appointed under subdivision (2)(A) shall serve an initial term of two (2) years.
(C) One (1) member appointed under subdivision (2)(A) shall serve an initial term of three (3) years.
(D) Two (2) members appointed under subdivision (2)(A) and each member appointed under subdivision (2)(B) and (2)(C) shall serve an initial term of four (4) years.

After these initial terms, each member's term is four (4) years. A member's term expires June 30 in the applicable year.

(b) A member of the governing body serves at the pleasure of the appointing authority.

Sec. 7. The Muncie Community school corporation shall engage academically innovative strategies for:
(1) developing, testing, and evaluating new methods of instruction and materials;
(2) comparing new methods with conventional methods in use; and
(3) training teachers in new methods of instruction and materials, as is found acceptable.

Sec. 8. Notwithstanding any other law, the Muncie Community school corporation may not receive a decrease in state funding based upon the Muncie Community school corporation's status as a distressed school corporation under IC 6-1.1-20.3 or because of the implementation of a waiver of a statute or rule that is allowed to be waived by the Muncie Community school corporation.

Sec. 9. Not later than June 30, 2020, the governing body of the Muncie Community school corporation shall provide to the distressed unit appeal board, the state superintendent of public
instruction, and the Indiana commissioner for higher education a 
report on the plan for the long term fiscal viability and academic 
innovation of the Muncie Community school corporation. The plan 
must include goals, metrics, and benchmarks for evaluating the 
effectiveness of the plan.

Sec. 10. (a) Not later than October 31, 2021, and by October 31 
in each subsequent year, the governing body of the Muncie 
Community school corporation shall provide a report to the 
chairperson of the distressed unit appeal board and the Indiana 
commissioner for higher education.

(b) The report required in subsection (a) must outline the 
following:

(1) Progress toward goals, metrics, and benchmarks 
concerning fiscal viability and academic innovation.

(2) Innovative methods of instruction being used in the 
Muncie Community school corporation.

(3) A comparison of the results obtained by the innovative 
methods of instruction with conventional methods of 
instruction.

(4) Any recommendations concerning the innovative methods 
of instruction and their general applicability for public 
schools.

Sec. 11. If Ball State University enters into a contract with the 
Muncie Community school corporation under this chapter in an 
amount that exceeds twenty-five thousand dollars ($25,000), the 
contract must be reviewed and approved by the distressed unit 
appeal board.

Sec. 12. (a) The president of Ball State University, the members 
of the Ball State University board of trustees, and any other officer 
or employee of Ball State University are immune from civil liability 
for actions taken by the governing body of the Muncie Community 
school corporation or any action taken under the authority of this 
chapter. This subsection does not apply to any officers or 
employees of the university insofar as they are acting as a member 
of the governing body of the school corporation.

(b) The governing body of the Muncie Community school 
corporation may provide:

(1) for the defense of persons described in subsection (a) in 
any suit arising out of the performance of the person's duties 
for, or employment with, the state educational institution, if
the governing body, by resolution, determines that the action was taken in good faith; and
(2) for protecting any person described in subsection (a) from any liability, cost, or damage in connection with the performance of the person's duties for, or employment with, the governing body, including the payment of any legal fees, except when the liability, cost, or damage is:
(A) predicated on, or arises out of, the bad faith of the person; or
(B) based on the person's malfeasance in office or employment.

Sec. 13. (a) During the period beginning July 1, 2018, and ending June 30, 2022, the distressed unit appeal board shall provide financial support to the Muncie Community school corporation in an amount at least equivalent to the amount of compensation that would have been provided to an emergency manager of the Muncie Community school corporation if the school corporation had retained the designation of a distressed political subdivision.

(b) Financial assistance granted under subsection (a) shall be provided directly to the school corporation."

Page 34, after line 17, begin a new paragraph and insert:
"SECTION 27. IC 34-30-2-84.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 84.8. IC 20-23-18-12 (Concerning Ball State University and the Muncie Community school corporation)."

Renumber all SECTIONS consecutively.

(Reference is to HB 1315 as introduced.)