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FISCAL IMPACT STATEMENT

LS 7319 | **NOTE PREPARED:** Feb 6, 2023
BILL NUMBER: SB 380 | **BILL AMENDED:** Feb 2, 2023

SUBJECT: Various Education Matters.

FIRST AUTHOR: Sen. Raatz | **BILL STATUS:** 2nd Reading - 1st House
FIRST SPONSOR:

FUNDS AFFECTED: X **GENERAL** | **IMPACT:** State & Local
DEDICATED
FEDERAL

Summary of Legislation: This bill requires each school corporation to publish on the school corporation's website the graduation rate for each high school in the school corporation. The bill amends the definition of "graduation" for purposes of the high school graduation rate determination. It amends the graduation rate calculation. It also removes a provision that provides that not more than 1% of students of a cohort may receive the alterative diploma established by the state board of education. The bill allows a school corporation to adopt a policy concerning dress code or distractive behavior.

Effective Date: July 1, 2023.

Explanation of State Expenditures: Beginning in FY 2024, this bill changes how graduation rates are calculated. The impact on state expenditures from this provision would likely be minimal. Schools that have students graduate through a waiver process may have their graduation rate decrease. Schools that graduate additional students through an alternative diploma as allowed in this bill may have their graduation rate increase. Graduation rates are included in a school's accountability grade which is considered when determining eligibility to receive the Charter and Innovation Network School Grant or Choice Scholarships.

Additional Information - Beginning in FY 2024, this bill limits the number of students who have graduated through a waiver process that are allowed to be included in the pool of graduates to 10% of the school corporation's graduating cohort. Beginning in FY 2028, the number of students who have graduated through a waiver process that are allowed to be included in the school corporation's pool of graduates is further limited to 5% of the school corporation's graduating cohort. This bill also repeals a provision that limits the number of alternative diplomas allowed to be awarded to 1% of the school's graduating cohort.

Explanation of State Revenues:

Explanation of Local Expenditures: School corporations are required under this bill to publish on their website the graduation rates for each high school in the corporation. This represents a workload increase that can be completed with existing staff and resources.

Explanation of Local Revenues: *Graduation Rate:* Charter schools may experience improvement or decline in their accountability grades as a result of this bill. If the change in their accountability grade affects their eligibility to receive the Charter and Innovation Network School Grant, revenue would increase or decrease depending on whether their accountability grade improved or declined, respectively.

State Agencies Affected:

Local Agencies Affected: Charter schools.

Information Sources:

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