

First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1498

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AN ACT to amend the Indiana Code concerning education.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 20-19-11-4, AS ADDED BY P.L.246-2023, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. This chapter expires January 1, 2026: **2027**.

SECTION 2. IC 20-31-8-1 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 1. (a) The performance of a school's students on the statewide assessment program test and other criterion referenced benchmark assessments recommended by the department and approved by the state board are the primary and majority means of assessing a school's improvement. The state board may, and is encouraged to, incorporate social studies and science as indicators for assessing school improvement.

(b) The department shall examine and make recommendations to the state board concerning:

- (1) performance indicators to be used as a secondary means of determining school progress;
- (2) expected progress levels; continuous improvement measures; distributional performance levels; and absolute performance levels for schools; and
- (3) an orderly transition from the performance based accreditation system to the assessment system set forth in this article.

(c) The department shall consider methods of measuring improvement and progress used in other states in developing

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recommendations under this section:

(d) The department may consider:

(1) the likelihood that a student may fail to meet a postsecondary readiness competency established by the state board under IC 20-32-4-1.5(c) and require a waiver under IC 20-32-4-4.1 or IC 20-32-4-5; and

(2) remedial needs of students who are likely to require remedial work while the students attend a postsecondary educational institution or workforce training program;

when making recommendations under this section:

SECTION 3. IC 20-31-8-2 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 2: (a) In addition to scores on the statewide assessment program test and other assessments, the department shall use the performance indicators developed by the state board and the benchmarks and indicators of performance in each school corporation's annual performance report as a secondary means of assessing the performance of each school and school corporation:

(b) The department shall assess school performance in the following manner:

(1) Compare the academic performance and growth of the individual students in each school and each school corporation with the prior academic performance and growth of the individual students in the school or school corporation and not to the performance of other schools or school corporations:

(2) Compare the results for a school by comparing each student's results for each grade with the student's prior year results, with an adjustment for student mobility rate:

(3) Compare the results for a school with the state average and the ninety-fifth percentile level for all assessments and performance indicators:

SECTION 4. IC 20-31-8-4, AS AMENDED BY P.L.287-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) The state board shall place each school in a category or designation of school performance once annually based on the department's findings from the assessment of performance and academic growth methodology developed under section 2 11 of this chapter.

(b) The state board may place a school in a category or designation of school performance only if:

(1) the department has provided each school the opportunity to review, add to, or supplement the data, and to correct any errors in the data; and



(2) the state board's staff has had an opportunity to review and analyze the school corporation, school, and student level data.

(c) Based on procedures adopted by the state board, a school corporation or school that focuses primarily on providing an academic program for students with developmental, intellectual, or behavioral challenges may petition the state board for review of the school corporation's or school's category or designation of school performance placement based on objective factors that the school corporation or school considers relevant because the annual assessment data does not accurately reflect, as applicable, school performance, growth, or multiple measures. Objective factors include:

- (1) significant demographic changes in the student population;
- (2) errors in data; or
- (3) other significant issues.

After considering the petition for review, the state board may direct the department to revise the category or designation assigned to the school corporation or school, including assigning a "null" or "no letter grade" category or designation to the school corporation or school. The state board may grant the "null" designation for multiple years.

(d) The state board may obtain assistance from another entity or, with the approval of the legislative council, the legislative services agency, to ensure the validity and reliability of the performance category or designation placements calculated by the department **using the methodology developed** under section 2-11 of this chapter. The department shall provide all the data necessary to complete those calculations to the legislative services agency or to an entity designated by the state board.

SECTION 5. IC 20-31-8-5.4, AS AMENDED BY P.L.93-2024, SECTION 146, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 5.4. ~~(a) Not later than November 15, 2013, the state board shall establish new categories or designations of school performance under the requirements of this chapter to replace 511 IAC 6.2-6. The new standards of assessing school performance:~~

- ~~(1) must be based on a measurement of individual student academic performance and growth to proficiency; and~~
- ~~(2) may not be based on a measurement of student performance or growth compared with peers.~~

~~511 IAC 6.2-6 is void on the effective date of the rules adopted under this section.~~

~~(b) After July 1, 2013;~~ (a) The state board shall adopt rules under IC 4-22-2 to implement this chapter.

~~(c) (b)~~ Before beginning ~~the~~ any rulemaking process to establish



new categories or designations of school improvement, the state board shall report to the general assembly the proposed new categories or designations in an electronic format under IC 5-14-6.

SECTION 6. IC 20-31-8-10, AS ADDED BY P.L.269-2019, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. (a) Except as otherwise provided in this section, if requested by a school, the department may place the school in a "null" or "no letter grade" category for purposes of this chapter for the first three (3) consecutive years of operation of the school.

(b) Subject to subsection (c), an innovation network school that reconfigures an existing school must apply to the state board, in a manner prescribed by the state board, to request to receive a "null" or "no letter grade" for the reconfigured school during the school's first three (3) consecutive years of operation by an innovation network team.

(c) In order to qualify for a "null" or "no letter grade" under subsection (b), an innovation network school must clearly demonstrate:

- (1) a significant change in educational philosophy from the existing school and that the reconfiguration of the school is not being made to avoid accountability; or
- (2) any other item that the state board finds appropriate.

The state board shall adopt rules under IC 4-22-2 to establish criteria that the state board may consider in determining whether to grant an innovation network school's request under subsection (b) and this subsection.

(d) Subject to subsection (e), if the department used student growth as the state board's exclusive means to determine an:

- (1) innovation network school's category or designation of school improvement under IC 20-25.7-4-5(d)(3) for the 2018-2019 school year; or
- (2) innovation network charter school's category or designation of school improvement under IC 20-25.7-5-2(d)(3) for the 2018-2019 school year;

the department shall, beginning with the 2019-2020 school year and unless an innovation network school or innovation network charter school requests otherwise, place the innovation network school or the innovation network charter school, whichever is applicable, in a "null" or "no letter grade" category for purposes of this chapter for not more than the number of school years determined for the innovation network school or innovation network charter school under subsection (e) consecutively. This subsection expires July 1, 2023.

(e) Each innovation network school described in subsection (d)(1) and each innovation network charter school described in subsection



(d)(2) may not be placed in a "null" or "no letter grade" category under subsection (d) for more than the number of years that equal the result of:

- (1) three (3) school years; minus
- (2) the number of school years that student growth was used as the state board's exclusive means to determine the category or designation of school improvement for the innovation network school or innovation network charter school.

~~This subsection expires July 1, 2023.~~

~~(d)~~ (d) The department shall post the proficiency and growth scores of an innovation network school, an innovation network charter school, or a school described in subsection (a) on the department's ~~Internet web~~ **website** for each year the innovation network school, innovation network charter school, or school receives a "null" or "no letter grade" under this section.

SECTION 7. IC 20-31-8-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 11. (a) Not later than December 31, 2025, the state board shall establish a new methodology for designating school performance under section 3 of this chapter. The methodology developed under this section must do the following:**

- (1) Be based on data available in the department's Internet dashboard established under section 5.5 of this chapter.
- (2) Include proficiency rates from the determinant evaluation of reading skills approved by the state board for schools that contain grade 3.
- (3) Include proficiency rates from the statewide summative assessment.
- (4) Prioritize the attainment of a diploma seal described in 511 IAC 6-7.2-8.
- (5) Consider other factors the state board considers relevant.

(b) The performance of a school's students on the statewide assessment program test and other criterion referenced benchmark assessments recommended by the department and approved by the state board are the primary means of assessing an elementary school's improvement.

(c) The state board shall adopt rules under IC 4-22-2 to implement this chapter.

(d) 511 IAC 6.2-10 shall become void on the date the rules concerning subsection (a) are adopted by the state board. At that time, the publisher of the Indiana Administrative Code and the Indiana Register shall remove this provision from the Indiana



**Administrative Code.**

SECTION 8. IC 20-31-8-11.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 11.1. (a) Not later than December 31, 2026, the state board shall place each school in a category, using an "A" through "F" scale, to designate school performance as described in section 3 of this chapter using the methodology developed under section 11 of this chapter.**

**(b) This section expires July 1, 2027.**

SECTION 9. [EFFECTIVE JULY 1, 2025] **(a) The definitions in IC 20 apply throughout this SECTION.**

**(b) Notwithstanding IC 20-31-8, as amended by this act, and 511 IAC 6.2-10, the state board shall assign to a school or school corporation a "null" or "no letter grade" for the 2024-2025 school year.**

**(c) Notwithstanding IC 20-31-8, as amended by this act, and 511 IAC 6.3-1, the state board shall assign an adult high school a "null" or "no letter grade" category for the 2024-2025 school year.**

**(d) This SECTION expires January 1, 2026.**

SECTION 10. P.L.150-2024, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: SECTION 80. **(a) The definitions in IC 20 apply throughout this SECTION.**

**(b) Not later than November 1, 2026, the department shall develop proposals to align diploma waiver statutes with new diploma requirements established by the state board under IC 20-19-2-21, as amended by this act. The proposals may include a proposal to eliminate diploma waivers.**

**(c) This SECTION expires July 1, 2027.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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