

REGULATIONS IMPOSED ON VOUCHER-ACCEPTING SCHOOLS BY INDIANA HOUSE BILL 1003

The new Indiana voucher legislation ([HB 1003](#)), which includes an expansion of the existing tax credit program and a new deduction, will greatly increase state regulation of and authority over private schools participating in the voucher program. Beyond the immediate impact, this regulatory structure and explicit, expansive grant of authority over private school curriculum and performance evaluation given to the state by this legislation makes it likely that state control over the private education sector will grow over time.

Indiana's new voucher program:

- 1) Establishes extensive and detailed new curriculum and pedagogical requirements for participating private schools, including some requirements that are not currently a part of state accreditation. It mandates intrusive and comprehensive on-site visits to confirm compliance.
- 2) Requires the state to track and evaluate private schools according to state standards, and to align consequences with their performances.
- 3) Requires private schools to comply with state or national accreditation requirements, annually administer the Indiana Statewide Testing for Progress examination (ISTEP), and submit both ISTEP and other progress and performance data to the state.
- 4) Establishes a lottery admissions requirement for over-subscribed schools that could greatly diminish their control over admissions procedures, the character of the school, and therefore constrain the diversity of options available to parents in the first place.

REGULATORY DETAILS FOR PARTICIPATING PRIVATE SCHOOLS

[Note on new regulatory burden: Currently, most of Indiana's private schools are not accredited -- over 60 percent according to state DOE data -- and would therefore be excluded from participating in the voucher and education tax credit programs (even excluding Amish schools still leaves a majority non-accredited).]

- I. **The State imposes detailed new curriculum requirements, including annual inspections for compliance, which constitute a huge increase in regulation of private schools and corresponding loss of freedom in private education.**
 - o Section 1, b-h details a long list of requirements and limitations on private schools participating in the program.
 - o Section 2, d, mandates, "at minimum," yearly on-site visits to determine compliance.
 - o These requirements, with the exception of Section 1, subsections f, 5-7, are NOT currently imposed even on accredited private schools.
(For comparison, see Indiana code, <http://www.in.gov/legislative/ic/code/title20/ar30/ch5.html>)

- II. The state must track and evaluate private schools according to state standards and align consequences with their performance.**
- According to Chapter 4, Sec. 9, schools evaluated by the state board of education and education roundtable as performing poorly would be ineligible to receive vouchers for additional students. Schools will be graded by the state on an A-F scale, with the ability to accept new voucher students tied to performance benchmarks determined by the state board of education and education roundtable and administered by the DOE. An official from the House Education Committee explained, "we're trying to align with the consequences placed on public schools, to justify giving public money to private schools."
- III. Private schools must annually administer the ISTEP examination.**
- This is a requirement in excess of the rules regarding freeway school accreditation, which is one type of accreditation offered by the state. Freeway school accreditation allows schools to administer a locally or nationally developed test *instead of* administering ISTEP (State DOE officials confirm that five schools currently use this alternative. HB 1003 would eliminate this exception.)
- IV. Private schools must submit progress and performance data to the state.**
- Eligible nonpublic schools must submit to the department "data required for a category designation under IC 20-31-8-3." According to IC 20-31-8-3, such data includes performance indicators, expected progress levels, continuous improvement measures, distributional performance levels, and distributional performance levels.
- V. If more students apply to a private school than that school has enrollment spots available, the bill would require the school to admit via lottery voucher and non-voucher students who meet the school's stated admissions requirements.** The bill's language regarding admissions requirements is vague, and officials differed in their interpretations of its effects.
- Chapter 4, Sec 3. states that eligible schools shall abide by their "written admission policy," but later states that when more students apply than there are scholarships available, schools must admit students via a random lottery, so long as they meet the "requirements for admissions." The bill is ambiguous as to how much leeway nonpublic schools would have in determining admissions--whether schools can differentiate between students who meet their minimum requirements.
 - According to the House Rep. Caucus, the point of the lottery requirement is *not* to allow private schools much discretion in admissions decisions. It is *not* to give nonpublic schools wide latitude and say "we think Student A meets our requirements better."
 - According to the House Education Committee, this section is only meant to prohibit private schools from having a separate standard of objective requirements for voucher students.
 - The State Department of Education saw nothing in the language that would force a school to accept a student. They noted that the lottery strictly applies to when scholarship applicants exceed 'choice scholarships available to the eligible school,' and that the school controls the process.
- VI. Private schools must be accredited by the state or an approved private organization.**
- The bill requires that private schools accepting voucher students be accredited "by either the state board or a national or regional accreditation agency that is recognized by the state board" (Section 6, Sec. 4.7 (4)).