

Indiana House OKs Ball State takeover of Muncie schools

Seth Slabaugh, The Star Press

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(Photo: Seth Slabaugh/The Star Press)

MUNCIE, Ind. — The Indiana House on Thursday approved a contentious bill calling for Ball State University to take over the governance of financially struggling Muncie Community Schools.

The author, Rep. Tim Brown, R-Crawfordsville, defended the proposed law against criticism from Democrats by saying the school boards in Muncie and Gary have not been good role models for children:

"We have the pattern of adults spending outside of their means, which then models for children irresponsibility. We have the pattern for adults spending outside their means and recklessly, meaning that models for children fraudulent behavior. We have patterns of adults spending outside of their means and excessively, modeling for children that there is no accountability. I think that is all wrong. I ask you to vote yes on this bill."

The bill passed 65-26 and now heads to the Senate.

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One Democrat said the legislation puts Muncie schools "up for adoption" by BSU.

State-appointed private emergency management firms currently are operating the schools in Muncie and Gary, where budget deficits are running in the neighborhood of \$12 million and \$120 million, respectively.

The bill also requires the state to analyze the financial conditions of all Indiana school corporations to identify those showing fiscal distress. Those schools could obtain technical assistance from the state.

"I hope I never have to stand up here again," Brown said of the fiscal dashboard to be developed.

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Rep. Matt Pierce, D-Bloomington, objected to the bill on grounds that it "really disrespects democracy. I can't believe we are casting aside duly elected officials chosen through a democratic process by election ... Why are we letting our voters' voices be nullified?"

Rep. Dave Wolkins, R-Warsaw, sympathized with Pierce but said if the things Brown has said about Muncie and Gary schools are true, "somebody is incompetent," speaking of school boards in those cities.

The bill allows the Ball State board of trustees and the president of the university to replace the current five-member elected school board in Muncie with a seven-member appointed board.

► **RELATED:** [Bill would remove 'distressed' label from Muncie schools, increase state funding \(/story/news/education/2018/01/30/bill-would-remove-distressed-label-muncie-schools-increase-state/1078100001/\)](/story/news/education/2018/01/30/bill-would-remove-distressed-label-muncie-schools-increase-state/1078100001/)

Rep. Kevin Mahan, R-Hartford City, rose to Ball State's defense after one Democratic lawmaker landed a blow that could be interpreted as low.

The university lost \$13.65 million during an investment scandal in 2008-10, noted Rep. Chuck Moseley, D-Portage. He said he saw no assurances in the legislation that Muncie taxpayers will be "made whole" "if history repeats itself."

Mahan called the crime "a very unfortunate, isolated incident." Much of East Central Indiana revolves around the Ball State hub, Mahan added. News that Ball State could take over Muncie schools is making superintendents of surrounding school districts "a little nervous," Mahan went on, since instead of Muncie losing students, and therefore state funding, to surrounding schools, the opposite could happen.

"A lot of us are going to be jealous," Rep. Todd Huston, R-Fishers, said of Ball State's takeover of Muncie schools.

► **SCHOOL OVERSIGHT:** [Ball State says its charter school track record irrelevant to Muncie school takeover plan \(/story/news/education/2018/01/23/ball-state-says-its-charter-school-track-record-irrelevant-muncie-school-takeover-plan/1057143001/\)](#)

Rep. Charlie Brown, D-Gary, told Republican lawmakers: "Don't point that finger at Gary. Turn that finger around." Responding to charges that Gary mismanaged its school district, Brown pleaded "guilty, guilty, guilty."

"But we're also guilty by not providing appropriate revenue to Gary and Muncie and some other schools on the border of fiscal difficulties."

Rep. Ed DeLaney, D-Indianapolis, read a list of 31 school districts that have lost 10 percent or more of their enrollment since 2012. Gary was first and Muncie sixth, right behind East Chicago. Charles A. Beard, New Castle, Indianapolis and South Bend were included on the list.

"All right folks, there's 31 red lights on (the dashboard)," Delaney said. "You vote for this bill and you're voting for what I want to call a random selective state takeover on whatever terms happen to suit us that day. ...Gary, we just gut you completely. For Muncie, we put you up for adoption. I don't know what we're going to do with the other 30 I just read."

Rep. Sue Errington, D-Muncie, told colleagues, "I hope you don't find yourself up here one day pleading for your school corporation."

► **STATE CONTROL:** [State takeover of Muncie Schools was among the biggest news in 2016 \(/story/news/education/2017/12/25/six-reasons-why-takeover-mcs-top-story-2017/968462001/\)](#)

Like Smith, she said there was plenty of blame to go around, including a state funding formula and property tax caps that "are starving our public schools" and turning them into "predators."

Tiny Union Schools in the Randolph County community of Modoc has taken 62 students away from Muncie. But not all of them travel to the next county to attend school. Union is "hooked up with a virtual charter school in Pennsylvania that is actively recruiting students from all over the state," Errington said.

Indiana is spending \$25 million on virtual schools that have only graduated 61 students, Rep. Gregory Porter, D-Indianapolis, said. "We gave \$91 million to charter schools to write off their debt. They only needed \$84 million. We put the extra dollars there just in case. Where's the love for traditional schools?"

Referring to the financial dashboard that will be created by the legislation to identify schools in distress, Rep. Phil GiaQuinta, D-Fort Wayne, said, "Charter schools, incidentally, will not be measured."

He noted that the Legislature just last year enacted a bill to place an emergency manager in charge of Muncie schools. "Now we're right back here coming up with something new," GiaQuinta said.

If the proposed legislation, House Bill 1315, becomes law, Ball State would replace an emergency manager as the governing body of Muncie schools.

Rep. Melanie Wright, D-Yorktown, who teaches school in Daleville, said something about HB 1315 has been "eating at me." None of the Democratic legislators representing Muncie was involved in drafting the legislation. It was kept secret from them until hours before Rep. Brown introduced it at a committee hearing.

The same thing happened last year when Brown introduced Senate Bill 566 to place Muncie schools under the control of an emergency manager. "That's twice," Wright said. "I don't feel comfortable voting for a bill if there are going to be other surprises that I don't know of."

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