

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6240
BILL NUMBER: HB 1170

NOTE PREPARED: Nov 17, 2025
BILL AMENDED:

SUBJECT: Teacher Compensation.

FIRST AUTHOR: Rep. Klinker
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State and Local

Summary of Legislation: This bill provides that, for each school year beginning after June 30, 2027, a school corporation shall, if the school corporation determines that the school corporation cannot establish a minimum salary of \$60,000 (instead of \$45,000 under current law) for each full-time teacher, comply with certain requirements.

Effective Date: July 1, 2026.

Explanation of State Expenditures: The bill adds a minor workload increase for the Department of Education for any school that fails to meet the \$60,000 minimum teacher minimum teacher salary required in the bill.

Explanation of State Revenues:

Explanation of Local Expenditures: Under current law, the minimum salary threshold for teachers is \$40,000 in 2025 and \$45,000 beginning in FY 2026. The bill increases the threshold beginning in FY 2028 to \$60,000. This will increase the number of school corporations required to take certain steps if they are unable to meet the minimum threshold requirement. Using data school corporations submitted to DOE with salary and position information, of the 280 school corporations that reported salary in FY 2025 LSA estimates that:

- 1) 101 school corporations had a minimum salary of at least \$45,000; and
- 2) No school corporations had a minimum salary of at least \$60,000.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: School corporations.

Information Sources: LSA Education Database.

Fiscal Analyst: Kelan Fong, 317-232-9592.