

PROPOSED AMENDMENT

HB 1176 # 12

DIGEST

School transportation costs. Requires school corporations and charter schools to notify the department of education (department) of school bus acquisition costs. Requires the department to certify information to the state comptroller. Requires the department to distribute money to school corporations for school bus acquisition and transportation related costs. Makes an appropriation.

1 Delete the title and insert the following:
2 A BILL FOR AN ACT to amend the Indiana Code concerning
3 education and to make an appropriation.
4 Page 11, between lines 3 and 4, begin a new paragraph and insert:
5 "SECTION 10. IC 20-27-15 IS ADDED TO THE INDIANA CODE
6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2026]:
8 **Chapter 15. State Payment of School Bus Acquisition Costs**
9 **Sec. 1. This chapter applies to costs incurred by school**
10 **corporations for transportation of students after December 31,**
11 **2027.**
12 **Sec. 2. Notwithstanding any other law, the state shall provide**
13 **school corporations with the necessary funds to pay costs incurred**
14 **by school corporations for transportation of students after**
15 **December 31, 2027, as provided under this chapter.**
16 **Sec. 3. (a) Except as provided in section 4 of this chapter,**
17 **beginning January 1, 2028, not later than the 10th day of each**
18 **month, each school corporation shall provide written notice to the**
19 **department of the total amount owed in the ensuing month for**
20 **costs related to school buses, including payment of any debt service**
21 **related to the acquisition or maintenance of school buses.**
22 **(b) In the case of a school corporation that does not own or**
23 **replace school buses, the school corporation shall, not later than**
24 **January 15, 2028, and not later than each January 15 thereafter,**
25 **notify the department of the school corporation's arrangements,**
26 **transportation plan, and related costs.**

1 **Sec. 4. Not later than forty-eight (48) hours after receiving the**
2 **notices described in section 3 of this chapter, the department shall**
3 **certify to the state comptroller:**

4 (1) the amounts provided under section 3(a) of this chapter;
5 and
6 (2) if the certification is being provided in January of a
7 calendar year, the number of school corporations that
8 provided the notice described in section 3(b) of this chapter.

9 **Sec. 5. Not later than three (3) business days after receiving the**
10 **notice under section 4 of this chapter, the state comptroller shall**
11 **issue a warrant to the treasurer of state ordering the distribution**
12 **from the state general fund to the department of the following**
13 **amounts:**

14 (1) The total amount for all school corporations certified
15 under section 3(a) of this chapter.
16 (2) If the notice was received in January of a calendar year,
17 two hundred fifty thousand dollars (\$250,000) for each school
18 corporation that provided the notice described in section 3(b)
19 of this chapter.

20 **Sec. 6. The department shall distribute to each school**
21 **corporation from the amounts received from the state comptroller:**

22 (1) not later than the 25th of each month in the case of a
23 school corporation that submitted a notice described in
24 section 3(a) of this chapter, the amount owed by the school
25 corporation in the ensuing month for school bus related costs;
26 and
27 (2) not later than January 25 of each year in the case of a
28 school corporation described in section 3(b) of this chapter,
29 two hundred fifty thousand dollars (\$250,000) to be used for
30 transportation related expenses.

31 **Sec. 7. There is appropriated from the state general fund in the**
32 **state fiscal year beginning July 1, 2027, and ending June 30, 2028,**
33 **and in each state fiscal year thereafter, a sufficient amount to carry**
34 **out the provisions of this chapter."**

35 Renumber all SECTIONS consecutively.

(Reference is to HB 1176 as printed January 8, 2026.)