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# HOUSE BILL No. 1176

AM117612 has been incorporated into January 8, 2026 printing.

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**Synopsis:** Education matters.

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HB 1176—LS 6675/DI 110



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January 8, 2026

Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

## HOUSE BILL No. 1176

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A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

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

1 SECTION 1. IC 4-29.5-18-1, AS ADDED BY P.L.171-2021,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2027]: Sec. 1. For so long as the Band makes payments in  
4 accordance with IC 4-29.5-17, the Band shall allocate a portion of the  
5 annual payment to provide funding for public **or private** postsecondary  
6 and vocational education for Band citizens (the "Pokagon Indiana  
7 Education Fund").

8 SECTION 2. IC 4-29.5-18-2, AS ADDED BY P.L.171-2021,  
9 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 JULY 1, 2027]: Sec. 2. The Pokagon Indiana Education Fund shall be  
11 used solely to make payments directly to Indiana public **or private**  
12 institutions of higher learning or workforce development and training  
13 programs approved by the Indiana Department of Workforce  
14 Development for eligible Band citizens for direct costs and expenses,  
15 such as tuition, on-campus room and board, and other direct education  
16 expenses. To be eligible, a Band citizen must (i) be enrolled in the  
17 Band prior to benefitting from any payment, and (ii) meet the education

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1 or workforce provider admission requirements. Priority shall be given  
2 to Band citizens who are legal residents of the State of Indiana as of the  
3 date of their application for benefits.

4 SECTION 3. IC 6-1.1-17-3.1, AS AMENDED BY P.L.136-2024,  
5 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
6 JULY 1, 2026]: Sec. 3.1. (a) This section:

7 (1) applies only to an operating referendum tax levy under  
8 IC 20-46-1 approved by the voters before January 1, 2023, that  
9 is imposed by a school corporation for taxes first due and  
10 payable in 2024 and 2025;

11 (2) does not apply to an operating referendum tax levy under  
12 IC 20-46-1:

13 (A) approved by the voters during a time that the school  
14 corporation imposing the levy was designated as a  
15 distressed political subdivision; or

16 (B) approved by the voters after December 31, 2022, and  
17 before January 1, 2025, that is imposed by a school  
18 corporation for taxes first due and payable in 2024 or 2025;  
19 and

20 (3) does not apply to any other tax year.

21 (b) As used in this section, "ADM" refers to the school  
22 corporation's average daily membership used to determine the state  
23 tuition support distribution under IC 20-43. In the case of a school  
24 corporation that has entered into an agreement with one (1) or more  
25 charter schools to participate as an innovation network charter school  
26 under IC 20-25.7-5, the term includes the average daily membership of  
27 **students described in IC 20-25.7-5-2(b)(2)** of any innovation network  
28 charter school that is treated as a school operated by the school  
29 corporation **with regard to students described in**  
30 **IC 20-25.7-5-2(b)(2)** when calculating the total amount of state tuition  
31 support to be distributed to the school corporation.

32 (c) Notwithstanding any increase in the assessed value of property  
33 from the previous assessment date, for taxes first due and payable in  
34 2024, the total amount of operating referendum tax that may be levied  
35 by a school corporation may not exceed the lesser of:

36 (1) the maximum operating referendum tax that could have been  
37 levied by the school corporation if the maximum referendum rate  
38 was imposed for taxes first due and payable in 2023 multiplied  
39 by one and three-hundredths (1.03); or

40 (2) the maximum operating referendum tax that could otherwise  
41 be levied by the school corporation for taxes first due and  
42 payable in 2024.

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1       The tax rate for an operating referendum tax levy shall be decreased,  
2       if necessary, to comply with this limitation.

3           (d) Notwithstanding any increase in the assessed value of property  
4       from the previous assessment date, for taxes first due and payable in  
5       2025, the total amount of operating referendum tax that may be levied  
6       by a school corporation may not exceed the lesser of the following:

7           (1) The maximum operating referendum tax that could have  
8       been levied by the school corporation if the maximum  
9       referendum rate was imposed for taxes first due and payable in  
10      the immediately preceding calendar year, as adjusted by this  
11      section, multiplied by the result determined under STEP SEVEN  
12      of the following formula:

13           STEP ONE: Subtract:

14           (i) the school corporation's spring count of ADM made  
15       in the calendar year preceding by five (5) years the  
16       calendar year in which the property taxes are first due  
17       and payable; from

18           (ii) the school corporation's spring count of ADM  
19       made in the immediately preceding calendar year.

20           STEP TWO: Divide the STEP ONE result by four (4).

21           STEP THREE: Divide the STEP TWO result by the school  
22       corporation's spring count of ADM made in the calendar  
23       year preceding by five (5) years the calendar year in which  
24       the property taxes are first due and payable.

25           STEP FOUR: Multiply the STEP THREE amount by one  
26       and five-tenths (1.5).

27           STEP FIVE: Add the STEP FOUR result and one and  
28       six-hundredths (1.06).

29           STEP SIX: Determine the greater of the STEP FIVE result  
30       or one and six-hundredths (1.06).

31           STEP SEVEN: Determine the lesser of the STEP SIX result  
32       or one and twelve-hundredths (1.12).

33           (2) The maximum operating referendum tax that could otherwise  
34       be levied by the school corporation for taxes first due and  
35       payable in the current calendar year.

36       The tax rate for an operating referendum tax levy shall be decreased,  
37       if necessary, to comply with this limitation.

38           (e) The department of education shall provide to the department  
39       of local government finance each school corporation's applicable ADM  
40       counts as needed to make the determinations under this section.

41           SECTION 4. IC 20-24-11-5 IS ADDED TO THE INDIANA  
42       CODE AS A NEW SECTION TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) An existing public  
2 elementary or secondary school may be converted into a charter  
3 school if the governing body of the school corporation:  
4 (1) votes to convert the school within the school corporation;  
5 and  
6 (2) submits to an authorizer a proposal described in  
7 IC 20-24-3-4 to convert the school within the school  
8 corporation to a charter school.  
9 (b) The governing body of the school corporation described in  
10 subsection (a) may not serve as the authorizer of the charter school  
11 converted in accordance with this section.  
12 (c) The organizer of a conversion charter school described in  
13 this section may be:  
14 (1) the school corporation; or  
15 (2) a nonprofit corporation that:  
16 (A) is established by the school corporation;  
17 (B) is incorporated or registered in Indiana;  
18 (C) has been recognized by the Internal Revenue Service  
19 to be tax exempt and maintains such tax exempt status;  
20 and  
21 (D) has an independent board whose members have  
22 been elected or selected under the organizer's  
23 application and that has entered into a contract under  
24 this article to operate a charter school.  
25 (d) The governing body of a school corporation may convert  
26 more than one (1) existing public elementary or secondary school  
27 within the school corporation under this section. The school  
28 corporation or an organizer that is a nonprofit corporation  
29 established by the school corporation under subsection (c)(2) may:  
30 (1) submit a separate proposal for each school to an  
31 authorizer; or  
32 (2) with the approval of the authorizer, operate two (2) or  
33 more schools under a single charter, provided that each  
34 school site:  
35 (A) is identified in the charter application and charter;  
36 and  
37 (B) is subject to the performance conditions,  
38 accountability measures, and renewal determinations  
39 established in the charter.  
40 (e) A conversion charter school described in this section shall  
41 comply with the following:  
42 (1) All legal requirements described in section 1(d) of this

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## chapter.

**(2) Except as provided in this section, all requirements for charter schools under this article.**

SECTION 5. IC 20-25.7-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 1.5. A board may not at the same time both:**

**(1) be an authorizer of a charter school; and**

**(2) enter into or have an agreement under this chapter with the charter school.**

SECTION 6. IC 20-25.7-5-2, AS AMENDED BY P.L.213-2025, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) The A board may enter into an agreement with an organizer to:

(1) reconstitute an eligible school as a participating innovation network charter school; or to

**(2) establish a participating innovation network charter school at a location:**

(A) selected by the board; within the boundary of the school corporation; or

(B) within the geographic boundaries of any school corporation with which the organizer enters into an agreement under this chapter.

Notwithstanding IC 20-26-7.1, a participating innovation network charter school may be established within a vacant school building.

(b) The terms of the agreement entered into between the a board of a school corporation and an organizer must specify the following:

(1) A statement that the organizer authorizes the department to include the charter school's performance assessment results under **IC 20-31-8 for students who reside within the geographic boundaries of the school corporation** when calculating the school corporation's performance assessment under rules adopted by the state board.

(2) Subject to an administrative fee as described in subsection (g), a statement that the school corporation will distribute at least one hundred percent (100%) of state tuition support dollars that the school corporation receives ~~from student enrollment for students who:~~

**(A) reside within the geographic boundaries of the school corporation; and**

**(B) are enrolled in the participating innovation network charter school;**

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1                   in accordance with the school funding formula to the  
2                   participating innovation network charter school (if the  
3                   participating innovation network charter school is, **with regard**  
4                   **to students described in this subsection**, treated in the same  
5                   manner as a school operated by the school corporation under  
6                   subsection (d)(2)).

7 (3) The performance goals and accountability metrics agreed  
8 upon for the charter school in the charter agreement between the  
9 organizer and the authorizer and a statement that the school  
10 corporation is prohibited from setting additional performance  
11 goals or accountability metrics.

12 (4) For an agreement entered into or renewed after June 30,  
13 2023, the process the board is required to follow in determining  
14 whether to renew the agreement.

15 (5) The amount of money levied as property taxes that will be  
16 distributed by the school corporation to the organizer.

21 (7) A statement that the innovation agreement shall not create an  
22 obligation that would cause the organizer to be in violation of its  
23 charter agreement (as described in IC 20-24-1-3).

24 (c) If an organizer and the a board enter into an agreement under  
25 subsection (a), the organizer and the board shall notify the department  
26 that the agreement has been made under this section within thirty (30)  
27 days after the agreement is entered into.

(d) Upon receipt of the notification under subsection (c), for school years starting after the date of the agreement:

30 (1) the department shall include the participating innovation  
31 network charter school's performance assessment results under  
32 **IC 20-31-8 for students who reside within the geographic**  
33 **boundaries of the school corporation** when calculating the  
34 school corporation's performance assessment under rules  
35 adopted by the state board:

36 (2) the department shall:

(A) treat the participating innovation network charter school in the same manner as a school operated by the school corporation **with regard to students residing within the geographic boundaries of the school corporation** when calculating the total amount of state funding to be distributed to the school corporation unless subsection (e)

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applies; and

**(B) in determining the school corporation's enrollment, include only eligible pupils enrolled in the participating innovation network charter school who reside within the geographic boundaries of the school corporation.**

(3) if requested by a participating innovation network charter school that reconstitutes an eligible school, the department may use student growth as the state board's exclusive means to determine the innovation network charter school's category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years: Beginning with the 2019-2020 school year, the department may not use student growth as the state board's exclusive means to determine an innovation network charter school's category or designation of school improvement. This subdivision expires July 1, 2022.

This subdivision expires July 1, 2023.

(e) If a participating innovation network school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school shall be treated as a charter school for purposes of determining tuition support. This subsection expires June 30, 2027.

(f) If the board or organizer fails to follow the process described in subsection (b)(4), the board or organizer may appeal to the state board. The state board shall hear the appeal in a public meeting and ensure that the board or organizer follows the renewal process specified in the agreement. The board may not terminate an agreement until the board has provided evidence to the state board that the board has complied with the renewal process specified in the agreement. The state board shall issue a decision on an appeal under this subsection not later than sixty (60) days after the date the board or organizer submitted the appeal to the state board.

(g) If an administrative fee is included in an agreement entered into or renewed **under this chapter** after June 30, 2023, 2026, under this section, the fee may not exceed one percent (1%) of the total amount of state tuition support that is distributed to the school corporation based on the participating innovation network charter school's student enrollment. Each school corporation with which an organizer of a participating innovation network charter school has entered into an agreement may assess an administrative fee of not more than one percent (1%) of the tuition support dollars that the school corporation receives for students who:

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1                   **(1) reside within the geographic boundaries of the school**  
2                   **corporation; and**

3                   **(2) are enrolled in the participating innovation network**  
4                   **charter school.**

5                   (h) An agreement entered into between the board and an organizer  
6                   under this section may not be altered without written approval from the  
7                   organizer.

8                   SECTION 7. IC 20-25.7-5-2.5 IS ADDED TO THE INDIANA  
9                   CODE AS A NEW SECTION TO READ AS FOLLOWS  
10                   [EFFECTIVE JULY 1, 2026]: Sec. 2.5. **In addition to any state**  
11                   **tuition support dollars a participating innovation network charter**  
12                   **school receives from a school corporation under this chapter, the**  
13                   **department shall treat the participating innovation network**  
14                   **charter school as a charter school when calculating the tuition**  
15                   **support to be distributed to the innovation network charter school**  
16                   **for students of the innovation network charter school who do not**  
17                   **reside within the geographic boundaries of a school corporation**  
18                   **with which the innovation network charter school has an**  
19                   **agreement under this chapter.**

20                   SECTION 8. IC 20-25.7-5-5, AS AMENDED BY P.L.220-2021,  
21                   SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
22                   JULY 1, 2026]: Sec. 5. (a) IC 20-24-5-5 (with the exception of  
23                   IC 20-24-5-5(g)) does not apply to a participating innovation network  
24                   charter school that enters into an agreement with the board to  
25                   reconstitute or establish an eligible school.

26                   (b) Except as provided in subsections (c) and (d), a participating  
27                   innovation network charter school must enroll any eligible student who  
28                   submits a timely application for enrollment.

29                   (c) A participating innovation network charter school that  
30                   reconstitutes or establishes an eligible school may limit new  
31                   admissions to the participating innovation network charter school to:

32                   (1) ensure that any student with legal settlement in the  
33                   attendance area, or in the school corporation any school  
34                   corporation with which the participating innovation network  
35                   charter school has entered into an agreement under this  
36                   chapter if the school does not have a defined attendance area,  
37                   may attend the charter school;

38                   (2) ensure that a student who attends the participating innovation  
39                   network charter school during a school year may continue to  
40                   attend the charter school in subsequent years;

41                   (3) allow the siblings of a student alumnus or a current student  
42                   who attends the participating innovation network charter school

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1 to attend the charter school;

2 (4) allow preschool students who attend a Level 3 or Level 4

3 Paths to QUALITY program preschool to attend kindergarten at

4 the participating innovation network charter school if the

5 participating innovation network charter school and the school

6 corporation or preschool provider have entered into an

7 agreement to share services or facilities;

8 (5) allow each student who qualifies for free or reduced price

9 lunch under the national school lunch program to receive

10 preference for admission to the participating innovation network

11 charter school if the preference is specifically provided for in the

12 charter and is approved by the authorizer; and

13 (6) allow each student who attended a turnaround academy or

14 attends a school that is located in the same school building as the

15 participating innovation network charter school to receive

16 preference for admission to the participating innovation network

17 charter school if the preference is specifically provided for in the

18 participating innovation network charter school's charter and is

19 approved by the authorizer of the participating innovation

20 network charter school.

21 (d) A participating innovation network charter school with a

22 curriculum that includes study in a foreign country may deny admission

23 to a student if:

24 (1) the student:

25 (A) has completed fewer than twenty-two (22) academic

26 credits required for graduation; and

27 (B) will be in the grade 11 cohort during the school year in

28 which the student seeks to enroll in the participating

29 innovation network charter school; or

30 (2) the student has been suspended (as defined in IC 20-33-8-7)

31 or expelled (as defined in IC 20-33-8-3) during the twelve (12)

32 months immediately preceding the student's application for

33 enrollment for:

34 (A) ten (10) or more school days;

35 (B) a violation under IC 20-33-8-16;

36 (C) causing physical injury to a student, a school employee,

37 or a visitor to the school; or

38 (D) a violation of a school corporation's drug or alcohol

39 rules.

40 For purposes of subdivision (2)(A), student discipline received under

41 IC 20-33-8-25(b)(7) for a violation described in subdivision (2)(B)

42 through (2)(D) must be included in the calculation of the number of



1 school days that a student has been suspended.

2 (e) A participating innovation network charter school may give  
 3 enrollment preferences to children of the participating innovation  
 4 network charter school's founders, governing board members, and  
 5 participating innovation network charter school employees, as long as  
 6 the enrollment preference under this subsection is not given to more  
 7 than ten percent (10%) of the participating innovation charter school's  
 8 total population and there is sufficient capacity for a program, class,  
 9 grade level, or building to ensure that any student with legal settlement  
 10 in the attendance area may attend the school.

11 (f) This subsection applies to an existing charter school that enters  
 12 into an innovation network agreement with the a board. During the  
 13 charter school's first year of operation as a participating innovation  
 14 network charter school, the charter school may limit admission to:

15 (1) those students who were enrolled in the charter school on the  
 16 date it entered into the innovation network agreement; and  
 17 (2) siblings of students described in subdivision (1).

18 (g) This subsection applies if the number of applications for a  
 19 program, class, grade level, or building exceeds the capacity of the  
 20 program, class, grade level, or building. If a participating innovation  
 21 network charter school receives a greater number of applications than  
 22 there are spaces for students, each timely applicant must be given an  
 23 equal chance of admission. The participating innovation network  
 24 charter school that is not in a county containing a consolidated city  
 25 must determine which of the applicants will be admitted to the  
 26 participating innovation network charter school or the program, class,  
 27 grade level, or building by random drawing in a public meeting with  
 28 each timely applicant limited to one (1) entry in the drawing. However,  
 29 the participating innovation network charter school located in a county  
 30 with a consolidated city shall determine which of the applicants will be  
 31 admitted to the participating innovation network charter school or the  
 32 program, class, grade level, or building by using a publicly verifiable  
 33 random selection process.

34 SECTION 9. IC 20-25.7-5-6, AS ADDED BY P.L.162-2024,  
 35 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2026]: Sec. 6. (a) Subject to an administrative fee as described  
 37 in section 2(g) of this chapter, a school corporation that enters into an  
 38 agreement with an organizer under this chapter shall distribute at least  
 39 one hundred percent (100%) of state tuition support dollars that the  
 40 school corporation receives from student enrollment students who:

41 (1) **reside in the geographic boundaries of the school**  
 42 **corporation; and**

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1                   **(2) are enrolled** in the participating innovation network charter  
 2                   school;  
 3                   in accordance with the school funding formula to the participating  
 4                   innovation network charter school.

5                   (b) Unless an agreement entered into before July 1, 2024, between  
 6                   a board and an organizer provides otherwise, all participating  
 7                   innovation network charter schools operating under existing  
 8                   agreements with boards as of July 1, 2024, will receive funds as  
 9                   required under subsection (a).

10                  SECTION 10. IC 20-27-15 IS ADDED TO THE INDIANA CODE  
 11                  AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 12                  JULY 1, 2026]:

13                  **Chapter 15. State Payment of School Bus Acquisition Costs**  
 14                  Sec. 1. This chapter applies to costs incurred by school  
 15                  corporations for transportation of students after December 31,  
 16                  2027.

17                  Sec. 2. Notwithstanding any other law, the state shall provide  
 18                  school corporations with the necessary funds to pay costs incurred  
 19                  by school corporations for transportation of students after  
 20                  December 31, 2027, as provided under this chapter.

21                  Sec. 3. (a) Except as provided in section 4 of this chapter,  
 22                  beginning January 1, 2028, not later than the 10th day of each  
 23                  month, each school corporation shall provide written notice to the  
 24                  department of the total amount owed in the ensuing month for  
 25                  costs related to school buses, including payment of any debt service  
 26                  related to the acquisition or maintenance of school buses.

27                  (b) In the case of a school corporation that does not own or  
 28                  replace school buses, the school corporation shall, not later than  
 29                  January 15, 2028, and not later than each January 15 thereafter,  
 30                  notify the department of the school corporation's arrangements,  
 31                  transportation plan, and related costs.

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

35                  (1) the amounts provided under section 3(a) of this chapter;  
 36                  and  
 37                  (2) if the certification is being provided in January of a  
 38                  calendar year, the number of school corporations that  
 39                  provided the notice described in section 3(b) of this chapter.

40                  Sec. 5. Not later than three (3) business days after receiving the  
 41                  notice under section 4 of this chapter, the state comptroller shall  
 42                  issue a warrant to the treasurer of state ordering the distribution



1       **from the state general fund to the department of the following**  
 2       **amounts:**

3       **(1) The total amount for all school corporations certified**  
 4       **under section 3(a) of this chapter.**

5       **(2) If the notice was received in January of a calendar year,**  
 6       **two hundred fifty thousand dollars (\$250,000) for each**  
 7       **school corporation that provided the notice described in**  
 8       **section 3(b) of this chapter.**

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

11      **(1) not later than the 25th of each month in the case of a**  
 12      **school corporation that submitted a notice described in**  
 13      **section 3(a) of this chapter, the amount owed by the school**  
 14      **corporation in the ensuing month for school bus related**  
 15      **costs; and**

16      **(2) not later than January 25 of each year in the case of a**  
 17      **school corporation described in section 3(b) of this chapter,**  
 18      **two hundred fifty thousand dollars (\$250,000) to be used for**  
 19      **transportation related expenses.**

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

24      SECTION 11. IC 20-32-6.5-3, AS ADDED BY P.L.180-2025,  
 25      SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26      JULY 1, 2026]: Sec. 3. (a) Beginning with the 2026-2027 school year,  
 27      if a school determines that a student in kindergarten through grade 8 is  
 28      at risk of not achieving grade level proficiency in mathematics as  
 29      determined by an analysis of the student's data from:

30      **(1) a grade level screener approved by the department; or**  
 31      **(2) a through-year statewide assessment;**

32      **the school must provide intervention that meets the requirements under**  
 33      **subsection (b).**

34      (b) A school shall provide intervention to a student described in  
 35      **subsection (a) that meets the following conditions:**

36      **(1) The intervention includes a multilevel system of support that**  
 37      **progresses from less to more intensive support based on the**  
 38      **student's individual needs.**

39      **(2) The intervention is aligned to daily Tier I instruction and**  
 40      **standard level learning progressions.**

41      **(3) The intervention is:**  
 42      **(A) targeted;**

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- (B) differentiated; and
- (C) supplemental to Tier I instruction

#### (4) The intervention:

(A) is aligned with evidence based instructional strategies to promote conceptual understanding, procedural fluency, and real world problem solving; and

(B) allows a student opportunities to interact, show progress, and demonstrate understanding through rigorous grade level content.

10 (5) The intervention includes continual assessment and in depth  
11 analysis of each student's data to inform the flexible movement  
12 in and out of Tiers II and III.

- (1) Specific information about how the student is performing.
- (2) Information about the intervention the student will receive from the school.

(3) A list or description of any recommended resources available for use at home to support the student's academic growth in mathematics.

23 (c) (d) The department shall provide guidance on the multitiered  
24 system that a school is required to provide under subsection (b).

SECTION 12. IC 20-43-13-4, AS AMENDED BY P.L.213-2025, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Except as provided in subsections (c) and (d), the complexity index is the percentage of the school corporation's students who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:

(1) 2025; or

(2) the first year of operation of the school corporation.

35 (b) For a conversion charter school, the percentage determined  
36 under this section is the percentage of the sponsor school corporation.

37 (c) Except as provided in subsection (d), the complexity index for  
38 a school corporation that has entered into an agreement with one (1) or  
39 more charter schools to participate as an innovation network charter  
40 school under IC 20-25.7-5 for a state fiscal year is equal to the result  
41 using the following formula:

### STEP ONE: Determine:

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5 STEP TWO: Determine the number of students in the school  
6 corporation who were receiving Supplemental Nutrition  
7 Assistance Program (SNAP) benefits, Temporary Assistance for  
8 Needy Families (TANF) benefits, or foster care services as of  
9 October 1 in the school year ending in 2025, not including  
10 students enrolled in each participating innovation network  
11 charter school.

12 STEP THREE: Divide the result of STEP TWO by the result of  
13 STEP ONE.

17 STEP FIVE: Determine the number of students **described in**  
18 **IC 20-25.7-5-2(b)(2)** in each participating innovation network  
19 charter school who were receiving Supplemental Nutrition  
20 Assistance Program (SNAP) benefits, Temporary Assistance for  
21 Needy Families (TANF) benefits, or foster care services as of  
22 October 1 in the school year ending in the later of:

23 (A) 2025; or  
24 (B) the first year of operation of the participating innovation  
25 network charter school.

26                   STEP SIX: Divide the result of STEP FIVE by the result of  
27                   STEP FOUR.

28 STEP SEVEN: For each participating innovation network charter  
29 school, determine the greater of:

30 (A) the result of STEP THREE; or  
31 (B) the result of STEP SIX.

32 STEP EIGHT: For each participating innovation network charter  
33 school, multiply the result of STEP SEVEN by the result of  
34 STEP FOUR.

35 STEP NINE: Determine the sum of:

36 (A) the result of STEP TWO; plus

37 (B) the results of STEP EIGHT, for each participating  
38 innovation network charter school.

### STEP TEN: Determine the sum of:

40 (A) the result of STEP ONE: plus

41 (B) the results of STEP FOUR for each participating  
42 innovation network charter school.

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1                   STEP ELEVEN: Divide the STEP NINE result by the STEP  
 2                   TEN result.

3                   (d) If the complexity index of a participating innovation network  
 4                   charter school that was established before January 1, 2016, is, for the  
 5                   current school year, greater than the complexity index for the school  
 6                   corporation with which the innovation network charter school has  
 7                   contracted, the complexity index of the participating innovation  
 8                   network charter school is determined as described in IC 20-25.7-5-2(e).

9                   SECTION 13. IC 20-51-1-5, AS AMENDED BY P.L.162-2024,  
 10                  SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11                  JULY 1, 2026]: Sec. 5. "Eligible student" refers to an individual who:

12                  (1) has legal settlement in Indiana;  
 13                  (2) is at least four (4) years of age and less than twenty-two (22)  
 14                  years of age on October 1 of the applicable school year; **and**  
 15                  (3) either has been or is currently enrolled in a participating  
 16                  school. **and**  
 17                  (4) ~~is a member of a household with an annual income of not  
 18                  more than four hundred percent (400%) of the amount required  
 19                  for the individual to qualify for the federal free or reduced price  
 20                  lunch program.~~

21                  SECTION 14. IC 20-51.4-4-1, AS AMENDED BY P.L.213-2025,  
 22                  SECTION 211, IS AMENDED TO READ AS FOLLOWS  
 23                  [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) After June 30, 2022, a parent  
 24                  of an eligible student or an emancipated eligible student may establish  
 25                  an Indiana education scholarship account for the eligible student by  
 26                  entering into a written agreement with the department on a form  
 27                  prepared by the department. The department shall establish a date by  
 28                  which an application to establish an ESA account for the upcoming  
 29                  school year must be submitted. However, for a school year beginning  
 30                  after July 1, 2022, applications must be submitted for an eligible  
 31                  student not later than September 1 for the immediately following  
 32                  school year. The ESA account of an eligible student shall be made in  
 33                  the name of the eligible student. The department shall make the  
 34                  agreement available on the website of the department. To be eligible,  
 35                  a parent of an eligible student or an emancipated eligible student  
 36                  wishing to participate in the ESA program must agree that:

37                  (1) subject to subsection (i), a grant deposited in the eligible  
 38                  student's ESA account under section 2 of this chapter and any  
 39                  interest that may accrue in the ESA account will be used only for  
 40                  the eligible student's ESA qualified expenses;  
 41                  (2) if the eligible student participates in the CSA program, a  
 42                  grant deposited in the eligible student's ESA account under

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1           IC 20-51.4-4.5-3 and any interest that may accrue in the ESA  
2           account will be used only for the eligible student's ESA qualified  
3           expenses;  
4           (3) money in the ESA account when the ESA account is  
5           terminated ~~reverts~~ **does not revert** to the state general fund **and**  
6           **remains available to provide grants to eligible students under**  
7           **this chapter;**  
8           (4) the parent of the eligible student or the emancipated eligible  
9           student will use part of the money in the ESA account:  
10           (A) for the eligible student's study in the subject of reading,  
11           grammar, mathematics, social studies, or science; or  
12           (B) for use in accordance with the eligible student's:  
13            (i) individualized education program;  
14            (ii) service plan developed under 511 IAC 7-34;  
15            (iii) choice special education plan developed under 511  
16            IAC 7-49; or  
17            (iv) plan developed under Section 504 of the federal  
18            Rehabilitation Act of 1973, 29 U.S.C. 794;  
19           (5) the eligible student will not be enrolled in a school that  
20           receives tuition support under IC 20-43; and  
21           (6) the eligible student will take the statewide summative  
22           assessment, as applicable based on the eligible student's grade  
23           level, as provided under IC 20-32-5.1, or the assessment  
24           specified in the eligible student's:  
25            (A) individualized education program developed under  
26            IC 20-35;  
27            (B) service plan developed under 511 IAC 7-34;  
28            (C) choice special education plan developed under 511  
29            IAC 7-49; or  
30            (D) plan developed under Section 504 of the federal  
31            Rehabilitation Act of 1973, 29 U.S.C. 794.  
32           (b) A parent of an eligible student may enter into a separate  
33           agreement under subsection (a) for each child of the parent. However,  
34           not more than one (1) ESA account may be established for each  
35           eligible student.  
36           (c) The ESA account must be established under subsection (a) by  
37           a parent of an eligible student or an emancipated eligible student for a  
38           school year on or before a date established by the department which  
39           must be at least thirty (30) days before the fall count day of ADM  
40           established under IC 20-43-4-3. A parent of an eligible student or an  
41           emancipated eligible student may not enter into an agreement under  
42           this section or maintain an ESA account under this chapter if the

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1 eligible student receives a choice scholarship under IC 20-51-4 for the  
 2 same school year. An eligible student may not receive a grant under  
 3 section 2 of this chapter if the eligible student is currently included in  
 4 a school corporation's ADM count under IC 20-43-4.

5 (d) Except as provided in subsections (e) and (f), an agreement  
 6 made under this section is valid for one (1) school year while the  
 7 eligible student is in kindergarten through grade 12 and may be  
 8 renewed annually. Upon graduation, or receipt of a certificate of  
 9 completion under the eligible student's individualized education  
 10 program, the eligible student's ESA account is terminated.

11 (e) An agreement entered into under this section terminates  
 12 automatically for an eligible student if:

13 (1) the eligible student no longer resides in Indiana while the  
 14 eligible student is eligible to receive grants under section 2 of  
 15 this chapter; or

16 (2) the ESA account is not renewed within three hundred  
 17 ninety-five (395) days after the date the ESA account was either  
 18 established or last renewed.

19 If an ESA account is terminated under this section, money in the  
 20 eligible student's ESA account, including any interest accrued, **reverts**  
 21 **does not revert** to the state general fund **and remains available to**  
 22 **provide grants to eligible students under this chapter.**

23 (f) An agreement made under this section for an eligible student  
 24 while the eligible student is in kindergarten through grade 12 may be  
 25 terminated before the end of the school year if the parent of the eligible  
 26 student or the emancipated eligible student notifies the department in  
 27 a manner specified by the department.

28 (g) A distribution made to an ESA account under section 2 of this  
 29 chapter is considered tax exempt as long as the distribution is used for  
 30 an ESA qualified expense. The amount is subtracted from the  
 31 definition of adjusted federal gross income under IC 6-3-1-3.5 to the  
 32 extent the distribution used for the ESA qualified expense is included  
 33 in the taxpayer's adjusted federal gross income under the Internal  
 34 Revenue Code.

35 (h) The department shall establish a student test number as  
 36 described in IC 20-19-3-9.4 for each eligible student.

37 (i) A student described in IC 20-51.4-2-4(3)(B) may not use the  
 38 money deposited into the eligible student's ESA account for ESA  
 39 qualified expenses described in IC 20-51.4-2-9(a)(3),  
 40 IC 20-51.4-2-9(a)(6), IC 20-51.4-2-9(a)(7), or IC 20-51.4-2-9(a)(9).

41 SECTION 15. IC 20-51.4-4-2, AS AMENDED BY P.L.213-2025,  
 42 SECTION 212, IS AMENDED TO READ AS FOLLOWS

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1 [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) An eligible student who  
 2 currently maintains an ESA account is entitled to an ESA annual grant  
 3 amount for each school year until the student graduates or obtains a  
 4 certificate of completion under the student's individualized education  
 5 program. An eligible student may not receive a grant under this section  
 6 after graduating or obtaining a certificate of completion. The ESA  
 7 annual grant amount shall be paid from the ESA program fund. The  
 8 department shall deposit the ESA annual grant amount under this  
 9 section, in quarterly deposits, into an eligible student's ESA account.

10 (b) Except as provided in subsection (c), at the end of the year in  
 11 which an ESA account is established, the parent of an eligible student  
 12 or the emancipated eligible student may roll over for use in a  
 13 subsequent year a maximum of one thousand dollars (\$1,000).  
 14 However, for each year thereafter, the parent of the eligible student or  
 15 the emancipated eligible student may roll over one thousand dollars  
 16 (\$1,000) plus any amount rolled over in a previous year.

17 (c) An eligible student's ESA account shall terminate the later of:  
 18 (1) the date the student graduates high school; or  
 19 (2) July 1 of the year in the year which the student graduates  
 20 high school.

21 Any money, including interest that remains in the eligible student's  
 22 ESA account when it terminates under this subsection ~~reverts does not~~  
 23 ~~revert~~ to the state general fund **and remains available to provide**  
 24 **grants to eligible students under this chapter.**

25 SECTION 16. IC 20-51.4-4-3, AS AMENDED BY P.L.213-2025,  
 26 SECTION 213, IS AMENDED TO READ AS FOLLOWS  
 27 [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The Indiana education  
 28 scholarship account program fund is established for the purpose of  
 29 providing grants to eligible students under the ESA program. Money  
 30 appropriated to the fund may be used to provide grants under this  
 31 chapter in the manner prescribed in section 2 of this chapter.

32 (b) The department shall administer the ESA program fund.  
 33 (c) The ESA program fund consists of the following:  
 34 (1) Appropriations by the general assembly.  
 35 (2) Interest deposited in the ESA program fund under subsection  
 36 (d).

37 (d) The treasurer of state shall invest money in the ESA program  
 38 fund not currently needed to meet the obligations of the ESA program  
 39 fund in the same manner as other public money may be invested.  
 40 Interest that accrues from these investments shall be deposited in the  
 41 ESA program fund.

42 (e) Money in the ESA program fund at the end of a state fiscal year

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1       **reverts does not revert** to the state general fund **and remains in the**  
 2       **fund for the purposes of the fund.**

3       SECTION 17. IC 20-51.4-4-3.5, AS AMENDED BY  
 4       P.L.213-2025, SECTION 214, IS AMENDED TO READ AS  
 5       FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.5. (a) The Indiana  
 6       education scholarship account administration fund is established for the  
 7       purpose of accepting money for the Indiana education scholarship  
 8       account program to support administration of the ESA program.

9       (b) The department shall administer the fund.

10      (c) The fund consists of the following:

11       (1) Appropriations by the general assembly.

12       (2) Interest deposited in the fund under subsection (d).

13       (d) The treasurer of state shall invest money in the fund not  
 14       currently needed to meet the obligations of the fund in the same  
 15       manner as other public money may be invested. Interest that accrues  
 16       from these investments shall be deposited in the fund.

17       (e) Money in the fund at the end of a state fiscal year **reverts does**  
 18       **not revert** to the state general fund **and remains in the fund for the**  
 19       **purposes of the fund.**

20       SECTION 18. IC 20-51.4-4.5-1, AS AMENDED BY  
 21       P.L.213-2025, SECTION 220, IS AMENDED TO READ AS  
 22       FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) After June 30,  
 23       2023, a parent of a career scholarship student or an emancipated career  
 24       scholarship student may establish a career scholarship account for the  
 25       career scholarship student by entering into a written agreement with the  
 26       department on a form prepared by the department. An application to  
 27       establish a CSA account, or an application to participate in the CSA  
 28       program with an ESA account, must be submitted not later than  
 29       October 1 for the school year. Subject to subsection (f), the CSA  
 30       account of a career scholarship student must be made in the name of  
 31       the career scholarship student. The department shall make the  
 32       agreement available on the website of the department.

33       (b) To be eligible to participate in the CSA program, a parent of  
 34       a career scholarship student or an emancipated career scholarship  
 35       student must agree that:

36       (1) a grant deposited in the career scholarship student's CSA  
 37       account under section 3 of this chapter and any interest that may  
 38       accrue in the CSA account will be used only for the CSA  
 39       qualified expenses;  
 40       (2) money in the CSA account when the CSA account is  
 41       terminated **reverts does not revert** to the state general fund **and**  
 42       **remains available to provide grants to career scholarship**

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1                   **students under this chapter; and**  
 2                   (3) the parent of the career scholarship student or the  
 3                   emancipated career scholarship student will use the money in the  
 4                   CSA account for the career scholarship student to attend one (1)  
 5                   or more of the sequences, courses, apprenticeships, or programs  
 6                   of study designated and approved under section 6(a) of this  
 7                   chapter.

8                   (c) A parent of a career scholarship student may enter into a  
 9                   separate agreement under subsection (a) for each child of the parent.  
 10                  However, not more than one (1) CSA account may be established for  
 11                  each career scholarship student.

12                  (d) Except as provided under subsection (f), a CSA account must  
 13                  be established under subsection (a) by a parent of a career scholarship  
 14                  student or an emancipated career scholarship student for a school year  
 15                  not later than thirty (30) days after the date that the department  
 16                  approves an application submitted under subsection (a).

17                  (e) Except as provided in section 2 of this chapter, an agreement  
 18                  made under this section is valid for one (1) school year while the career  
 19                  scholarship student is in grades 10 through 12 and may be renewed  
 20                  annually. Upon graduation, or receipt of:

21                   (1) a certificate of completion under the career scholarship  
 22                  student's individualized education program; or  
 23                   (2) an Indiana high school equivalency diploma under  
 24                  IC 22-4.1-18;

25                  the career scholarship student's CSA account is terminated.

26                  (f) If:

27                   (1) a parent of a career scholarship student or an emancipated  
 28                  career scholarship student enters into a written agreement with  
 29                  the department on a form under subsection (a); and  
 30                   (2) the career scholarship student participates in the ESA  
 31                  program under this article;

32                  the parent or emancipated career scholarship student must participate  
 33                  in the CSA program using the student's ESA account instead of  
 34                  establishing a CSA account. However, if the student ceases to  
 35                  participate in the ESA program, the parent of the student or the  
 36                  emancipated student must establish a CSA account to participate in the  
 37                  CSA program.

38                  SECTION 19. IC 20-51.4-4.5-2, AS AMENDED BY  
 39                  P.L.213-2025, SECTION 221, IS AMENDED TO READ AS  
 40                  FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) An agreement  
 41                  entered into under section 1 of this chapter terminates automatically for  
 42                  a career scholarship student if:

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If a CSA account is terminated under this section, money in the career scholarship student's CSA account, including any interest accrued, **reverts does not revert** to the state general fund **and remains available to provide grants to career scholarship students under this chapter.**

18 (c) A distribution made to a CSA account or ESA account, as  
19 applicable, under section 3 of this chapter is considered tax exempt as  
20 long as the distribution is used for:

21 (1) a CSA qualified expense; or  
22 (2) an ESA qualified expense if the career scholarship student is  
23 participating in the ESA program.

24 The amount is subtracted from the definition of "adjusted gross  
25 income" under IC 6-3-1-3.5 to the extent the distribution used for the  
26 CSA qualified expense or ESA qualified expense, as applicable, is  
27 included in the taxpayer's adjusted federal gross income under the  
28 Internal Revenue Code.

34 SECTION 20. IC 20-51.4-4.5-3, AS AMENDED BY  
35 P.L.213-2025, SECTION 222, IS AMENDED TO READ AS  
36 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) A career  
37 scholarship student who currently maintains a CSA account or an ESA  
38 account and participates in the CSA program is entitled to an annual  
39 grant amount for each school year until the student:

40 (1) graduates; or  
41 (2) obtains:  
42 (A) a certificate of completion under the student's

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individualized education program; or  
(B) an Indiana high school equivalency diploma under IC 22-4.1-18.

(b) A career scholarship student may not receive a grant under this section after graduating, receiving an Indiana high school equivalency diploma, or obtaining a certificate of completion. The CSA annual grant amount shall be paid from the CSA program fund. The department shall deposit the CSA annual grant amount under this section, in quarterly deposits, into a career scholarship student's:

- (1) CSA account; or
- (2) ESA account if the student participates in the ESA program; in a manner established by the department.

(c) Except as provided in subsection (d), at the end of the year in which a CSA account is established, the parent of a career scholarship student or the emancipated career scholarship student may roll over for use in a subsequent year a maximum of one thousand dollars (\$1,000). However, for each year thereafter, the parent of the career scholarship student or emancipated eligible student may roll over one thousand dollars (\$1,000) plus any amount rolled over in a previous year.

(d) A career scholarship student's CSA account shall terminate the later of:

(1) the date the student graduates high school or obtains an Indiana high school equivalency diploma; or  
(2) July 1 of the year in which the student graduates high school or obtains an Indiana high school equivalency diploma.

Any money, including interest that remains in the career scholarship student's CSA account when it terminates under this subsection, **reverts does not revert** to the state general fund **and remains available to provide grants to career scholarship students under this chapter.**

SECTION 21. IC 20-51.4-4.5-4, AS AMENDED BY P.L.213-2025, SECTION 223, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The career scholarship account program fund is established for the purpose of providing grants to career scholarship students under the CSA program.

(b) The department shall administer the CSA program fund.

(c) The CSA program fund consists of the following:

(1) Appropriations by the general assembly.

(2) Interest deposited in the CSA program fund under subsection (d).

(d) The treasurer of state shall invest money in the CSA program fund not currently needed to meet the obligations of the CSA program fund in the same manner as other public money may be invested.

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1       Interest that accrues from these investments shall be deposited in the  
2       CSA program fund.

3           (e) Money in the CSA program fund at the end of a state fiscal  
4       year ~~reverts~~ **does not revert** to the state general fund **and remains in**  
5       **the fund for the purposes of the fund.**

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