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**ENGROSSED**  
**HOUSE BILL No. 1176**

AM117615 has been incorporated into February 6, 2026 printing.

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**Synopsis:** Education matters.

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February 6, 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.

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# ENGROSSED HOUSE BILL No. 1176

A BILL FOR AN ACT to amend the Indiana Code concerning education.

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

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

- 8 **(1) be an authorizer of a charter school; and**  
9 **(2) enter into or have an agreement under this chapter with**  
10 **the charter school.**

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

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

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

19 **(A) selected by the board; ~~within the boundary of the school~~**  
20 **~~corporation.~~ or**

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

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

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

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

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

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

41 **(B) are enrolled in the participating innovation network**  
42 **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.

17 (6) Subject to section 5 of this chapter, the participating  
 18 innovation network charter school's enrollment and discipline  
 19 policies, including defined attendance areas and enrollment  
 20 zones.

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 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.

28 (d) Upon receipt of the notification under subsection (c), for  
 29 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:

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

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1 applies; and

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

6 (3) if requested by a participating innovation network charter  
 7 school that reconstitutes an eligible school, the department may  
 8 use student growth as the state board's exclusive means to  
 9 determine the innovation network charter school's category or  
 10 designation of school improvement under 511 IAC 6.2-10-10 for  
 11 a period of three (3) years. Beginning with the 2019-2020 school  
 12 year, the department may not use student growth as the state  
 13 board's exclusive means to determine an innovation network  
 14 charter school's category or designation of school improvement.  
 15 This subdivision expires July 1, 2023.

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

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

33 (g) If an administrative fee is included in an agreement entered  
 34 into or renewed **under this chapter** after June 30, ~~2023~~, **2026**, under  
 35 this section, the fee may not exceed one percent (1%) of the total  
 36 amount of state tuition support that is distributed to the school  
 37 corporation based on the participating innovation network charter  
 38 school's student enrollment. **each school corporation with which an**  
 39 **organizer of a participating innovation network charter school has**  
 40 **entered into an agreement may assess an administrative fee of not**  
 41 **more than one percent (1%) of the tuition support dollars that the**  
 42 **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

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

- 16                   (1) a grade level screener approved by the department; or  
17                   (2) a through-year statewide assessment;  
18           the school must provide intervention that meets the requirements under  
19           subsection (b).

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

- 22                   (1) The intervention includes a multitiered system of support that  
23                   progresses from less to more intensive support based on the  
24                   student's individual needs.  
25                   (2) The intervention is aligned to daily Tier I instruction and  
26                   standard level learning progressions.  
27                   (3) The intervention is:  
28                           (A) targeted;  
29                           (B) differentiated; and  
30                           (C) supplemental to Tier I instruction.  
31                   (4) The intervention:  
32                           (A) is aligned with evidence based instructional strategies  
33                           to promote conceptual understanding, procedural fluency,  
34                           and real world problem solving; and  
35                           (B) allows a student opportunities to interact, show  
36                           progress, and demonstrate understanding through rigorous  
37                           grade level content.  
38                   (5) The intervention includes continual assessment and in depth  
39                   analysis of each student's data to inform the flexible movement  
40                   in and out of Tiers II and III.

41           **(c) Not later than fifteen (15) days after a school makes a**  
42           **determination under subsection (a) that a student is at risk, the**

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1 school shall provide notice to a parent of the student regarding the  
2 determination. The notification may contain the following:

- 3 (1) Specific information about how the student is performing.
- 4 (2) Information about the intervention the student will
- 5 receive from the school.
- 6 (3) A list or description of any recommended resources
- 7 available for use at home to support the student's academic
- 8 growth in mathematics.

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

11 SECTION 11. IC 20-43-13-4, AS AMENDED BY P.L.213-2025,  
12 SECTION 197, IS AMENDED TO READ AS FOLLOWS  
13 [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Except as provided in  
14 subsections (c) and (d), the complexity index is the percentage of the  
15 school corporation's students who were receiving Supplemental  
16 Nutrition Assistance Program (SNAP) benefits, Temporary Assistance  
17 for Needy Families (TANF) benefits, or foster care services as of  
18 October 1 in the school year ending in the later of:

- 19 (1) 2025; or
- 20 (2) the first year of operation of the school corporation.
- 21 (b) For a conversion charter school, the percentage determined
- 22 under this section is the percentage of the sponsor school corporation.

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

- 28 STEP ONE: Determine:
  - 29 (A) the school corporation's enrollment; minus
  - 30 (B) the enrollment of students described in
  - 31 IC 20-25.7-5-2(b)(2) of each participating innovation
  - 32 network charter school.

33 STEP TWO: Determine the number of students in the school  
34 corporation who were receiving Supplemental Nutrition  
35 Assistance Program (SNAP) benefits, Temporary Assistance for  
36 Needy Families (TANF) benefits, or foster care services as of  
37 October 1 in the school year ending in 2025, not including  
38 students enrolled in each participating innovation network  
39 charter school.

40 STEP THREE: Divide the result of STEP TWO by the result of  
41 STEP ONE.

42 STEP FOUR: Determine the enrollment of students described

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1           **in IC 20-25.7-5-2(b)(2)** of each participating innovation network  
 2 charter school.  
 3           STEP FIVE: Determine the number of students **described in**  
 4 **IC 20-25.7-5-2(b)(2)** in each participating innovation network  
 5 charter school who were receiving Supplemental Nutrition  
 6 Assistance Program (SNAP) benefits, Temporary Assistance for  
 7 Needy Families (TANF) benefits, or foster care services as of  
 8 October 1 in the school year ending in the later of:  
 9           (A) 2025; or  
 10           (B) the first year of operation of the participating innovation  
 11 network charter school.  
 12           STEP SIX: Divide the result of STEP FIVE by the result of  
 13 STEP FOUR.  
 14           STEP SEVEN: For each participating innovation network charter  
 15 school, determine the greater of:  
 16           (A) the result of STEP THREE; or  
 17           (B) the result of STEP SIX.  
 18           STEP EIGHT: For each participating innovation network charter  
 19 school, multiply the result of STEP SEVEN by the result of  
 20 STEP FOUR.  
 21           STEP NINE: Determine the sum of:  
 22           (A) the result of STEP TWO; plus  
 23           (B) the results of STEP EIGHT, for each participating  
 24 innovation network charter school.  
 25           STEP TEN: Determine the sum of:  
 26           (A) the result of STEP ONE; plus  
 27           (B) the results of STEP FOUR for each participating  
 28 innovation network charter school.  
 29           STEP ELEVEN: Divide the STEP NINE result by the STEP  
 30 TEN result.  
 31           (d) If the complexity index of a participating innovation network  
 32 charter school that was established before January 1, 2016, is, for the  
 33 current school year, greater than the complexity index for the school  
 34 corporation with which the innovation network charter school has  
 35 contracted, the complexity index of the participating innovation  
 36 network charter school is determined as described in IC 20-25.7-5-2(e).  
 37           SECTION 12. IC 20-51-1-5, AS AMENDED BY P.L.162-2024,  
 38 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 JULY 1, 2026]: Sec. 5. "Eligible student" refers to an individual who:  
 40           (1) has legal settlement in Indiana;  
 41           (2) is at least four (4) years of age and less than twenty-two (22)  
 42 years of age on October 1 of the applicable school year; **and**

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1 (3) either has been or is currently enrolled in a participating  
2 school. and  
3 (4) is a member of a household with an annual income of not  
4 more than four hundred percent (400%) of the amount required  
5 for the individual to qualify for the federal free or reduced price  
6 lunch program.

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