

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 ENROLLED ACT No. 1195

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AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-26-13-10, AS AMENDED BY P.L.1-2025, SECTION 190, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2026]: Sec. 10. (a) Except as provided in section 11 of this chapter and subject to IC 20-31-8-4.6 and IC 20-32-4-14, the four (4) year graduation rate for a cohort in a high school is the percentage determined under STEP FIVE of the following formula:

STEP ONE: Determine the grade 9 enrollment at the beginning of the reporting year three (3) years before the reporting year for which the graduation rate is being determined.

STEP TWO: Add:

(A) the number determined under STEP ONE; and

(B) the number of students who:

(i) have enrolled in the high school after the date on which the number determined under STEP ONE was determined; and

(ii) have the same expected graduation year as the cohort.

STEP THREE: Subtract from the sum determined under STEP TWO the number of students who have left the cohort for any of the following reasons:

(A) Transfer to another public or nonpublic school.

(B) Except as provided in IC 20-33-2-28.6 and subsection (b),

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removal by the student's parents under IC 20-33-2-28 to provide instruction equivalent to that given in the public schools.

(C) Withdrawal because of a long term medical condition or death.

(D) Detention by a law enforcement agency or the department of correction.

(E) Placement by a court order or the department of child services.

(F) Enrollment in a virtual school.

(G) Leaving school, if the student attended school in Indiana for less than one (1) school year and the location of the student cannot be determined.

(H) Leaving school, if the location of the student cannot be determined and the student has been reported to the Indiana clearinghouse for information on missing children, missing veterans at risk, and missing endangered adults.

(I) Withdrawing from school before graduation, if the student is a high ability student (as defined in IC 20-36-1-3) who is a full-time student at an accredited institution of higher education during the semester in which the cohort graduates.

(J) Withdrawing from school before graduation pursuant to providing notice of withdrawal under section 17 of this chapter.

(K) Participating in the high school equivalency pilot program under IC 20-30-8.5, unless the student fails to successfully complete the high school equivalency pilot program in the two (2) year period. This clause expires June 30, ~~2026~~: **2028**.

STEP FOUR: Determine the result of:

(A) the total number of students determined under STEP TWO who have graduated during the current reporting year or a previous reporting year; minus

(B) the amount by which the number of students who graduated through a waiver process required under IC 20-32-3 through IC 20-32-5.1 exceeds:

(i) nine percent (9%) of the total number of students determined under clause (A) for the 2023-2024 school year;

(ii) six percent (6%) of the total number of students determined under clause (A) for the 2024-2025 school year;

or

(iii) three percent (3%) of the total number of students determined under clause (A) for each school year after June



30, 2025.

STEP FIVE: Divide:

- (A) the number determined under STEP FOUR; by
- (B) the remainder determined under STEP THREE.

(b) This subsection applies to a high school in which:

(1) for a:

(A) cohort of one hundred (100) students or less, at least ten percent (10%) of the students left a particular cohort for a reason described in subsection (a) STEP THREE clause (B); or

(B) cohort of more than one hundred (100) students, at least five percent (5%) of the students left a particular cohort for a reason described in subsection (a) STEP THREE clause (B); and

(2) the students described in subdivision (1)(A) or (1)(B) are not on track to graduate with their cohort.

A high school must submit a request to the state board in a manner prescribed by the state board requesting that the students described in this subsection be included in the subsection (a) STEP THREE calculation. The state board shall review the request and may grant or deny the request. The state board shall deny the request unless the high school demonstrates good cause to justify that the students described in this subsection should be included in the subsection (a) STEP THREE calculation. If the state board denies the request the high school may not subtract the students described in this subsection under subsection (a) STEP THREE.

SECTION 2. IC 20-26-13-16.5, AS AMENDED BY P.L.150-2024, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2026]: Sec. 16.5. (a) A student must be subtracted under clause (K) of STEP THREE of section 10(a) of this chapter when a student transitions from a traditional high school to the high school equivalency pilot program under IC 20-30-8.5.

(b) This section expires June 30, ~~2026~~ **2028**.

SECTION 3. IC 20-30-8.5-13, AS AMENDED BY P.L.150-2024, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2026]: Sec. 13. This chapter expires June 30, ~~2026~~ **2028**.

SECTION 4. IC 22-4.1-18-1, AS AMENDED BY P.L.150-2024, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. This chapter applies to an individual who is:

- (1) at least eighteen (18) years of age; or
- (2) less than eighteen (18) years of age and **meets the following requirements:**

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**(A) The individual has completed:**

- (i) the Indiana career explorer program; and**
- (ii) an assessment approved by the department that measures Indiana high school equivalency test readiness.**

**(B) The individual** has received a written recommendation from at least one (1) of the following, as applicable:

- ~~(A)~~ **(i)** The individual's parent if the individual attends a nonaccredited nonpublic school that has less than one (1) employee.
- ~~(B)~~ **(ii)** The superintendent (as defined in IC 20-18-2-21), principal, or head of the school the individual attends, or the appropriate designee, if the individual attends a school that employs more than one (1) employee.
- ~~(C)~~ **(iii)** A judge (as defined in IC 31-9-2-68).

**SECTION 5. An emergency is declared for this act.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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