



CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1266

Citations Affected: IC 6-3.1-30.5-3; IC 20-19-3; IC 20-20; IC 20-28; IC 20-30-7-1; IC 20-31-4.1-4; IC 20-32; IC 20-43; IC 20-46; IC 20-51-4-5.5; IC 20-51.4-4.5-6.5; IC 20-53; IC 21-18-21; IC 21-18.5-5-2; IC 21-41-18; IC 22-4.1-4-16.

Synopsis: Department of education and education matters. Makes various changes to education provisions concerning the following: (1) Creating a teaching and learning framework for the implementation of mathematics academic standards. (2) Development of a data science math pathway. (3) Submission of a report to the general assembly concerning recommendations on strategies to support academically and fiscally underperforming schools, and interventions as necessary. (4) Evaluating, approving, and publishing high quality curricular materials time lines. (5) Local board membership for a local centralized school facilities board and local student transportation board. (6) Salary differentiation regarding teachers who possess a literacy endorsement. (7) Amounts expended in participating in an interlocal agreement included in determining amounts school corporations expend on full-time teacher salaries for purposes of teacher salary minimum funding requirements. (8) Summer school program and reimbursement administration. (9) Criteria required for eligibility of a waiver for conducting four day school weeks. (10) Oversight of career and technical education program designation. (11) Uses of teacher appreciation grants. (12) The calculation of operating referendum distributions and school safety referendum distributions to charter schools with regard to virtual instruction. (13) Petitions regarding reconsidering payments of choice scholarships. (14) Membership of the board for proprietary education. (15) The effective date regarding the changes to the definition of "eligible choice scholarship student". (16) Career specialist permit eligibility. Provides that an emergency permit may be renewed up to two times to an individual enrolled in an alternative teacher certification program if the program provides documentation verifying the individual's good standing in the program to the department of education. Creates a new qualification option for a transition to teaching program participant who seeks to obtain a license to teach in grades 5 through 12. Removes a provision that provides that the department may not release less than 10 items per subject matter level per grade level regarding the statewide summative assessment. Removes a requirement that for a parent or student to use a career scholarship account (CSA) annual grant amount for costs related to transportation a CSA participating entity must pay a



matching amount for the transportation costs. Requires each state educational institution that offers a two year graduate degree program in mental or behavioral health to evaluate the graduate degree program to determine the feasibility of providing the program in a specifically structured manner to allow full-time students to complete the program within: (1) one year; or (2) five years if the program is combined with a baccalaureate degree program. Requires the Indiana department of education to elect to participate as a covered state in the federal tax credit scholarship program for elementary and secondary education under Section 25F of the Internal Revenue Code (enacted in Public Law 119-21, commonly known as the One Big Beautiful Bill Act of 2025). Makes conforming changes to the school scholarship tax credit in current law. Requires the governor and the department of workforce development, in consultation with the commission for higher education, to: (1) establish a process to identify eligible workforce training programs; (2) establish a process for institutions and programs to apply for recognition as an eligible workforce training program; (3) coordinate certain workforce training matters; and (4) require eligible workforce training programs to provide certain datasets to the department. Provides that the department of workforce development must maintain alignment with federal rules governing workforce Pell grants. Repeals certain provisions concerning postsecondary career and technical education. **(This conference committee report does the following: (1) Requires the Indiana department of education to elect to participate as a covered state in the federal tax credit scholarship program for elementary and secondary education under Section 25F of the Internal Revenue Code (enacted in Public Law 119-21, commonly known as the One Big Beautiful Bill Act of 2025). Makes conforming changes to the school scholarship tax credit in current law. (2) Requires the governor and the department of workforce development, in consultation with the commission for higher education, to: (A) establish a process to identify eligible workforce training programs; (B) establish a process for institutions and programs to apply for recognition as an eligible workforce training program; (C) coordinate certain workforce training matters; and (D) require eligible workforce training programs to provide certain datasets to the department. Provides that the department of workforce development must maintain alignment with federal rules governing workforce Pell grants. (3) Makes corrections.)**

Effective: Upon passage; July 1, 2026; January 1, 2027.



CONFERENCE COMMITTEE REPORT

MR. PRESIDENT:

Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1266 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 6-3.1-30.5-3, AS AMENDED BY P.L.92-2011,
- 3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JANUARY 1, 2027]: Sec. 3. As used in this chapter, "scholarship
- 5 granting organization" refers to:
- 6 (1) an organization that:
- 7 (A) is exempt from federal income taxation under Section
- 8 501(c)(3) of the Internal Revenue Code; and
- 9 (B) conducts a school scholarship program without limiting
- 10 the availability of scholarships to students of only one (1)
- 11 participating school (as defined in IC 20-51-1-6); or
- 12 (2) an organization that:
- 13 (A) meets the requirements described in subdivision (1);
- 14 and
- 15 (B) is included on the list submitted to the Secretary of the
- 16 Treasury of the United States for the taxable year under
- 17 IC 20-53-1.
- 18 SECTION 2. IC 20-19-3-42 IS ADDED TO THE INDIANA CODE
- 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

1, 2026]: **Sec. 42. (a) Not later than December 1, 2026, the secretary of education shall develop a data science math pathway that prepares students for emerging workforce demands.**

(b) This section expires July 1, 2027.

SECTION 3. IC 20-19-3-44 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 44. (a) Not later than December 1, 2026, the secretary of education shall prepare and submit a report, in an electronic format under IC 5-14-6, to the general assembly with recommendations on the following:**

(1) Strategies to support academically and fiscally underperforming schools.

(2) Interventions, as necessary, regarding schools described in subdivision (1).

(b) This section expires July 1, 2027.

SECTION 4. IC 20-20-5.5-2, AS AMENDED BY P.L.199-2025, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 2. (a) Not later than July 1, 2027, and each July 1 thereafter, The department shall evaluate, approve, and publish a list of high quality curricular materials for use in the following subjects and on the following timelines:**

(1) Not later than July 1, 2029, and every three (3) years thereafter, science.

(2) Not later than July 1, 2029, and every three (3) years thereafter, technology.

(3) Not later than July 1, 2029, and every three (3) years thereafter, engineering.

(4) Not later than July 1, 2027, and every three (3) years thereafter, math.

(5) Not later than July 1, 2028, and every three (3) years thereafter, English/language arts.

The department shall post the list approved under this subsection on the department's website.

(b) Subject to subsection (g), the department shall:

(1) determine the:

(A) process for evaluating and approving curricular materials under subsection (a); and

(B) requirements for curricular materials to be approved and included on the list described in subsection (a); and

(2) collaborate with teachers in evaluating and approving high quality curricular materials in English/language arts under subsection (a).

(c) The department shall publish an annual report that describes the method used to conduct the evaluation required under subsection (a) and that contains the results of the evaluation. The report must do the following:

(1) Provide a list of each curricular material evaluated and a summary of the evaluation for each curricular material.

(2) Provide a listing and summary review for the high quality curricular materials approved by the department.

(3) Include any clarification or response from the publisher of a curricular material related to the department's summary review provided under subdivision (2).

(4) Include the written, exact, and standard statewide price provided by the publisher of the curricular material under subsection (e) for each high quality curricular material approved by the department under this section.

(d) A governing body and superintendent may use the list approved under subsection (a) in complying with IC 20-26-12-24.

(e) Before the department may approve curricular material for inclusion on the list under subsection (a), the publisher of the curricular material must:

(1) provide the department a written, exact, and standard statewide price for each curricular material; and

(2) enter into a data share agreement with the department in the manner prescribed by the department.

(f) A publisher may request that an update to the publisher's curricular materials and corresponding prices replace the information on the curricular materials set forth in the report under subsection (c).

(g) At a minimum, the process for evaluating curricular materials and the requirements for curricular materials to be approved and included on the list described in subsection (a) must include the following:

(1) The availability and use of benchmark, formative, interim, or similar assessments to identify students that require remediation and provide individualized instruction.

(2) The incorporation of experiential learning opportunities.

(3) An evaluation of the benchmark, formative, interim, or similar assessment data provided by the publisher of the curricular material pursuant to the data share agreement described in subsection (e).

(4) The alignment of the curricular material to Indiana's academic standards developed by the department under IC 20-31-3-2.

(5) The age appropriateness of the content.

~~(h) Not later than July 1, 2024, the department shall conduct a statewide survey to determine which curricular materials have been adopted for use in teaching science, technology, engineering, and mathematics in each state accredited school. Each state accredited school shall:~~

~~(1) participate in the statewide survey conducted under this subsection; and~~

~~(2) provide the information requested by the department as part of the statewide survey;~~

~~in the manner prescribed by the department. This subsection expires January 1, 2025.~~

SECTION 5. IC 20-20-5.5-3, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The secretary of education shall notify the governing bodies of each school corporation, charter school, and state

accredited nonpublic school immediately of:

(1) the initial publication and ~~annual~~ update on the department's ~~Internet web site~~ **website** of the report described in section 2(c) of this chapter, including the ~~Internet web site~~ **website** address where the report is published; and

(2) updates of the following types of information in the report described in section 2(c) of this chapter:

(A) The addition of materials.

(B) The removal of materials.

(C) Changes in the per unit price of curricular materials that exceed five percent (5%).

(b) A notification under this section must state that:

(1) the reviews of curricular materials included in the report described in section 2(c) of this chapter are departmental reviews only; and

(2) each governing body has authority to adopt curricular materials for a school corporation.

SECTION 6. IC 20-20-52-6, AS ADDED BY P.L.232-2025, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) Except as provided under subsection (e), ~~not later than October 31, 2025~~, a local centralized school facilities board is established for participating school corporations and schools.

(b) Each local board must be independent from any school corporation and school.

(c) The local board consists of ~~seven (7)~~ **an odd number of not less than five (5)** members:

(1) who represent a partnering community organization; and

(+) (2) who are:

(A) members or designees of members of the governing body of a participating school corporation, or the equivalent for a participating charter school or nonpublic school; and

(B) proportionately appointed as either representatives of participating school corporations, charter schools, or nonpublic schools described in section 3(2) of this chapter based on:

~~(A)~~ **(i)** the total pupil enrollment of the participating school corporations;

~~(B)~~ **(ii)** the total pupil enrollment of participating charter schools; and

~~(C)~~ **(iii)** the total pupil enrollment of participating nonpublic schools;

that are partnering under the pilot program. ~~and~~

~~(2) are members of the:~~

~~(A) governing body of a participating school corporation;~~

~~(B) charter school board of a participating charter school; or~~

~~(C) equivalent of a governing body for a participating nonpublic school;~~

~~described in subdivision (1):~~

(d) Each local board must collaborate with individuals or entities

that have expertise in the following:

- (1) Facility management, construction, or real estate.
- (2) Public finance or public debt issuance.
- (3) Demographic analysis and urban planning.
- (4) Organizational effectiveness, operations management, and implementing best practices.
- (5) Government contracts.
- (6) Budget development and oversight.

(e) If a school corporation or school, in partnership with other school corporations, schools, or both other school corporations and schools, receives approval to participate in the:

- (1) pilot program; and
- (2) student transportation pilot program under IC 20-20-53;

the school corporation or schools may elect to establish ~~not later than October 31, 2025;~~ one (1) local centralized school facilities and transportation board consisting of the members described in subsection (c) that has the powers and duties and is subject to the requirements of a local centralized school facilities board under this chapter and local student transportation board under IC 20-20-53.

SECTION 7. IC 20-20-53-6, AS ADDED BY P.L.232-2025, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) Except as provided under subsection (e), ~~not later than October 31, 2025;~~ a local student transportation board is established for participating school corporations and schools.

(b) Each local board must be independent from any school corporation and school.

(c) The local board consists of ~~seven (7)~~ **an odd number of not less than five (5)** members:

- (1) who **represent a partnering community organization; and**
- ~~(1)~~ **(2) who are:**

(A) members or designees of members of the governing body of a participating school corporation, or the equivalent for a participating charter school or nonpublic school; and

(B) proportionately appointed as either representatives of participating school corporations, charter schools, or nonpublic schools described in section 3(2) of this chapter based on:

~~(A)~~ **(i) the total pupil enrollment of the participating school corporations;**

~~(B)~~ **(ii) the total pupil enrollment of participating charter schools; and**

~~(C)~~ **(iii) the total pupil enrollment of participating nonpublic schools;**

that are partnering under the pilot program. and

~~(2)~~ **are members of the:**

(A) governing body of a participating school corporation;

(B) charter school board of a participating charter school; or

(C) equivalent of a governing body for a participating nonpublic school;

described in subdivision (1).

(d) Each local board must collaborate with individuals or entities that have expertise in the following:

- (1) Transportation logistics, particularly involving movement of passengers.
- (2) Finance and business.
- (3) Organizational effectiveness, operations management, and implementing best practices.
- (4) Government contracts.
- (5) Budget development and oversight.

(e) If a school corporation or school, in partnership with other school corporations, schools, or both other school corporations and schools, receives approval to participate in the:

- (1) pilot program; and
- (2) centralized school facilities pilot program under IC 20-20-52;

the school corporation or schools may elect to establish ~~not later than October 31, 2025~~, one (1) local centralized school facilities and transportation board that has the powers and duties and is subject to the requirements of a local centralized school facilities board under IC 20-20-52 and local student transportation board under this chapter.

SECTION 8. IC 20-28-4-5, AS AMENDED BY P.L.192-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. An individual who wishes to participate in the program must have one (1) of the following qualifications:

(1) For a program participant who seeks to obtain a license to teach in grades 5 through 12, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited postsecondary educational institution in the subject area that the individual intends to teach.

(B) A graduate degree from an accredited postsecondary educational institution in the subject area or a related field that the individual intends to teach.

(C) ~~Both:~~

(i) A bachelor's degree from an accredited postsecondary educational institution with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale and **either:**

(i) eighteen (18) credit hours in the subject area the individual intends to teach; or

(ii) five (5) years professional experience in the subject or a related area that the individual intends to teach.

(D) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution; and

(ii) proof that the individual has passed the state approved content area examination in the subject area that the individual intends to teach.

(2) For a program participant who seeks to obtain a license to teach in kindergarten through grade 6, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point

average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education.

(B) Both:

- (i) a bachelor's degree from an accredited postsecondary educational institution with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and
- (ii) five (5) years professional experience in an education related field, as determined by the department.

(C) Both:

- (i) a bachelor's degree from an accredited postsecondary educational institution; and
- (ii) proof that the individual has passed the state approved content area examination in the subject area that the individual intends to teach.

(3) For a program participant who seeks to obtain a license to teach in prekindergarten through grade 3, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education.

(B) Both:

- (i) a bachelor's degree from an accredited postsecondary educational institution with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and
- (ii) five (5) years professional experience in an education related field, as determined by the department.

(C) Both:

- (i) a bachelor's degree from an accredited postsecondary educational institution; and
- (ii) proof that the individual has passed the state approved content area examination in the subject area that the individual intends to teach.

SECTION 9. IC 20-28-5-21, AS AMENDED BY P.L.275-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 21. To be eligible for a career specialist permit to teach in a secondary school, an applicant must meet one (1) of the following:

(1) The applicant:

- (A) has a bachelor's degree with a cumulative grade point average of at least 3.0 on a 4.0 scale (or its equivalent if another grading scale is used) in the content area in which the applicant intends to teach;
- (B) has passed the approved content area examination in the content area in which the applicant intends to teach;
- (C) demonstrates proficiency in the area of pedagogy under procedures prescribed by the department; and
- (D) has, within the immediately preceding five (5) years, at least four thousand (4,000) clock hours of documented occupational experience in the content area in which the applicant intends to teach.

- (2) The applicant:
- (A) meets the requirements under subdivision (1)(A) or (1)(B);
 - (B) demonstrates proficiency in the area of pedagogy under procedures prescribed by the department; and
 - (C) has, within the immediately preceding seven (7) years, at least five thousand (5,000) clock hours of documented occupational experience in the content area in which the applicant intends to teach.
- (3) The applicant:
- (A) is at least twenty-one (21) years of age;
 - (B) will teach aviation ground instruction; and
 - (C) meets at least one (1) of the following conditions:
 - (i) The applicant has passed the Federal Aviation Administration advanced ground instructor and fundamentals of instruction tests and been issued a valid Federal Aviation Administration advanced ground instructor certificate.
 - (ii) The applicant possesses a valid Federal Aviation Administration certified flight instructor or certified flight instructor instrument certificate.
- (4) The applicant:
- (A) is at least twenty-one (21) years of age;
 - (B) will teach flight instruction; and
 - (C) possesses a valid Federal Aviation Administration:
 - (i) certified flight instructor; or
 - (ii) certified flight instructor instrument;
 certificate with the appropriate Federal Aviation Administration aircraft ratings for the flight instruction being provided.

SECTION 10. IC 20-28-5-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 30. (a) As used in this section, "emergency permit" refers to an emergency permit described in 511 IAC 16-4-1 or its successor rule.

(b) An emergency permit may be renewed up to two (2) times to an individual enrolled in an alternative teacher certification program under section 12.5 of this chapter if the program provides documentation verifying the individual's good standing in the program to the department.

SECTION 11. IC 20-28-9-1.5, AS AMENDED BY P.L.214-2025, SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1.5. (a) This subsection governs salary increases for a teacher employed by a school corporation. Compensation attributable to additional degrees or graduate credits earned before the effective date of a local compensation plan created under this chapter before July 1, 2015, shall continue for school years beginning after June 30, 2015. Compensation attributable to additional degrees for which a teacher has started course work before July 1, 2011, and completed course work before September 2, 2014, shall also continue for school years beginning after June 30, 2015. For school years beginning after June 30, 2022, a school corporation may provide

a supplemental payment to a teacher in excess of the salary specified in the school corporation's compensation plan when doing so is in the best interest of students. A supplement provided under this subsection is not subject to collective bargaining and, under IC 20-29-6-3(d), a school corporation may exclude, for this purpose, a portion of the revenue available for bargaining from education fund revenues included in IC 20-29-2-6. Such a supplement is in addition to any increase permitted under subsection (b).

(b) Subject to subsection (e), increases or increments in a local salary range must be based upon a combination of the following factors:

(1) A combination of the following factors taken together may account for not more than fifty percent (50%) of the calculation used to determine a teacher's increase or increment:

(A) The number of years of a teacher's experience.

(B) The possession of either:

(i) additional content area degrees beyond the requirements for employment; or

(ii) additional content area degrees and credit hours beyond the requirements for employment, if required under an agreement bargained under IC 20-29.

(2) The results of an evaluation conducted under IC 20-28-11.5.

(3) The assignment of instructional leadership roles, including the responsibility for conducting evaluations under IC 20-28-11.5.

(4) The academic needs of students in the school corporation, including employment in a high need area such as those identified under IC 20-29-3-15(b)(27). This factor may not account for less than ten percent (10%) of the calculation used to determine a teacher's increase or increment.

(c) To provide greater flexibility and options, a school corporation may further differentiate the amount of salary increases or increments determined for teachers. A school corporation shall base a differentiated amount under this subsection on reasons the school corporation determines are appropriate, which may include the:

(1) subject or subjects taught by a given teacher;

(2) importance of retaining a given teacher at the school corporation;

(3) need to attract an individual with specific qualifications to fill a teaching vacancy; and

(4) offering of a new program or class.

(d) A school corporation may provide differentiated increases or increments under subsection (b), and in excess of the percentage specified in subsection (b)(1), in order to:

(1) reduce the gap between the school corporation's minimum teacher salary and the average of the school corporation's minimum and maximum teacher salaries; or

(2) allow teachers currently employed by the school corporation to receive a salary adjusted in comparison to starting base salaries of new teachers.

(e) A school corporation shall differentiate the amount of salary

1 ~~increases or increments~~ for teachers who possess a ~~required~~ literacy
2 endorsement ~~under described in IC 20-28-5-19.7.~~

3 (f) The Indiana education employment relations board established
4 in IC 20-29-3-1 shall publish a model compensation plan with a model
5 salary range that a school corporation may adopt.

6 (g) Each school corporation shall submit its local compensation plan
7 to the Indiana education employment relations board. A local
8 compensation plan must specify the range for teacher salaries. The
9 Indiana education employment relations board shall publish the local
10 compensation plans on the Indiana education employment relations
11 board's website.

12 (h) The Indiana education employment relations board shall review
13 a compensation plan for compliance with this section as part of its
14 review under IC 20-29-6-6.1. The Indiana education employment
15 relations board has jurisdiction to determine compliance of a
16 compensation plan submitted under this section.

17 (i) This chapter may not be construed to require or allow a school
18 corporation to decrease the salary of any teacher below the salary the
19 teacher was earning on or before July 1, 2015, if that decrease would
20 be made solely to conform to the new compensation plan.

21 (j) After June 30, 2011, all rights, duties, or obligations established
22 under IC 20-28-9-1 before its repeal are considered rights, duties, or
23 obligations under this section.

24 (k) An employment agreement described in IC 20-28-6-7.3 between
25 an adjunct teacher and a school corporation is not subject to this
26 section.

27 SECTION 12. IC 20-28-9-27, AS AMENDED BY P.L.213-2025,
28 SECTION 171, IS AMENDED TO READ AS FOLLOWS
29 [EFFECTIVE UPON PASSAGE]: Sec. 27. (a) As used in this section,
30 "funding floor" means the amount a school corporation expended for
31 full-time teacher salaries during a particular state fiscal year.

32 (b) Subject to subsections (d) and (e), if the amount of state tuition
33 support distributed to a school corporation for a particular state fiscal
34 year is greater than the amount of state tuition support distributed to the
35 school corporation for the preceding state fiscal year, the school
36 corporation may not expend an amount for full-time teacher salaries
37 during the particular state fiscal year that is less than the funding floor
38 for the preceding state fiscal year.

39 (c) For purposes of this section, the amount a school corporation
40 expends for full-time teacher salaries shall include the amount the
41 school corporation expends for participating in:

- 42 (1) a special education cooperative; ~~or~~
- 43 (2) a career and technical education cooperative; ~~or~~
- 44 (3) **an interlocal agreement;**

45 that is directly attributable to the salaries of full-time teachers
46 employed by the cooperative. ~~as determined by the department.~~

47 (d) For purposes of this subsection, stipends paid using teacher
48 appreciation grants under IC 20-43-16 are not considered. If a school
49 corporation has awarded stipends to a majority of the school
50 corporation's teachers in each of the two (2) preceding consecutive

1 state fiscal years, an amount equal to the lesser of the total amount of
 2 stipends awarded in each of those state fiscal years shall be added to
 3 the school corporation's funding floor for the preceding state fiscal year
 4 described under subsection (b).

5 (e) Beginning after June 30, 2024, for each state fiscal year that a
 6 school corporation fails to meet the expenditure requirements regarding
 7 full-time teacher salaries under subsection (b), the department shall
 8 submit in both a written and an electronic format a notice to the school
 9 corporation's:

- 10 (1) superintendent;
- 11 (2) school business officer; and
- 12 (3) governing body;

13 that the school corporation failed to meet the requirements set forth in
 14 subsection (b) for the applicable state fiscal year.

15 (f) If a school corporation's governing body receives a notice from
 16 the department under subsection (e), the school corporation shall do the
 17 following:

- 18 (1) Publicly acknowledge receipt of the notice from the
- 19 department at the governing body's next public meeting.
- 20 (2) Enter into the governing body's official minutes for the
- 21 meeting described in subdivision (1) acknowledgment of the
- 22 notice.
- 23 (3) Not later than thirty (30) days after the meeting described in
- 24 subdivision (1), publish on the school corporation's website:
- 25 (A) the department's notice; and
- 26 (B) any relevant individual reports prepared by the
- 27 department.

28 (g) If the department determines a school corporation that received
 29 one (1) or more notices from the department under subsection (e) has
 30 met the expenditure requirements required under subsection (b) for a
 31 subsequent state fiscal year, the school corporation may remove from
 32 the school corporation's website any:

- 33 (1) notices the school corporation received under subsection (e);
- 34 and
- 35 (2) relevant individual reports prepared by the department under
- 36 subsection (f)(3).

37 SECTION 13. IC 20-30-7-1, AS AMENDED BY P.L.201-2025,
 38 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (c),
 40 the ~~state board may~~ **department shall** prescribe a program of summer
 41 school education for public schools. Subject to subsection (b), ~~the state~~
 42 ~~board shall adopt rules under IC 4-22-2 to~~ **the department shall**
 43 provide for:

- 44 (1) summer school programs **guidelines**; and
- 45 (2) the state distribution formula for any money appropriated by
- 46 the general assembly for summer school education to allow for
- 47 funding for approved summer school programs on a per student
- 48 basis, which may include differentiated funding based on the
- 49 course the student is enrolled in and the length of time of the
- 50 summer school program.

(b) The ~~state board~~ **department** shall give priority reimbursement for summer school courses that include curriculum aligned with the science of reading designated by the department to support students in:

- (1) grade 2 who are at risk of not being reading proficient; and
- (2) grade 3 who are not reading proficient;

as indicated on the determinant evaluation of reading skills approved by the state board under IC 20-32-8.5-2.

(c) A state accredited nonpublic school and an eligible school (as defined in IC 20-51-1-4.7) shall be eligible for summer school funding for courses that include curriculum aligned with the science of reading designated by the department to support students in:

- (1) grade 2 who are at risk of not being reading proficient; and
- (2) grade 3 who are not reading proficient;

as indicated on the determinant evaluation of reading skills approved by the state board under IC 20-32-8.5-2.

SECTION 14. IC 20-31-4.1-4, AS AMENDED BY P.L.11-2023, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Subject to subsection (b) and section 7 of this chapter, a school or group of schools accredited under this chapter may submit an application to the state board, in a manner prescribed by the state board, requesting flexibility and to waive compliance with any provision in this title or 511 IAC in order to do one (1) or more of the following:

- (1) Improve student performance and outcomes.
- (2) Offer the applicant flexibility in the administration of educational programs or improve the efficiency of school operations.
- (3) Promote innovative educational approaches to student learning.
- (4) Advance the mission or purpose of the school or group of schools.

(b) The application submitted under subsection (a) must include the following:

- (1) A list of the one (1) or more provisions in this title, 511 IAC, or this title and 511 IAC that the school or group of schools is requesting that the state board waive.
- (2) The following information:
 - (A) The specific goal or outcome or goals or outcomes that the school or group of schools intends to achieve by waiving the provisions described in subdivision (1).
 - (B) How the specific goals or outcomes described in clause (A) are likely to be achieved by waiving compliance with the provisions described in subdivision (1).
- (3) For an application submitted by:
 - (A) the governing body of a school corporation, a copy of the resolution adopted by the governing body approving the submission of the application;
 - (B) a charter school, written authorization by the charter school organizer approving the submission of the application;
 or

(C) a nonpublic school, written authorization by the person or agency in active charge and management of the nonpublic school approving the submission of the application.

(c) To be eligible to waive IC 20-30-2-3 for the purposes of conducting a four (4) day school week at a school, a school must meet the following requirements:

(1) Provide transportation to a school that conducts a five (5) day school week that serves the same grade level for any student who would otherwise be assigned to a school that conducts a four (4) day school week.

(2) Be placed in the highest performance and improvement category or designation by the department under IC 20-31-8.

(3) Meet the minimum teacher salary threshold under IC 20-28-9-26.

(4) Provide enrichment and remediation opportunities on the day that a regular school day is not conducted at no cost to a parent of a student or student.

SECTION 15. IC 20-32-5.1-13, AS AMENDED BY P.L.150-2024, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 13. (a) The proficiency of students under a statewide summative assessment must be reported to the state board not later than:

(1) for the ~~2018-2019~~ **2025-2026** school year, ~~August 15, 2019;~~ **September 1, 2026;** and

(2) for each school year beginning after ~~June 30, 2019;~~ **June 30, 2026**, July 1 of the year in which the statewide summative assessment is administered.

(b) Reports of student scores on the statewide summative assessment must be:

(1) returned to the school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) that administered the test; and

(2) accompanied by a guide for interpreting scores.

(c) Subject to approval by the state board, reports of student results on computer scored items under a statewide summative assessment may be returned to schools regardless of whether the hand scored items are returned.

(d) After reports of final student scores on the statewide summative assessment are returned to a school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7), the school corporation or school shall promptly do the following:

(1) Give each student and the student's parent the student's statewide summative assessment test scores, including the summary described in section 14.5 of this chapter.

(2) Make available for inspection to each student and the student's parent the following:

(A) A copy of the student's scored responses.

(B) A copy of the anchor papers and scoring rubrics used to score the student's responses.

A student's parent or the student's principal may request a rescoring of

a student's responses to a statewide summative assessment, including a student's essay. A student's final score on a rescored statewide summative assessment must reflect the student's actual score on the rescored statewide summative assessment regardless of whether the student's score decreased or improved on the rescored assessment.

(e) The department shall develop criteria to provide a student's parent the opportunity to inspect questions in a manner that will not compromise the validity or integrity of a statewide summative assessment.

(f) A student's statewide summative assessment scores may not be disclosed to the public.

~~(g) The department may not release less than ten (10) items per subject matter per grade level. The state board and department shall:~~

~~(1) post:~~

~~(A) the questions; and~~

~~(B) with the permission of each student's parent, student answers that are exemplary responses to the released questions;~~

~~on the websites of the state board and department; and~~

~~(2) publicize the availability of the questions and answers to schools, educators, and the public.~~

A student answer posted under this subsection may not identify the student who provided the answer.

SECTION 16. IC 20-32-6.5-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 4. (a) The department shall develop a teaching and learning framework for the implementation of mathematics academic standards created under IC 20-31-3-2.**

(b) The framework described in subsection (a) must include a kindergarten through grade 5 mathematics:

(1) proficiency implementation guide; and

(2) daily instruction recommendation that requires a minimum of:

(A) sixty (60) minutes for Tier 1 instruction; and

(B) twenty (20) minutes for mathematics interventions.

SECTION 17. IC 20-43-8-7.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 7.5. (a) The department of workforce development commission for higher education shall designate each career and technical education program as:**

(1) an apprenticeship program;

(2) a cooperative education program;

(3) a work based learning program;

(4) a high value program;

(5) a moderate value program;

(6) a less than moderate value program;

(7) an introductory program; or

(8) a foundational career and technical education course.

The designation of career and technical education programs by the ~~department of workforce development commission for higher~~

education under this section must be reviewed and approved by the state board as provided in this section.

(b) Not later than ~~December 1, 2019, and each~~ December 1 thereafter, **of each year**, the ~~department of workforce development~~ **commission for higher education** shall designate each career and technical education program as:

- (1) an apprenticeship program;
- (2) a work based learning program;
- (3) a high value level 1 program;
- (4) a high value level 2 program;
- (5) a moderate value level 1 program;
- (6) a moderate value level 2 program;
- (7) a less than moderate value level 1 program;
- (8) a less than moderate value level 2 program;
- (9) a planning for college and career course; or
- (10) an introductory program.

The designation of career and technical education programs by the ~~department of workforce development~~ **commission for higher education** under this section must be reviewed and approved by the state board as provided in this section.

(c) If a new career and technical education program is created by rule, the ~~department of workforce development~~ **commission for higher education** shall determine the category in which the program is designated under subsection (a) or (b). A career and technical education program must be approved by the ~~department of workforce development~~ **commission for higher education** in order for a school corporation to be eligible to receive a grant amount for the career and technical education program under section 15 of this chapter.

(d) Not later than December 1 of each year, the ~~department of workforce development~~ **commission for higher education** shall provide a report to the state board that includes the following information:

- (1) A list of the career and technical education courses for the next school year that are designated by the ~~department of workforce development~~ **commission for higher education** under this section.
- (2) The labor market demand used to designate each career and technical education program under this section.
- (3) The average wage level used to designate each career and technical education program under this section.
- (4) If applicable, the labor market demand and average wage level data for specific regions, counties, and municipalities.
- (5) Any other information pertinent to the methodology used by the ~~department of workforce development~~ **commission for higher education** to designate each career and technical education program under this section.

(e) Not later than January 1 of each year, the state board shall review and approve the report provided by the ~~department of workforce development~~ **commission for higher education** under subsection (d) at a public meeting to ensure that the list of courses is in compliance

with the long range state plan developed under IC 20-20-38-4. Not later than January 1 of each year, the state board shall send its determination to the ~~department of workforce development~~ **commission for higher education**. Upon receipt of the state board's determination, the ~~department of workforce development~~ **commission for higher education** shall provide the approved report to the department.

(f) The ~~department of workforce development~~ **commission for higher education** shall publish the approved report under subsection (e) on the ~~department of workforce development's Internet web site,~~ **commission for higher education's website**, including the following:

- (1) The list of career and technical education programs that are designated by the ~~department of workforce development~~ **commission for higher education** under this section.
- (2) The labor market demand used to designate each career and technical education program under this section.
- (3) The average wage level used to designate each career and technical education program under this section.
- (4) If applicable, the labor market demand and average wage level data for specific regions, counties, and municipalities.
- (5) Any other information pertinent to the methodology used by the ~~department of workforce development~~ **commission for higher education** to designate each career and technical education program under this section.

In addition, the department shall notify all school corporations of the state board's approval of the report under subsection (e) and provide a link within the notice to the approved report published on the ~~department of workforce development's Internet web site~~ **commission for higher education's website** under this subsection.

SECTION 18. IC 20-43-8-10, AS AMENDED BY P.L.230-2017, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. If a school corporation determines that the categories of career and technical education programs issued by the ~~department of workforce development~~ **commission for higher education** and approved by the state board under section 7.5 of this chapter are not representative of the employment demand in the region surrounding the school corporation, the school corporation may petition the ~~department of workforce development~~ **commission for higher education** to recategorize for the school corporation the career and technical education programs offered by the school corporation according to the employment demand in the region surrounding the school corporation. The petition must include information supporting the school corporation's determination that the categories of career and technical education programs by the ~~department of workforce development~~ **commission for higher education** under section 7.5 of this chapter are not representative of the employment demand in the region surrounding the school corporation. The state board shall review and approve any course recategorization by the ~~department of workforce development~~ **commission for higher education** under this section.

SECTION 19. IC 20-43-8-15, AS AMENDED BY P.L.213-2025,

SECTION 189, IS AMENDED TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2026]: Sec. 15. (a) This subsection applies to
 the state fiscal year beginning July 1, 2025, and ending June 30, 2026.
 A school corporation's career and technical education enrollment grant
 for a state fiscal year is the sum of the amounts determined under the
 following STEPS:

STEP ONE: Determine for each career and technical education
 program provided by the school corporation:

(A) the number of credit hours of the program (one (1) credit,
 two (2) credits, or three (3) credits); multiplied by

(B) the number of pupils enrolled in the program; multiplied
 by

(C) the following applicable amount:

(i) Seven hundred ten dollars (\$710) for a career and
 technical education program designated by the department
 of workforce development as a high value level 1 program
 under section 7.5 of this chapter.

(ii) One thousand sixty-five dollars (\$1,065) for a career and
 technical education program designated by the department
 of workforce development as a high value level 2 program
 under section 7.5 of this chapter.

(iii) Three hundred ninety-eight dollars (\$398) for a career
 and technical education program designated by the
 department of workforce development as a moderate value
 level 1 program under section 7.5 of this chapter.

(iv) Five hundred ninety-seven dollars (\$597) for a career
 and technical education program designated by the
 department of workforce development as a moderate value
 level 2 program under section 7.5 of this chapter.

(v) One hundred ninety-nine dollars (\$199) for a career and
 technical education program designated by the department
 of workforce development as a less than moderate value
 level 1 program under section 7.5 of this chapter.

(vi) Two hundred ninety-eight dollars (\$298) for a career
 and technical education program designated by the
 department of workforce development as a less than
 moderate value level 2 program under section 7.5 of this
 chapter.

STEP TWO: Determine the number of pupils enrolled in an
 apprenticeship program or a work based learning program
 designated under section 7.5 of this chapter multiplied by four
 hundred ninety-seven dollars (\$497).

STEP THREE: Determine the number of pupils enrolled in an
 introductory program designated under section 7.5 of this chapter
 multiplied by two hundred ninety-eight dollars (\$298).

STEP FOUR: Determine the number of pupils enrolled in a
 planning for college and career course under section 7.5 of this
 chapter at the school corporation that is approved by the
 department of workforce development multiplied by one hundred
 forty-nine dollars (\$149).

1 STEP FIVE: Determine the number of pupils who travel from the
 2 school in which they are currently enrolled to another school to
 3 participate in a career and technical education program in which
 4 pupils from multiple schools are served at a common location
 5 multiplied by one hundred forty-nine dollars (\$149).

6 (b) This subsection applies to state fiscal years beginning after June
 7 30, 2026. A school corporation's career and technical education
 8 enrollment grant for a state fiscal year is the sum of the amounts
 9 determined under the following STEPS:

10 STEP ONE: Determine for each career and technical education
 11 program provided by the school corporation:

12 (A) the number of credit hours of the program (one (1) credit,
 13 two (2) credits, or three (3) credits); multiplied by

14 (B) the number of pupils enrolled in the program; multiplied
 15 by

16 (C) the following applicable amount:

17 (i) Seven hundred twelve dollars (\$712) for a career and
 18 technical education program designated by the ~~department~~
 19 ~~of workforce development commission for higher~~
 20 **education** as a high value level 1 program under section 7.5
 21 of this chapter.

22 (ii) One thousand sixty-nine dollars (\$1,069) for a career and
 23 technical education program designated by the ~~department~~
 24 ~~of workforce development commission for higher~~
 25 **education** as a high value level 2 program under section 7.5
 26 of this chapter.

27 (iii) Three hundred ninety-nine dollars (\$399) for a career
 28 and technical education program designated by the ~~department~~
 29 ~~of workforce development commission for~~
 30 **higher education** as a moderate value level 1 program
 31 under section 7.5 of this chapter.

32 (iv) Five hundred ninety-nine dollars (\$599) for a career and
 33 technical education program designated by the ~~department~~
 34 ~~of workforce development commission for higher~~
 35 **education** as a moderate value level 2 program under
 36 section 7.5 of this chapter.

37 (v) Two hundred dollars (\$200) for a career and technical
 38 education program designated by the ~~department~~
 39 ~~of workforce development commission for higher education~~
 40 as a less than moderate value level 1 program under section
 41 7.5 of this chapter.

42 (vi) Two hundred ninety-nine dollars (\$299) for a career and
 43 technical education program designated by the ~~department~~
 44 ~~of workforce development commission for higher~~
 45 **education** as a less than moderate value level 2 program
 46 under section 7.5 of this chapter.

47 STEP TWO: Determine the number of pupils enrolled in an
 48 apprenticeship program or a work based learning program
 49 designated under section 7.5 of this chapter multiplied by four
 50 hundred ninety-nine dollars (\$499).

1 STEP THREE: Determine the number of pupils enrolled in an
 2 introductory program designated under section 7.5 of this chapter
 3 multiplied by Two hundred ninety-nine dollars (\$299).

4 STEP FOUR: Determine the number of pupils enrolled in a
 5 planning for college and career course under section 7.5 of this
 6 chapter at the school corporation that is approved by the
 7 ~~department of workforce development~~ **commission for higher**
 8 **education** multiplied by one hundred fifty dollars (\$150).

9 STEP FIVE: Determine the number of pupils who travel from the
 10 school in which they are currently enrolled to another school to
 11 participate in a career and technical education program in which
 12 pupils from multiple schools are served at a common location
 13 multiplied by one hundred fifty dollars (\$150).

14 SECTION 20. IC 20-43-8-16, AS ADDED BY P.L.230-2017,
 15 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2026]: Sec. 16. The ~~department of workforce development~~
 17 **commission for higher education** shall adopt rules under IC 4-22-2
 18 that are necessary to implement the duties of the ~~department of~~
 19 ~~workforce development~~ **commission for higher education** under this
 20 chapter.

21 SECTION 21. IC 20-43-16-5, AS ADDED BY P.L.213-2025,
 22 SECTION 198, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A grant received by a
 24 school corporation or charter school, may only be used to pay stipends
 25 within the amounts described in section 8 of this chapter to one (1) or
 26 more teachers selected by the school corporation or charter school who:

- 27 (1) have instructed students in a school or district for at least one
- 28 (1) school year prior to the grant distribution year;
- 29 (2) maintain employment at the same school or district at the time
- 30 of the grant distribution;
- 31 (3) are determined to significantly impact student outcomes using
- 32 national, state, or local assessment measures; and
- 33 (4) are designated in one (1) of the categories described in section
- 34 6 of this chapter.

35 **(b) A grant received by a school corporation or school may be**
 36 **used to pay the Federal Insurance Contributions Act (FICA) and**
 37 **Indiana state teachers' retirement fund costs associated with**
 38 **distributing a stipend under this chapter.**

39 SECTION 22. IC 20-46-1-21, AS AMENDED BY P.L.68-2025,
 40 SECTION 221, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) This section:

- 42 (1) except as provided in subdivision (2), applies to revenue
- 43 received from a resolution that is approved by the governing body
- 44 to impose a referendum levy under section 8 or 8.5 of this chapter
- 45 after May 10, 2023, for a school corporation located in:

- 46 (A) Lake County;
- 47 (B) Marion County;
- 48 (C) St. Joseph County; or
- 49 (D) Vanderburgh County;

50 through the full term of the referendum levy; and

- 1 (2) does not apply to revenue received from a referendum levy if:
- 2 (A) the governing body of the school corporation approves the
- 3 referendum levy in a resolution adopted under section 8 or 8.5
- 4 of this chapter; and
- 5 (B) the referendum levy is imposed for the first time with
- 6 property taxes first due and payable in a calendar year
- 7 beginning after December 31, 2027.
- 8 (b) Subject to subsections (f) and (h), the county auditor in the
- 9 county in which the school corporation is located shall distribute an
- 10 amount of revenue as provided under subsection (e) from the revenue
- 11 collected from a tax levy imposed under this chapter by a school
- 12 corporation that is attributable to the territory of the school corporation
- 13 that is located within the boundaries of a county listed in subsection
- 14 (a)(1) to each charter school, excluding virtual charter schools or adult
- 15 high schools, that a student who resides within the attendance area of
- 16 the school corporation attends if the charter school elects to participate
- 17 in the referendum under section 8(h) of this chapter.
- 18 (c) The department shall provide the county auditor with data and
- 19 information necessary for the county auditor to determine:
- 20 (1) which charter schools are eligible to receive a distribution
- 21 under this section; and
- 22 (2) the number of students who:
- 23 (A) reside within the attendance area of the school corporation
- 24 who are included in the ADM for each charter school,
- 25 excluding virtual charter schools or adult high schools,
- 26 described in subdivision (1); and
- 27 (B) receive not more than fifty percent (50%) virtual
- 28 instruction.
- 29 (d) The following schools are not eligible to receive a distribution
- 30 under this section:
- 31 (1) A virtual charter school.
- 32 (2) An adult high school.
- 33 (e) For the purposes of the calculations made in this subsection,
- 34 each eligible school that has entered into an agreement with a school
- 35 corporation to participate as a participating innovation network charter
- 36 school under IC 20-25.7-5 is considered to have an ADM that is
- 37 separate from the school corporation. The amount that the county
- 38 auditor shall distribute to a charter school, excluding virtual charter
- 39 schools or adult high schools, under this section is the amount
- 40 determined in the last STEP of the following STEPS:
- 41 STEP ONE: Determine, for each charter school, excluding virtual
- 42 charter schools or adult high schools, that is eligible to receive a
- 43 distribution under this section, the number of students who:
- 44 (A) reside within the attendance area of the school
- 45 corporation;
- 46 (B) ~~who~~ are currently included in the ADM of the charter
- 47 school; and
- 48 (C) receive not more than fifty percent (50%) virtual
- 49 instruction.
- 50 STEP TWO: Determine the sum of:

- 1 (A) the current ADM count for the school corporation; plus
 2 (B) ~~the~~ total number of ~~all~~ students who:
 3 (i) reside within the attendance area of the school
 4 corporation;
 5 (ii) ~~who~~ are currently included in the ADM of a charter
 6 school, **excluding virtual charter schools or adult high**
 7 **schools;** and
 8 (iii) receive not more than fifty percent (50%) virtual
 9 instruction. ~~excluding virtual charter schools or adult high~~
 10 ~~schools.~~
 11 STEP THREE: Determine the result of:
 12 (A) the STEP ONE amount; divided by
 13 (B) the STEP TWO amount.
 14 STEP FOUR: Determine the result of:
 15 (A) the sum of:
 16 (i) the STEP THREE amount; plus
 17 (ii) any amount withheld in the previous year under
 18 subsection (i); multiplied by
 19 (B) the amount collected by the county auditor during the most
 20 recent installment period that is attributable to the territory of
 21 the school corporation that is located within the boundaries of
 22 a county listed in subsection (a).
 23 (f) A charter school is not eligible for a distribution under this
 24 section from property tax revenue collected from a particular
 25 referendum levy if the charter school does not have a certified fall
 26 ADM count in the calendar year immediately preceding the calendar
 27 year in which the public question for the referendum appears on the
 28 ballot.
 29 (g) Not later than August 15, 2025, and not later than August 15 of
 30 each calendar year thereafter, the department shall provide to each
 31 school corporation and eligible charter school an estimate of the
 32 amount of property tax levy revenue the school corporation and charter
 33 school are expected to receive under this section in the subsequent
 34 calendar year based on the most recent fall ADM count.
 35 (h) This subsection applies beginning with distributions of property
 36 tax revenue under this section in 2026 and thereafter. In order to
 37 receive a distribution under this section, the governing body of a
 38 charter school shall, not later than October 15, 2025, and not later than
 39 October 15 of each calendar year thereafter, adopt a budget for the
 40 current school year. Not later than ten (10) days before its adoption, the
 41 budget must be fixed and presented to the charter board in a public
 42 meeting in the county in which the charter school is incorporated. Not
 43 later than November 1, 2025, and not later than November 1 of each
 44 calendar year thereafter, the governing body of the charter school shall
 45 submit:
 46 (1) the budget that is adopted under this subsection;
 47 (2) the dates on which each requirement under this subsection
 48 were met; and
 49 (3) a statement from the governing body of the charter school
 50 attesting that the dates provided in subdivision (2) are true and

accurate and that the budget was properly adopted under this subsection;
to the charter authorizer for review and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3.

(i) If a charter school does not satisfy the requirements of subsection (h) to receive distributions under this section during a calendar year, as determined by the department of local government finance, the charter school may not receive a distribution of property tax revenue in that calendar year and the county auditor shall withhold the charter school's distribution amount. The department of local government finance's determination of compliance consists only of a confirmation that the adopted budget and attestation statement are submitted not later than the applicable date under subsection (h). Any distribution amount withheld under this subsection shall be:

(1) added to the property tax revenue collections as described in STEP TWO of subsection (e); and

(2) distributed among the school corporation and remaining charter schools according to subsection (e);
in the calendar year that immediately follows the calendar year in which the distribution amount was withheld.

SECTION 23. IC 20-46-9-22, AS AMENDED BY P.L.68-2025, SECTION 232, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) This section:

(1) applies to revenue received from a resolution that is approved by the governing body to impose a referendum levy under section 6 or 7 of this chapter after May 10, 2023, for a school corporation located in:

(A) Lake County;

(B) Marion County;

(C) St. Joseph County; or

(D) Vanderburgh County;

through the full term of the referendum levy; and

(2) does not apply to revenue received from a referendum levy if:

(A) the governing body of the school corporation approves the referendum levy in a resolution adopted under section 6 or 7 of this chapter; and

(B) the referendum levy is imposed for the first time with property taxes first due and payable in a calendar year beginning after December 31, 2027.

(b) The county auditor shall distribute an amount under subsection (d) to each charter school, excluding virtual charter schools or adult high schools, that a student who resides within the attendance area of the school corporation attends if the charter school, excluding virtual charter schools or adult high schools, elects to participate in the referendum under section 6(i) of this chapter. The department shall provide the county auditor with data and information necessary for the county auditor to determine:

(1) which charter schools, excluding virtual charter schools or adult high schools, are eligible to receive a distribution under this

section; and

(2) the number of all students who reside within the attendance area of the school corporation who are included in the ADM for each charter school, excluding virtual charter schools or adult high schools, described in subdivision (1).

(c) The following schools are not eligible to receive a distribution under this section:

(1) A virtual charter school.

(2) An adult high school.

(d) For the purposes of the calculations made in this subsection, each eligible school that has entered into an agreement with a school corporation to participate as a participating innovation network charter school under IC 20-25.7-5 is considered to have an ADM that is separate from the school corporation. The amount that the county auditor shall distribute to a charter school, excluding virtual charter schools or adult high schools, under this section is the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine, for each charter school, excluding virtual charter schools or adult high schools, that is eligible to receive a distribution under this section, the number of students who:

(A) reside within the attendance area of the school corporation; ~~who~~

(B) are currently included in the ADM of the charter school; **and**

(C) **receive not more than fifty percent (50%) virtual instruction.**

STEP TWO: Determine the sum of:

(A) the current ADM count for the school corporation; plus

(B) the total number of students who:

(i) reside within the attendance area of the school corporation; ~~who~~

(ii) are currently included in the ADM of a charter school, excluding virtual charter schools or adult high schools; **and**

(iii) **receive not more than fifty percent (50%) virtual instruction.**

STEP THREE: Determine the result of:

(A) the STEP ONE amount; divided by

(B) the STEP TWO amount.

STEP FOUR: Determine the result of:

(A) the STEP THREE amount; multiplied by

(B) the amount collected by the county auditor during the most recent installment period.

(e) If a charter school receives a distribution under this section, the distribution may be used only for the purposes described in IC 20-40-20-6(a).

SECTION 24. IC 20-51-4-5.5, AS ADDED BY P.L.232-2025, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5.5. (a) A parent of an eligible choice scholarship student or an eligible school on behalf of a parent of an eligible choice scholarship student may petition the department to reconsider the

eligibility of a choice scholarship student payment of a choice scholarship for a student enrolled in the eligible school if the parent has reason to believe that the student was determined ineligible due to enrollment membership data inaccuracies reported by a school. **Petitions must be received by the department not later than thirty (30) days after the date of notification of payment based on the official fall and spring ADM count dates.**

(b) If the department determines that a student described in subsection (a) is eligible for a choice scholarship under this chapter, the department may adjust the enrollment membership count of choice scholarship students for the applicable eligible school.

(c) If the department adjusts a count used for a distribution under this chapter, the department shall adjust subsequent distributions to the eligible school that is affected by the adjusted count, on the schedule determined by the department, to reflect the differences between the distribution that the eligible school received and the distribution that the eligible school would have received if the adjusted count had been used.

SECTION 25. IC 20-51.4-4.5-6.5, AS ADDED BY P.L.127-2024, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.5. (a) A parent of a career scholarship student or an emancipated career scholarship student may use a CSA annual grant amount received under this chapter for costs related to obtaining a driver's license if the following conditions are met:

- (1) The amount used for the costs does not exceed one thousand dollars (\$1,000).
- (2) The parent or emancipated CSA student demonstrates proof of hardship, as determined by the department.
- (3) A driver's license is a prerequisite for being able to perform the regular functions of the sequence, course, apprenticeship, or program of study, as determined by the department.
- (4) Any other criteria that the department considers relevant are satisfied.

(b) A parent of a career scholarship student or an emancipated career scholarship student may use a CSA annual grant amount received under this chapter for costs related to transportation if the following conditions are met:

- (1) The amount used for the costs from the CSA annual grant amount does not exceed the following:
 - (A) A matching amount paid by a CSA participating entity for the transportation costs of the career scholarship student.
 - (B) a total amount of six hundred twenty-five dollars (\$625).
- (2) The parent or emancipated CSA student demonstrates proof of hardship, as determined by the department.
- (3) Any other criteria that the department considers relevant are satisfied.

(c) A CSA annual grant amount received under this chapter may not be used for the purchase or lease of a motor vehicle (as defined in IC 4-4-32.2-6).

SECTION 26. IC 20-53 IS ADDED TO THE INDIANA CODE AS

A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 53. STATE PARTICIPATION IN FEDERAL TAX CREDIT SCHOLARSHIP PROGRAM

Chapter 1. State List of Scholarship Granting Organizations

Sec. 1. The department is authorized to and shall as early as practicable elect to participate as a covered state in the federal tax credit scholarship program for elementary and secondary education under Section 25F of the Internal Revenue Code.

Sec. 2. (a) The department shall identify qualified scholarship granting organizations located in Indiana that meet the requirements set forth in section 4 of this chapter.

(b) The department shall accept applications throughout the year from scholarship granting organizations wishing to be identified as a qualified scholarship granting organization under subsection (a).

Sec. 3. (a) Not later than the first day of January each year, the department shall submit to the Secretary of the Treasury of the United States the list of qualified scholarship granting organizations identified under section 2(a) of this chapter that are located in Indiana and publish the list submitted under this subsection on its website.

(b) The department shall on each list submitted under subsection (a) certify its authority to do so as required under Section 25F(g)(2) of the Internal Revenue Code.

Sec. 4. (a) A scholarship granting organization shall be included on the list of qualified scholarship granting organizations submitted by the department to the Secretary of the Treasury of the United States under this chapter, if the organization:

(1) is a nonprofit organization with the primary purpose of providing scholarships to students; and

(2) meets the requirements described in Section 25F(c)(5) of the Internal Revenue Code.

(b) A scholarship granting organization (as defined in IC 6-3.1-30.5-3(1)) for purposes of the tax credit under IC 6-3.1-30.5 is eligible to be included on the list of qualified scholarship granting organizations under this chapter, if the scholarship granting organization meets the requirements under subsection (a). Each year the department shall provide to the department of state revenue a list of the scholarship granting organizations (as defined in IC 6-3.1-30.5-3(1)) that are also included on the list of qualified scholarship granting organizations submitted by the department to the Secretary of the Treasury of the United States under this chapter.

SECTION 27. IC 21-18-21 IS REPEALED [EFFECTIVE JULY 1, 2026]. (Postsecondary Career and Technical Education).

SECTION 28. IC 21-18.5-5-2, AS AMENDED BY P.L.43-2021, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 2. (a)** The board for proprietary education consists of the following seven (7) members:

(1) The secretary of education or the secretary's designee.

(2) The executive officer of the commission for higher education or the executive officer's designee.

(3) Five (5) members **who are members of the public at large** appointed by the governor.

(b) The members appointed by the governor under subsection (a) serve for a term of four (4) years.

(c) Not more than three (3) of the members appointed by the governor may be members of the same political party.

~~(d) Of the five (5) members appointed by the governor:~~

~~(1) one (1) must have been engaged for a period of at least five (5) years immediately preceding appointment in an executive or a managerial position in a postsecondary proprietary educational institution subject to IC 21-18.5-6;~~

~~(2) one (1) must have been engaged in administering or managing an industrial employee training program for a period of at least five (5) years immediately preceding appointment; and~~

~~(3) three (3) must be representatives of the public at large who are not representatives of the types of postsecondary credit bearing proprietary educational institutions to be authorized.~~

For purposes of subdivision (3); an elected or appointed state or local official or a member of a private or public school may not be appointed as a representative of the public at large.

~~(e)~~ (d) An appointment to fill a vacancy occurring on the board for proprietary education is for the unexpired term.

SECTION 29. IC 21-41-18 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Chapter 18. Graduate Programs in Mental or Behavioral Health

Sec. 1. This chapter does not apply to Ivy Tech Community College or Vincennes University.

Sec. 2. Each state educational institution that offers a two (2) year graduate degree program in mental or behavioral health shall evaluate the graduate degree program to determine the feasibility, if any, of providing the graduate degree program in a specifically structured manner to allow a full-time student to complete the graduate degree within:

(1) one (1) year; or

(2) five (5) years if the graduate degree program is combined with a baccalaureate degree program.

SECTION 30. IC 22-4.1-4-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 16. (a) As used in this section, "high skill, high wage, or in demand industry sectors or occupations" means sectors or occupations identified by the state pursuant to the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.) and applicable state and local workforce development processes.**

(b) The governor and the department, in consultation with the commission for higher education (established by IC 21-18-2-1) shall do the following:

1 (1) Establish a process to identify eligible workforce training
 2 programs that prepare students for high skill, high wage, or
 3 in demand industry sectors or occupations for workforce Pell
 4 grants.

5 (2) Establish a process for institutions and programs to:

6 (A) apply for recognition as an eligible workforce training
 7 program;

8 (B) be approved for workforce Pell grants; and

9 (C) appeal denials of workforce Pell grants.

10 (3) Coordinate certification and oversight of eligible
 11 workforce training programs with:

12 (A) workforce focused agencies;

13 (B) workforce related programs; and

14 (C) state and federal programs.

15 (4) Require eligible workforce training programs to provide
 16 data required under applicable federal workforce Pell grant
 17 regulations, including:

18 (A) program completion rates;

19 (B) job placement rates; and

20 (C) graduate earnings.

21 (c) The department shall ensure that the implementation of this
 22 section does not impose requirements more restrictive than, or
 23 inconsistent with, any applicable federal rules governing the
 24 workforce Pell grant program.

25 SECTION 31. [EFFECTIVE UPON PASSAGE] Notwithstanding
 26 the June 29, 2026, effective date contained in P.L.213-2025,
 27 SECTION 199, the revisor of statutes shall publish IC 20-51-1-4.3,
 28 as amended by P.L.213-2025, SECTION 199, effective May 1, 2026.

29 SECTION 32. An emergency is declared for this act.

(Reference is to EHB 1266 as reprinted February 24, 2026.)

Conference Committee Report
on
Engrossed House Bill 1266

Signed by:

Representative Behning
Chairperson

Senator Raatz

Representative Greene

Senator Goode

House Conferees

Senate Conferees