

HOUSE BILL No. 1289

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-5-1.3-13; IC 4-3-17; IC 4-23-7.2-21; IC 6-1.1; IC 6-3.1-26; IC 9-17-5-6; IC 14-8-2; IC 14-20-11; IC 20-29-6-4.1; IC 20-32-8.5-2; IC 33-33-40-1; IC 36-7-30.2.

Synopsis: State and local administration. Repeals the Hoosier alliance against drugs, the advisory committee on the oral history of the general assembly, and the Wendell L. Willkie memorial commission. Removes expired provisions located within Indiana Code sections. Limits collective bargaining with school bus drivers to the subjects allowed in collective bargaining with teachers. Provides that the prohibited subjects of collective bargaining with teachers apply to collective bargaining with school bus drivers. Makes conforming changes and technical corrections.

Effective: Upon passage; January 1, 2026 (retroactive); July 1, 2026.

Prescott

January 6, 2026, read first time and referred to Committee on Education.



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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1289

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

- 1 SECTION 1. IC 2-5-1.3-13, AS AMENDED BY P.L.186-2025,
2 SECTION 270, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: Sec. 13. (a) A study committee shall
4 study the issues assigned by the legislative council that are within the
5 subject matter for the study committee, as described in section 4 of this
6 chapter.
7 (b) In addition to the issues assigned under subsection (a), the
8 interim study committee on roads and transportation shall advise the
9 bureau of motor vehicles regarding the suitability of a special group (as
10 defined in IC 9-13-2-170) to receive a special group recognition license
11 plate for the special group (as defined in IC 9-13-2-170) for the first
12 time under IC 9-18.5-12-4 and the suitability of a special group (as
13 defined in IC 9-13-2-170) to continue participating in the special group
14 recognition license plate program under IC 9-18.5-12-5.
15 (c) In addition to the issues assigned under subsection (a), the
16 interim study committee on corrections and criminal code shall review
17 current trends with respect to criminal behavior, sentencing,



1 incarceration, and treatment and may:

2 (1) identify particular needs of the criminal justice system that can
3 be addressed by legislation; and

4 (2) prepare legislation to address the particular needs found by the
5 committee.

6 (d) In each even-numbered year, in addition to the issues assigned
7 under subsection (a), the interim study committee on courts and the
8 judiciary shall review, consider, and make recommendations
9 concerning all requests for new courts, new judicial officers, and
10 changes in jurisdiction of existing courts. A request under this
11 subsection must include at least the following information to receive
12 full consideration by the committee:

13 (1) The level of community support for the change, including
14 support from the local fiscal body.

15 (2) The results of a survey that shall be conducted by the county
16 requesting the change, sampling members of the bar, members of
17 the judiciary, and local officials to determine needs and concerns
18 of existing courts.

19 (3) Whether the county is already using a judge or magistrate
20 from an overserved area of the judicial district.

21 (4) The relative severity of need based on the most recent
22 weighted caseload measurement system report published by the
23 office of judicial administration.

24 (5) Whether the county is using any problem solving court as
25 described in IC 33-23-16-11, and, if so, the list of problem solving
26 courts established in the county, and any evaluation of the impact
27 of the problem solving courts on the overall judicial caseload.

28 (6) A description of the:

29 (A) county's population growth in the ten (10) years before the
30 date of the request; and

31 (B) projected population growth in the county for the ten (10)
32 years after the date of the request, to the extent available;

33 and any documentation to support the information provided under
34 this subdivision.

35 (7) A description of the county's use of pre-incarceration
36 diversion services and post-incarceration reentry services in an
37 effort to decrease recidivism.

38 (8) If the request is a request for a new court or new courts, an
39 acknowledgment from the county fiscal body (as defined in
40 IC 36-1-2-6) with the funding sources and estimated costs the
41 county intends to pay toward the county's part of the operating
42 costs associated with the new court or new courts.



1 The office of judicial administration shall post the list of required
2 information provided under this subsection on its website.

3 (e) In each even-numbered year, in addition to the issues assigned
4 under subsection (a), the interim study committee on courts and the
5 judiciary shall review the most recent weighted caseload measurement
6 system report published by the office of judicial administration and do
7 the following:

8 (1) Identify each county in which the number of courts or judicial
9 officers exceeds the number used by the county in that report
10 year.

11 (2) Determine the number of previous report years in which the
12 number of courts or judicial officers in a county identified in
13 subdivision (1) exceeded the number used by the county in that
14 particular report year.

15 (3) Make a recommendation on whether the number of courts or
16 judicial officers in the county should be decreased.

17 The office of judicial administration shall post a list of the number of
18 courts or judicial officers used in each county for each report year, and
19 the number of years in which the number of courts or judicial officers
20 in the county has exceeded the number used by the county, on its
21 website.

22 (f) In addition to studying the issues assigned under subsection (a),
23 the interim study committee on child services shall:

24 (1) review the annual reports submitted by:

25 (A) each local child fatality review team under IC 16-49-3-7;

26 (B) the statewide child fatality review committee under
27 IC 16-49-4-11; and

28 (C) the department of child services under IC 31-25-2-24;
29 during the immediately preceding twelve (12) month period, and
30 may make recommendations regarding changes in policies or
31 statutes to improve child safety; and

32 (2) report to the legislative council before November 1 of each
33 interim, in an electronic format under IC 5-14-6, the results of:

34 (A) the committee's review under subdivision (1); and

35 (B) the committee's study of any issue assigned to the
36 committee under subsection (a).

37 (g) In each even-numbered year, in addition to the issues assigned
38 under subsection (a), the interim study committee on government shall
39 do the following:

40 (1) Determine whether a group has met in the immediately
41 preceding two (2) years.

42 (2) Review reports submitted to the committee in accordance with



IC 1-1-15.5-4.

(3) Identify all interstate compacts that have been fully operational for at least two (2) years to which the state is a party.

(4) Consider whether to:

(A) remain a party to; or

(B) withdraw from;

each interstate compact.

(5) If the committee determines that the state should withdraw from an interstate compact, identify the steps needed to withdraw.

(6) Report before November 1 to the legislative council, in an electronic format under IC 5-14-6, the committee's:

(A) recommendations for proposed legislation to repeal groups:

(i) that have not met during the immediately preceding two

(2) years; ~~and or~~

(ii) **that the committee finds should be repealed** after reviewing a ~~the~~ group's report under subdivision (2); and

(B) findings and recommendations regarding the interstate compacts.

As used in this subsection, "group" refers to an authority, a board, a commission, a committee, a council, a delegate, a foundation, a panel, or a task force that is established by statute, has at least one (1) legislator assigned to it, and is not staffed by the legislative services agency.

(h) In 2026 and 2027, in addition to the issues assigned under subsections (a) and (f), the interim study committee on child services shall review the report submitted by the child welfare task force under IC 2-5-55.7-8. This subsection expires December 31, 2027.

SECTION 2. IC 4-3-17 IS REPEALED [EFFECTIVE JULY 1, 2026]. (Hoosier Alliance Against Drugs).

SECTION 3. IC 4-23-7.2-21 IS REPEALED [EFFECTIVE JULY 1, 2026]. ~~Sec. 21. (a) An advisory committee is established to advise the historical bureau in establishing an oral history of the general assembly under section 20 of this chapter. The committee consists of the following eight (8) members:~~

~~(1) One (1) member of the general assembly appointed by the speaker of the house of representatives.~~

~~(2) One (1) member of the general assembly appointed by the minority leader of the house of representatives.~~

~~(3) One (1) member of the general assembly appointed by the president pro tempore of the senate.~~

~~(4) One (1) member of the general assembly appointed by the~~



minority leader of the senate:

(5) Four (4) members appointed by the governor as follows:

(A) One (1) member nominated by the Indiana library and historical board:

(B) One (1) member nominated by the Indiana Historical Society:

(C) One (1) member nominated by the Center for the Study of History and Memory at Indiana University:

(D) One (1) member nominated by the board of trustees of The History Museum in South Bend:

(b) The following apply to the governor's appointments under subsection (a)(5):

(1) Not more than two (2) members appointed by the governor may be members of the same political party:

(2) The appointments must be made so that the northern, central, and southern regions of Indiana are represented on the committee:

(c) Members of the committee serve at the pleasure of the appointing authority. If a vacancy occurs on the committee, the appointing authority that appointed the member whose position is vacant shall appoint an individual to fill the vacancy. An individual appointed to fill a vacancy must have the qualifications that a member appointed by the appointing authority must have:

(d) The:

(1) chairman of the legislative council; with the advice of the vice-chairman; shall designate the chair; and

(2) vice-chairman of the legislative council; with the advice of the chairman; shall designate a vice-chair;

of the committee from among the legislative members of the committee. The chair and vice-chair of the committee serve at the pleasure of the appointing authority:

(e) Each member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals who serve as legislative and lay members; respectively; of interim study committees established by the legislative council:

(f) The historical bureau shall provide staff support to the committee:

(g) Expenses incurred by the committee to carry out its functions must be paid from appropriations to the Indiana library and historical board:

(h) On or before July 1, 2027, and July 1 biennially thereafter, the committee shall submit a report to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, for



review by the interim committee on government in accordance with
 IC 1-1-15.5-4 and IC 2-5-1.3-13(g). The report shall describe:

(1) official action taken; and

(2) actionable items considered;

by the committee during the preceding two (2) years.

SECTION 4. IC 6-1.1-20-1.1, AS AMENDED BY P.L.68-2025,
 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2026]: Sec. 1.1. (a) As used in this chapter, "controlled
 project" means any project financed by bonds or a lease, except for the
 following:

(1) A project for which the political subdivision reasonably
 expects to pay:

(A) debt service; or

(B) lease rentals;

from funds other than property taxes that are exempt from the
 levy limitations of IC 6-1.1-18.5 or (before January 1, 2009)
 IC 20-45-3. A project is not a controlled project even though the
 political subdivision has pledged to levy property taxes to pay the
 debt service or lease rentals if those other funds are insufficient.

(2) ~~Subject to subsection (b)~~; A project that will not cost the
 political subdivision more than the lesser of the following:

(A) An amount equal to the following:

(i) In the case of an ordinance or resolution adopted before
 January 1, 2018, making a preliminary determination to
 issue bonds or enter into a lease for the project, two million
 dollars (\$2,000,000).

(ii) In the case of an ordinance or resolution adopted after
 December 31, 2017, and before January 1, 2019, making a
 preliminary determination to issue bonds or enter into a
 lease for the project, five million dollars (\$5,000,000).

(iii) In the case of an ordinance or resolution adopted in a
 calendar year after December 31, 2018, making a
 preliminary determination to issue bonds or enter into a
 lease for the project, an amount (as determined by the
 department of local government finance) equal to the result
 of the maximum levy growth quotient determined under
 IC 6-1.1-18.5-2 for the year multiplied by the amount
 determined under this clause for the preceding calendar
 year.

The department of local government finance shall publish the
 threshold determined under item (iii) in the Indiana Register
 under IC 4-22-7-7 not more than sixty (60) days after the date



- 1 the budget agency releases the maximum levy growth quotient
- 2 for the ensuing year under IC 6-1.1-18.5-2.
- 3 (B) An amount equal to the following:
- 4 (i) One percent (1%) of the total gross assessed value of
- 5 property within the political subdivision on the last
- 6 assessment date, if that total gross assessed value is more
- 7 than one hundred million dollars (\$100,000,000).
- 8 (ii) One million dollars (\$1,000,000), if the total gross
- 9 assessed value of property within the political subdivision
- 10 on the last assessment date is not more than one hundred
- 11 million dollars (\$100,000,000).
- 12 (3) A project that is being refinanced for the purpose of providing
- 13 gross or net present value savings to taxpayers.
- 14 (4) A project for which bonds were issued or leases were entered
- 15 into before January 1, 1996, or where the state board of tax
- 16 commissioners has approved the issuance of bonds or the
- 17 execution of leases before January 1, 1996.
- 18 (5) A project that:
- 19 (A) is required by a court order holding that a federal law
- 20 mandates the project; or
- 21 (B) is in response to a court order holding that:
- 22 (i) a federal law has been violated; and
- 23 (ii) the project is to address the deficiency or violation.
- 24 (6) A project that is in response to:
- 25 (A) a natural disaster;
- 26 (B) an accident; or
- 27 (C) an emergency;
- 28 in the political subdivision that makes a building or facility
- 29 unavailable for its intended use.
- 30 (7) A project that was not a controlled project under this section
- 31 as in effect on June 30, 2008, and for which:
- 32 (A) the bonds or lease for the project were issued or entered
- 33 into before July 1, 2008; or
- 34 (B) the issuance of the bonds or the execution of the lease for
- 35 the project was approved by the department of local
- 36 government finance before July 1, 2008.
- 37 (8) A project of the Little Calumet River basin development
- 38 commission for which bonds are payable from special
- 39 assessments collected under IC 14-13-2-18.6.
- 40 (9) A project for engineering, land and right-of-way acquisition,
- 41 construction, resurfacing, maintenance, restoration, and
- 42 rehabilitation exclusively for or of:



(A) local road and street systems, including bridges that are designated as being in a local road and street system;

(B) arterial road and street systems, including bridges that are designated as being in an arterial road and street system; or

(C) any combination of local and arterial road and street systems, including designated bridges.

~~(b) This subsection does not apply to a project for which a public hearing to issue bonds or enter into a lease has been conducted under IC 20-26-7-37 before July 1, 2023, or to a project for which an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease is adopted after June 30, 2025. If:~~

~~(1) a political subdivision's total debt service tax rate is more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value; and~~

~~(2) subsection (a)(1) and subsection (a)(3) through (a)(9) are not applicable;~~

~~the term includes any project to be financed by bonds or a lease, including a project that does not otherwise meet the threshold amount provided in subsection (a)(2). This subsection expires December 31, 2025. For purposes of this subsection, a political subdivision's total debt service tax rate does not include a tax rate imposed in a referendum debt service tax levy approved by voters.~~

~~(c) (b) This subsection applies to a project for which an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease is adopted after June 30, 2025. If subsection (a)(1) and subsection (a)(3) through (a)(9) are not applicable, the term includes any project to be financed by bonds or a lease, including a project that does not otherwise meet the threshold amount provided in subsection (a)(2), if:~~

~~(1) in the case of a school corporation, the school corporation's total debt service tax rate is more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value;~~

~~(2) in the case of a city, county, or town, the city's, county's, or town's total debt service tax rate is more than twenty-five cents (\$0.25) per one hundred dollars (\$100) of assessed value; or~~

~~(3) in the case of a political subdivision not described in subdivision (1) or (2), the political subdivision's total debt service tax rate is more than five cents (\$0.05) per one hundred dollars (\$100) of assessed value.~~

~~However, this subsection does not apply to a project for which a public hearing to issue bonds or enter into a lease has been conducted under IC 20-26-7-37 before July 1, 2025. For purposes of this subsection, a~~



political subdivision's total debt service tax rate does not include a tax rate imposed in a referendum debt service tax levy approved by voters.

SECTION 5. IC 6-1.1-20-3.1, AS AMENDED BY P.L.68-2025, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.1. (a) Subject to section 3.5(a)(1)(C) of this chapter, this section applies only to the following:

(1) A controlled project (as defined in section 1.1 of this chapter as in effect June 30, 2008) for which the proper officers of a political subdivision make a preliminary determination in the manner described in subsection (b) before July 1, 2008.

(2) An elementary school building, middle school building, high school building, or other school building for academic instruction that:

(A) is a controlled project;

(B) will be used for any combination of kindergarten through grade 12; and

(C) will not cost more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is ten million dollars (\$10,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the maximum levy growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross



assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one billion dollars (\$1,000,000,000), or ten million dollars (\$10,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one billion dollars (\$1,000,000,000).

(3) Any other controlled project that:

(A) is not a controlled project described in subdivision (1) or (2); and

(B) will not cost the political subdivision more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is twelve million dollars (\$12,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the maximum levy growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed



value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(4) A controlled project funded by debt service if the scope of the project changes from the purpose of the project initially advertised to taxpayers as determined under section 4.2(c) of this chapter.

(5) This subdivision does not apply to a project for which a public hearing to issue bonds or enter into a lease has been conducted under IC 20-26-7-37 before July 1, 2023, or to a project for which an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease is adopted after June 30, 2025. Any other controlled project if both of the following apply:

(A) The political subdivision's total debt service tax rate is more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value, but less than eighty cents (\$0.80) per one hundred dollars (\$100) of assessed value.

(B) The controlled project is not otherwise described in section 3.5(a)(1) of this chapter.

This subdivision expires December 31, 2025. For purposes of this subdivision, a political subdivision's total debt service tax rate does not include a tax rate imposed in a referendum debt service levy approved by voters.

(6) (5) Any other controlled project if the following apply:

(A) An ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project is adopted after June 30, 2025.

(B) The controlled project is not otherwise described in section 3.5(a)(1) of this chapter.

(C) In the case of a:

(i) school corporation, the school corporation's total debt service tax rate is more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value, but not more than seventy cents (\$0.70) per one hundred dollars (\$100) of assessed value;

(ii) city, county, or town, the city's, county's, or town's total debt service tax rate is more than twenty-five cents (\$0.25) per one hundred dollars (\$100) of assessed value, but not more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value; or

(iii) political subdivision not described in item (i) or (ii), the political subdivision's total debt service tax rate is more than



1 five cents (\$0.05) per one hundred dollars (\$100) of
 2 assessed value, but not more than ten cents (\$0.10) per one
 3 hundred dollars (\$100) of assessed value.

4 However, this subdivision does not apply to a project for which a
 5 public hearing to issue bonds or enter into a lease has been
 6 conducted under IC 20-26-7-37 before July 1, 2025. For purposes
 7 of this subdivision, a political subdivision's total debt service tax
 8 rate does not include a tax rate imposed in a referendum debt
 9 service tax levy approved by voters.

10 (b) A political subdivision may not impose property taxes to pay
 11 debt service on bonds or lease rentals on a lease for a controlled project
 12 without completing the following procedures:

13 (1) The proper officers of a political subdivision shall publish
 14 notice in accordance with IC 5-3-1 and send notice by first class
 15 mail to the circuit court clerk and to any organization that delivers
 16 to the officers, before January 1 of that year, an annual written
 17 request for such notices of any meeting to consider adoption of a
 18 resolution or an ordinance making a preliminary determination to
 19 issue bonds or enter into a lease and shall conduct at least two (2)
 20 public hearings on a preliminary determination before adoption
 21 of the resolution or ordinance. The political subdivision must at
 22 each of the public hearings on the preliminary determination
 23 allow the public to testify regarding the preliminary determination
 24 and must make the following information available to the public
 25 at each of the public hearings on the preliminary determination,
 26 in addition to any other information required by law:

27 (A) The result of the political subdivision's current and
 28 projected annual debt service payments divided by the net
 29 assessed value of taxable property within the political
 30 subdivision.

31 (B) The result of:

32 (i) the sum of the political subdivision's outstanding long
 33 term debt plus the outstanding long term debt of other taxing
 34 units that include any of the territory of the political
 35 subdivision; divided by

36 (ii) the net assessed value of taxable property within the
 37 political subdivision.

38 (C) The information specified in subdivision (3)(A) through
 39 (3)(H).

40 (2) When the proper officers of a political subdivision make a
 41 preliminary determination to issue bonds or enter into a lease for
 42 a controlled project, the officers shall give notice of the



preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of property within the political subdivision or registered voters residing within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 (repealed) before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The following information:

(i) The political subdivision's current debt service levy and rate.

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten



(10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(I) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the



property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least five hundred twenty-five (525) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least five hundred twenty-five (525) persons who signed the petition are registered voters, the county voter registration office shall, not more than fifteen (15) business days after receiving a petition, forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least five hundred twenty-five (525) persons who signed the petition are registered voters or receiving the statement from the county auditor under subdivision (8), as applicable, shall make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is



presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property, or a combination of those types of property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.



(c) A political subdivision may not divide a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter. A person that owns property within a political subdivision or a person that is a registered voter residing within a political subdivision may file a petition with the department of local government finance objecting that the political subdivision has divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter. The petition must be filed not more than ten (10) days after the political subdivision gives notice of the political subdivision's decision to issue bonds or enter into leases for a capital project that the person believes is the result of a division of a controlled project that is prohibited by this subsection. If the department of local government finance receives a petition under this subsection, the department shall not later than thirty (30) days after receiving the petition make a final determination on the issue of whether the political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter. If the department of local government finance determines that a political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter and the political subdivision continues to desire to proceed with the project, the political subdivision shall fulfill the requirements of this section and section 3.2 of this chapter, if applicable, regardless of the cost of the project in dispute. A political subdivision shall be considered to have divided a capital project in order to avoid the requirements of this section and section 3.2 of this chapter if the result of one (1) or more of the subprojects cannot reasonably be considered an independently desirable end in itself without reference to another capital project. This subsection does not prohibit a political subdivision from undertaking a series of capital projects in which the result of each capital project can reasonably be considered an independently desirable end in itself without reference to another capital project.

SECTION 6. IC 6-1.1-20-3.5, AS AMENDED BY P.L.68-2025, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that will be used for any combination of kindergarten through grade 12 and will cost more than the



1 lesser of the following:

2 (i) The threshold amount determined under this item. In the
 3 case of an ordinance or resolution adopted before January 1,
 4 2018, making a preliminary determination to issue bonds or
 5 enter into a lease for the project, the threshold amount is ten
 6 million dollars (\$10,000,000). In the case of an ordinance or
 7 resolution adopted after December 31, 2017, and before
 8 January 1, 2019, making a preliminary determination to
 9 issue bonds or enter into a lease for the project, the threshold
 10 amount is fifteen million dollars (\$15,000,000). In the case
 11 of an ordinance or resolution adopted in a calendar year after
 12 December 31, 2018, making a preliminary determination to
 13 issue bonds or enter into a lease for the project, the threshold
 14 amount is an amount (as determined by the department of
 15 local government finance) equal to the result of the
 16 maximum levy growth quotient determined under
 17 IC 6-1.1-18.5-2 for the year multiplied by the threshold
 18 amount determined under this item for the preceding
 19 calendar year. In the case of a threshold amount determined
 20 under this item that applies for a calendar year after
 21 December 31, 2018, the department of local government
 22 finance shall publish the threshold in the Indiana Register
 23 under IC 4-22-7-7 not more than sixty (60) days after the
 24 date the budget agency releases the maximum levy growth
 25 quotient for the ensuing year under IC 6-1.1-18.5-2.

26 (ii) An amount equal to one percent (1%) of the total gross
 27 assessed value of property within the political subdivision
 28 on the last assessment date, if that total gross assessed value
 29 is more than one billion dollars (\$1,000,000,000), or ten
 30 million dollars (\$10,000,000), if the total gross assessed
 31 value of property within the political subdivision on the last
 32 assessment date is not more than one billion dollars
 33 (\$1,000,000,000).

34 (B) Any other controlled project that is not a controlled project
 35 described in clause (A) and will cost the political subdivision
 36 more than the lesser of the following:

37 (i) The threshold amount determined under this item. In the
 38 case of an ordinance or resolution adopted before January 1,
 39 2018, making a preliminary determination to issue bonds or
 40 enter into a lease for the project, the threshold amount is
 41 twelve million dollars (\$12,000,000). In the case of an
 42 ordinance or resolution adopted after December 31, 2017,



and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the maximum levy growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(C) Any other controlled project for which a political subdivision adopts an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project, if the sum of:

(i) the cost of that controlled project; plus

(ii) the costs of all other controlled projects for which the political subdivision has previously adopted within the preceding three hundred sixty-five (365) days an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for those other controlled projects;

exceeds twenty-five million dollars (\$25,000,000).

(D) A controlled project funded by debt service if the scope of the project changes from the purpose of the project initially advertised to taxpayers as determined under section 4.3(c) of



1 this chapter.

2 (E) This clause does not apply to a project for which a public
 3 hearing to issue bonds or enter into a lease has been conducted
 4 under IC 20-26-7-37 before July 1, 2023, or to a project for
 5 which an ordinance or resolution making a preliminary
 6 determination to issue bonds or enter into a lease is adopted
 7 after June 30, 2025. Except as provided in section 4.5 of this
 8 chapter, any other controlled project if the political
 9 subdivision's total debt service tax rate is at least eighty cents
 10 (\$0.80) per one hundred dollars (\$100) of assessed value. This
 11 clause expires December 31, 2025. For purposes of this clause,
 12 a political subdivision's total debt service tax rate does not
 13 include a tax rate imposed in a referendum debt service tax
 14 levy approved by voters.

15 (F) (E) Except as provided in section 4.5 of this chapter, any
 16 other project for which an ordinance or resolution making a
 17 preliminary determination to issue bonds or enter into a lease
 18 is adopted after June 30, 2025, if:

19 (i) in the case of a school corporation, the school
 20 corporation's total debt service tax rate is more than seventy
 21 cents (\$0.70) per one hundred dollars (\$100) of assessed
 22 value;

23 (ii) in the case of a city, county, or town, the city's, county's,
 24 or town's total debt service tax rate is more than forty cents
 25 (\$0.40) per one hundred dollars (\$100) of assessed value; or

26 (iii) in the case of a political subdivision not described in
 27 item (i) or (ii), the political subdivision's total debt service
 28 tax rate is more than ten cents (\$0.10) per one hundred
 29 dollars (\$100) of assessed value.

30 However, this clause does not apply to a project for which a
 31 public hearing to issue bonds or enter into a lease has been
 32 conducted under IC 20-26-7-37 before July 1, 2025. For
 33 purposes of this clause, a political subdivision's total debt
 34 service tax rate does not include a tax rate imposed in a
 35 referendum debt service tax levy approved by voters.

36 (2) The proper officers of the political subdivision make a
 37 preliminary determination after June 30, 2008, in the manner
 38 described in subsection (b) to issue bonds or enter into a lease for
 39 the controlled project.

40 (b) Subject to subsection (d), a political subdivision may not impose
 41 property taxes to pay debt service on bonds or lease rentals on a lease
 42 for a controlled project without completing the following procedures:



(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct at least two (2) public hearings on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.



(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

- (i) a new school facility; or
- (ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) The following information:

- (i) The political subdivision's current debt service levy and rate.
- (ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.
- (iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(H) The information specified in subdivision (1)(A) through (1)(B).

(4) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

- (A) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or
- (B) five percent (5%) of the registered voters residing within the political subdivision.

(5) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in



the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration



1 office has determined that at least five hundred twenty-five (525)
 2 persons who signed the petition are registered voters within the
 3 political subdivision, the county voter registration office is not
 4 required to verify whether the remaining persons who signed the
 5 petition are registered voters. If the county voter registration
 6 office does not determine that at least five hundred twenty-five
 7 (525) persons who signed the petition are registered voters, the
 8 county voter registration office, not more than fifteen (15)
 9 business days after receiving a petition, shall forward a copy of
 10 the petition to the county auditor. Not more than ten (10) business
 11 days after receiving the copy of the petition, the county auditor
 12 shall provide to the county voter registration office a statement
 13 verifying:

14 (A) whether a person who signed the petition as a registered
 15 voter but is not a registered voter, as determined by the county
 16 voter registration office, is the owner of property in the
 17 political subdivision; and

18 (B) whether a person who signed the petition as an owner of
 19 property within the political subdivision does in fact own
 20 property within the political subdivision.

21 (9) This subdivision does not apply to a controlled project
 22 described in subsection (a)(1)(E). ~~(before its expiration) or~~
 23 ~~subsection (a)(1)(F)~~. The county voter registration office, not
 24 more than ten (10) business days after determining that at least
 25 five hundred twenty-five (525) persons who signed the petition
 26 are registered voters or after receiving the statement from the
 27 county auditor under subdivision (8), as applicable, shall make
 28 the final determination of whether a sufficient number of persons
 29 have signed the petition. Whenever the name of an individual who
 30 signs a petition form as a registered voter contains a minor
 31 variation from the name of the registered voter as set forth in the
 32 records of the county voter registration office, the signature is
 33 presumed to be valid, and there is a presumption that the
 34 individual is entitled to sign the petition under this section. Except
 35 as otherwise provided in this chapter, in determining whether an
 36 individual is a registered voter, the county voter registration office
 37 shall apply the requirements and procedures used under IC 3 to
 38 determine whether a person is a registered voter for purposes of
 39 voting in an election governed by IC 3. However, an individual is
 40 not required to comply with the provisions concerning providing
 41 proof of identification to be considered a registered voter for
 42 purposes of this chapter. A person is entitled to sign a petition



only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) This subdivision does not apply to a controlled project described in subsection (a)(1)(E). ~~(before its expiration) or subsection (a)(1)(F).~~ If a sufficient petition requesting the local public question process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

- (1) a copy of the notice required by subsection (b)(2); and
- (2) any other information the county auditor requires to fulfill the



county auditor's duties under section 3.6 of this chapter.

(d) In addition to the procedures in subsection (b), if any capital improvement components addressed in the most recent:

(1) threat assessment of the buildings within the school corporation; or

(2) school safety plan (as described in IC 20-26-18.2-2(b)); concerning a particular school have not been completed or require additional funding to be completed, before the school corporation may impose property taxes to pay debt service on bonds or lease rentals for a lease for a controlled project, and in addition to any other components of the controlled project, the controlled project must include any capital improvements necessary to complete those components described in subdivisions (1) and (2) that have not been completed or that require additional funding to be completed.

(e) In addition to the other procedures in this section, an ordinance or resolution making a preliminary determination to issue bonds or enter into leases that is considered for adoption must include a statement of:

(1) the maximum annual debt service for the controlled project for each year in which the debt service will be paid; and

(2) the schedule of the estimated annual tax levy and rate over a ten (10) year period;

factoring in changes that will occur to the debt service levy and tax rate during the period on account of any outstanding bonds or lease obligations that will mature or terminate during the period.

SECTION 7. IC 6-1.1-20-3.6, AS AMENDED BY P.L.68-2025, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8 of this chapter, this section applies only to a controlled project described in section 3.5(a) of this chapter.

(b) In the case of a controlled project:

(1) described in section 3.5(a)(1)(A) through 3.5(a)(1)(C) of this chapter, if a sufficient petition requesting the application of the local public question process has been filed as set forth in section 3.5 of this chapter; or

(2) described in section 3.5(a)(1)(E) (~~before its expiration~~) or ~~3.5(a)(1)(F)~~ of this chapter;

a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.



(c) Except as provided in subsection (k), the following question shall be submitted to the eligible voters at the election conducted under this section:

"Shall _____ (insert the name of the political subdivision) increase property taxes paid to the _____ (insert the type of political subdivision) for no more than _____ (insert the number of years immediately following the holding of the referendum) years for the purpose of funding _____ (insert a brief description of the project use or purpose) for which the principal debt amount for the project will cost no more than _____ (insert the total cost of the project principal amount) and the financing cost including interest and fees will cost no more than an additional _____ (insert the total financing costs including interest and fees) and is estimated to increase the property taxes paid to the _____ (insert the type of political subdivision) by imposing a property tax rate that results in a maximum annual amount that does not exceed _____ (insert maximum amount of annual levy). If this capital referendum public question is approved by the voters, for a median residence of _____ (insert the political subdivision's median household assessed value, rounded up to the next fifty thousand dollars (\$50,000)), the property's annual property tax bill would increase by _____ (insert dollar amount, rounded up to the next whole dollar) per year."

The public question must appear on the ballot in the form approved by the county election board. If the political subdivision proposing to issue bonds or enter into a lease is located in more than one (1) county, the county election board of each county shall jointly approve the form of the public question that will appear on the ballot in each county. The form approved by the county election board may differ from the language certified to the county election board by the county auditor. If the county election board approves the language of a public question under this subsection, the county election board shall submit the language and the certification of the county auditor to the department of local government finance for review.

(d) The department of local government finance shall review the language of the public question to evaluate whether the description of the controlled project is accurate and is not biased against either a vote in favor of the controlled project or a vote against the controlled project. The department of local government finance may either approve the ballot language as submitted or recommend that the ballot language be modified as necessary to ensure that the description of the



controlled project is accurate and is not biased. The department of local government finance shall certify its approval or recommendations to the county auditor and the county election board not more than ten (10) days after the language of the public question is submitted to the department for review. If the department of local government finance recommends a modification to the ballot language, the county election board shall, after reviewing the recommendations of the department of local government finance, submit modified ballot language to the department for the department's approval or recommendation of any additional modifications. The public question may not be certified by the county auditor under subsection (e) unless the department of local government finance has first certified the department's final approval of the ballot language for the public question.

(e) The county auditor shall certify the finally approved public question to the county election board of each county in which the political subdivision is located. The certification must occur not later than noon August 1. Subject to the certification requirements and deadlines under this subsection and except as provided in subsection (j), the public question shall be placed on the ballot at the next general election.

(f) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(g) Subject to the requirements of IC 6-1.1-18.5-8, the political subdivision may issue the proposed bonds or enter into the proposed lease rental if a majority of the eligible voters voting on the public question vote in favor of the public question.

(h) If a majority of the eligible voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than:

(A) except as provided in clause (B), seven hundred (700) days after the date of the public question; or

(B) three hundred fifty (350) days after the date of the election, if a petition that meets the requirements of subsection (m) is submitted to the county auditor.

(i) IC 3, to the extent not inconsistent with this section, applies to an



1 election held under this section.

2 (j) A political subdivision may not divide a controlled project in
3 order to avoid the requirements of this section and section 3.5 of this
4 chapter. A person that owns property within a political subdivision or
5 a person that is a registered voter residing within a political subdivision
6 may file a petition with the department of local government finance
7 objecting that the political subdivision has divided a controlled project
8 into two (2) or more capital projects in order to avoid the requirements
9 of this section and section 3.5 of this chapter. The petition must be filed
10 not more than ten (10) days after the political subdivision gives notice
11 of the political subdivision's decision under section 3.5 of this chapter
12 or a determination under section 5 of this chapter to issue bonds or
13 enter into leases for a capital project that the person believes is the
14 result of a division of a controlled project that is prohibited by this
15 subsection. If the department of local government finance receives a
16 petition under this subsection, the department shall not later than thirty
17 (30) days after receiving the petition make a final determination on the
18 issue of whether the political subdivision divided a controlled project
19 in order to avoid the requirements of this section and section 3.5 of this
20 chapter. If the department of local government finance determines that
21 a political subdivision divided a controlled project in order to avoid the
22 requirements of this section and section 3.5 of this chapter and the
23 political subdivision continues to desire to proceed with the project, the
24 political subdivision may appeal the determination of the department
25 of local government finance to the Indiana board of tax review. A
26 political subdivision shall be considered to have divided a capital
27 project in order to avoid the requirements of this section and section
28 3.5 of this chapter if the result of one (1) or more of the subprojects
29 cannot reasonably be considered an independently desirable end in
30 itself without reference to another capital project. This subsection does
31 not prohibit a political subdivision from undertaking a series of capital
32 projects in which the result of each capital project can reasonably be
33 considered an independently desirable end in itself without reference
34 to another capital project.

35 (k) This subsection applies to a political subdivision for which a
36 petition requesting a public question has been submitted under section
37 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of
38 the political subdivision may adopt a resolution to withdraw a
39 controlled project from consideration in a public question. If the
40 legislative body provides a certified copy of the resolution to the county
41 auditor and the county election board not later than sixty-three (63)
42 days before the election at which the public question would be on the



1 ballot, the public question on the controlled project shall not be placed
 2 on the ballot and the public question on the controlled project shall not
 3 be held, regardless of whether the county auditor has certified the
 4 public question to the county election board. If the withdrawal of a
 5 public question under this subsection requires the county election
 6 board to reprint ballots, the political subdivision withdrawing the
 7 public question shall pay the costs of reprinting the ballots. If a political
 8 subdivision withdraws a public question under this subsection that
 9 would have been held at a special election and the county election
 10 board has printed the ballots before the legislative body of the political
 11 subdivision provides a certified copy of the withdrawal resolution to
 12 the county auditor and the county election board, the political
 13 subdivision withdrawing the public question shall pay the costs
 14 incurred by the county in printing the ballots. If a public question on a
 15 controlled project is withdrawn under this subsection, a public question
 16 under this section on the same controlled project or a substantially
 17 similar controlled project may not be submitted to the voters earlier
 18 than three hundred fifty (350) days after the date the resolution
 19 withdrawing the public question is adopted.

20 (l) If a public question regarding a controlled project is placed on
 21 the ballot to be voted on at an election under this section, the political
 22 subdivision shall submit to the department of local government finance,
 23 at least thirty (30) days before the election, the following information
 24 regarding the proposed controlled project for posting on the
 25 department's website:

- 26 (1) The cost per square foot of any buildings being constructed as
- 27 part of the controlled project.
- 28 (2) The effect that approval of the controlled project would have
- 29 on the political subdivision's property tax rate.
- 30 (3) The maximum term of the bonds or lease.
- 31 (4) The maximum principal amount of the bonds or the maximum
- 32 lease rental for the lease.
- 33 (5) The estimated interest rates that will be paid and the total
- 34 interest costs associated with the bonds or lease.
- 35 (6) The purpose of the bonds or lease.
- 36 (7) In the case of a controlled project proposed by a school
- 37 corporation:
- 38 (A) the current and proposed square footage of school building
- 39 space per student;
- 40 (B) enrollment patterns within the school corporation; and
- 41 (C) the age and condition of the current school facilities.
- 42 (m) If a majority of the eligible voters voting on the public question



1 vote in opposition to the public question, a petition may be submitted
 2 to the county auditor to request that the limit under subsection
 3 (h)(2)(B) apply to the holding of a subsequent public question by the
 4 political subdivision. If such a petition is submitted to the county
 5 auditor and is signed by the lesser of:

6 (1) five hundred (500) persons who are either owners of property
 7 within the political subdivision or registered voters residing
 8 within the political subdivision; or

9 (2) five percent (5%) of the registered voters residing within the
 10 political subdivision;

11 the limit under subsection (h)(2)(B) applies to the holding of a second
 12 public question by the political subdivision and the limit under
 13 subsection (h)(2)(A) does not apply to the holding of a second public
 14 question by the political subdivision.

15 SECTION 8. IC 6-1.1-20-4.5, AS AMENDED BY P.L.68-2025,
 16 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2026]: Sec. 4.5. (a) As used in this section, "maintenance
 18 emergency" refers to a response to a condition that is not otherwise
 19 subject to the application of section 1.1(a)(6) of this chapter and
 20 includes:

21 (1) repair of a boiler or chiller system;

22 (2) roof repair;

23 (3) storm damage repair; or

24 (4) any other repair that the department determines is a
 25 maintenance emergency for which waiver of the application of
 26 section 3.5(a)(1)(E) ~~(before its expiration)~~ or 3.5(a)(1)(F) of this
 27 chapter is warranted.

28 (b) A political subdivision may submit a request to the department
 29 to waive the application of section 3.5(a)(1)(E) ~~(before its expiration)~~
 30 or 3.5(a)(1)(F) of this chapter, if the proposed controlled project of the
 31 political subdivision is to address a maintenance emergency with
 32 respect to a building owned or leased by the political subdivision.

33 (c) The department shall require the political subdivision to submit
 34 any information that the department considers necessary to determine
 35 whether the condition that the political subdivision contends is a
 36 maintenance emergency.

37 (d) The department shall review a request and issue a determination
 38 not later than forty-five (45) days after the department receives a
 39 request under this section determining whether the condition that the
 40 political subdivision contends is a maintenance emergency is sufficient
 41 to waive the application of section 3.5(a)(1)(E) ~~(before its expiration)~~
 42 or 3.5(a)(1)(F) of this chapter. If the department determines that the



1 condition is a maintenance emergency then section 3.5(a)(1)(E) ~~(before~~
 2 ~~its expiration) or 3.5(a)(1)(F)~~ of this chapter is waived and does not
 3 apply to the proposed controlled project.

4 (e) A waiver of the application of section 3.5(a)(1)(E) ~~(before its~~
 5 ~~expiration) or 3.5(a)(1)(F)~~ of this chapter in accordance with this
 6 section may not be construed as a waiver of any other requirement of
 7 this chapter with respect to the proposed controlled project.

8 SECTION 9. IC 6-1.1-30-17, AS AMENDED BY P.L.9-2024,
 9 SECTION 178, IS AMENDED TO READ AS FOLLOWS
 10 [EFFECTIVE JULY 1, 2026]: Sec. 17. (a) Except as provided in
 11 subsection (c) and subject to subsection (d), the department of state
 12 revenue and the state comptroller shall, when requested by the
 13 department of local government finance, withhold a percentage of the
 14 distributions of local income tax revenue under IC 6-3.6-9, if:

15 (1) the county assessor has not transmitted to the department of
 16 local government finance by October 1 of the year in which the
 17 distribution is scheduled to be made the data for all townships in
 18 the county required to be transmitted under IC 6-1.1-4-25;

19 (2) the county auditor has not paid a bill for services under
 20 IC 6-1.1-4-31.5 to the department of local government finance in
 21 a timely manner;

22 (3) the county assessor has not forwarded to the department of
 23 local government finance in a timely manner sales disclosure
 24 form data under IC 6-1.1-5.5-3;

25 (4) the county auditor has not forwarded to the department of
 26 local government finance the duplicate copies of all approved
 27 exemption applications required to be forwarded by that date
 28 under IC 6-1.1-11-8(a);

29 (5) by the date the distribution is scheduled to be made, the
 30 county auditor has not sent a certified statement required to be
 31 sent by that date under IC 6-1.1-17-1 to the department of local
 32 government finance;

33 (6) the county does not maintain a certified computer system that
 34 meets the requirements of IC 6-1.1-31.5-3.5;

35 (7) the county auditor has not transmitted the data described in
 36 IC 36-2-9-20 to the department of local government finance in the
 37 form and on the schedule specified by IC 36-2-9-20;

38 (8) the county has not established a parcel index numbering
 39 system under 50 IAC 26-8-1 in a timely manner; **or**

40 (9) a county official has not provided other information to the
 41 department of local government finance in a timely manner as
 42 required by the department of local government finance. **or**



(10) the department of local government finance incurs additional costs to assist a covered county (as defined in IC 6-1.1-22.6-1) to issue tax statements within the time frame specified in IC 6-1.1-22.6-18(b) for each year that the county experienced delayed property taxes (as defined in IC 6-1.1-22.6-2) before the year in which the county qualifies as a covered county.

The percentage to be withheld is the percentage determined by the department of local government finance. However, the percentage withheld for a reason stated in subdivision (10) may not exceed the percentage needed to reimburse the department of local government finance for the costs incurred by the department of local government finance to take the actions necessary to permit a covered county (as defined in IC 6-1.1-22.6-1) to issue reconciling tax statements for prior year delayed property taxes (as defined in IC 6-1.1-22.6-2) within the time frame specified in IC 6-1.1-22.6-18(b). The county governmental taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) shall reimburse the department of local government finance for these expenses. The amount withheld under subdivision (10) reduces only the amount that would otherwise be distributed to the county governmental taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) and not money distributable to any other political subdivision. The withholding of an amount under subdivision (10) does not relieve the county government of a covered county (as defined in IC 6-1.1-22.6-1) from making bond or lease payments that would otherwise be paid from withheld amounts or providing property tax credits that would otherwise be provided under IC 6-3.6 from withheld amounts. Subdivision (10) does not apply to any county other than a covered county (as defined in IC 6-1.1-22.6-1).

(b) Except as provided in subsection (e), money not distributed for the reasons stated in subsection (a) shall be distributed to the county when the department of local government finance determines that the failure to:

- (1) provide information; or
- (2) pay a bill for services;

has been corrected.

(c) The restrictions on distributions under subsection (a) do not apply if the department of local government finance determines that the failure to:

- (1) provide information; or
- (2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(d) The department of local government finance shall give the



1 county auditor at least thirty (30) days notice in writing before the
 2 department of state revenue or the state comptroller withholds a
 3 distribution under subsection (a).

4 (e) Money not distributed for the reason stated in subsection (a)(2)
 5 may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money
 6 deposited under this subsection is not subject to distribution under
 7 subsection (b).

8 (f) This subsection applies to a county that will not receive a
 9 distribution of local income tax revenue under IC 6-3.6-9. At the
 10 request of the department of local government finance, an amount
 11 permitted to be withheld under subsection (a) may be withheld from
 12 any state revenues that would otherwise be distributed to the county or
 13 one (1) or more taxing units in the county.

14 SECTION 10. IC 6-3.1-26-15, AS AMENDED BY P.L.165-2021,
 15 SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2026]: Sec. 15. (a) Subject to subsection ~~(d)~~ and ~~(g)~~; **(d)**, a
 17 taxpayer may carry forward an unused credit for the number of years
 18 determined by the corporation, not to exceed nine (9) consecutive
 19 taxable years, beginning with the taxable year after the taxable year in
 20 which the taxpayer makes the qualified investment.

21 (b) The amount that a taxpayer may carry forward to a particular
 22 taxable year under this section equals the unused part of a tax credit
 23 allowed under this chapter.

24 (c) A taxpayer may:

25 (1) claim a tax credit under this chapter for a qualified
 26 investment; and

27 (2) carry forward a remainder for one (1) or more different
 28 qualified investments;

29 in the same taxable year.

30 ~~(d) This subsection applies only to a taxpayer that:~~

31 ~~(1) is not a pass through entity;~~

32 ~~(2) proposes at least five hundred million dollars (\$500,000,000)~~
 33 ~~in total investment over a five (5) year period; and~~

34 ~~(3) enters into a written agreement with the corporation under this~~
 35 ~~subsection before January 1, 2017; and agrees to claim tax credits~~
 36 ~~under this chapter for not more than one hundred seventy million~~
 37 ~~dollars (\$170,000,000) of qualified investment that is made as~~
 38 ~~part of the investment proposed as described in subdivision (2).~~

39 If a tax credit awarded under this chapter exceeds a taxpayer's state
 40 income tax liability for the taxable year, notwithstanding subsection
 41 ~~(a)~~, the corporation may accelerate to that taxable year the excess
 42 amount of the tax credit that could otherwise be carried forward under



1 subsection (a). The excess amount of the tax credit accelerated under
 2 this subsection shall be discounted as determined under a written
 3 agreement entered into by the taxpayer and the corporation. The
 4 discounted amount of the excess tax credit accelerated under this
 5 subsection as determined by the corporation may be remitted to the
 6 taxpayer as provided in the written agreement between the corporation
 7 and the taxpayer. Subject to subsection (f), the total amount of qualified
 8 investments for which tax credits may be accelerated under this
 9 subsection may not exceed one hundred seventy million dollars
 10 (\$170,000,000). The requirement for an agreement under section
 11 21(11) of this chapter does not apply to this subsection. This subsection
 12 expires December 31, 2025.

13 (e) A written agreement under subsection (d) may contain a
 14 provision for payment of liquidated damages:

15 (1) to the corporation for failure to comply with the conditions set
 16 forth in this chapter and the agreement entered into by the
 17 corporation and taxpayer under this chapter; and

18 (2) that are in addition to an assessment made by the department
 19 for noncompliance under section 23 of this chapter.

20 This subsection expires December 31, 2025.

21 (f) The total aggregated amount of tax credits that the corporation
 22 may discount under subsection (d) and section 16(d) of this chapter in
 23 a state fiscal year may not exceed seventeen million dollars
 24 (\$17,000,000); as determined before the discount is applied. This
 25 subsection expires December 31, 2025.

26 (g) (d) This subsection applies only to a taxpayer that:

27 (1) is not a pass through entity;

28 (2) proposes at least two hundred fifty million dollars
 29 (\$250,000,000) in total investment over a five (5) year period; and

30 (3) enters into a written agreement with the corporation under this
 31 subsection before July 1, 2022, and agrees to claim tax credits
 32 under this chapter for not more than one hundred seventy million
 33 dollars (\$170,000,000) of qualified investment that is made as
 34 part of the investment proposed as described in subdivision (2).

35 If a tax credit awarded under this chapter exceeds a taxpayer's state
 36 income tax liability for the taxable year, notwithstanding subsection
 37 (a), the corporation may accelerate to that taxable year the excess
 38 amount of the tax credit that could otherwise be carried forward under
 39 subsection (a). The excess amount of the tax credit accelerated under
 40 this subsection shall be discounted as determined under a written
 41 agreement entered into by the taxpayer and the corporation. The
 42 discounted amount of the excess tax credit accelerated under this



subsection as determined by the corporation may be remitted to the taxpayer as provided in the written agreement between the corporation and the taxpayer. Subject to subsection ~~(i)~~; **(f)**, the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars (\$170,000,000). The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2031.

~~(h)~~ **(e)** A written agreement under subsection ~~(g)~~ **(d)** may contain a provision for payment of liquidated damages:

(1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and taxpayer under this chapter; and

(2) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2031.

~~(i)~~ **(f)** The total aggregated amount of tax credits that the corporation may discount under subsection ~~(g)~~ **(d)** and section ~~16(g)~~ **16(d)** of this chapter in a state fiscal year may not exceed seventeen million dollars (\$17,000,000), as determined before the discount is applied. This subsection expires December 31, 2031.

SECTION 11. IC 6-3.1-26-16, AS AMENDED BY P.L.165-2021, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) If a pass through entity does not have state tax liability against which the tax credit may be applied, a shareholder, member, or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, member, or partner is entitled.

(b) Subject to subsection ~~(d)~~ and ~~(g)~~; **(d)**, a shareholder, member, or partner of a pass through entity that is entitled to a tax credit under this section may carry forward an unused credit for the number of years determined by the corporation, not to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the pass through entity makes the qualified investment.

(c) The amount that a shareholder, member, or partner may carry forward to a particular taxable year under this section equals the unused part of a tax credit allowed under this chapter to which the shareholder, member, or partner is entitled.

~~(d) This subsection applies only to a pass through entity that:~~



(1) proposes at least five hundred million dollars (\$500,000,000) in total investment over a five (5) year period; and
 (2) enters into a written agreement with the corporation under this subsection before January 1, 2017, and the shareholders, members, or partners of the pass through entity agree to claim tax credits under this chapter for not more than one hundred seventy million dollars (\$170,000,000) of qualified investment that is made as part of the investment proposed as described in subdivision (1).

Notwithstanding subsection (b), the corporation may accelerate to the current taxable year the excess tax credit amount that could otherwise be carried forward by all shareholders, members, or partners of a pass through entity under subsection (b). The excess amount of the tax credit accelerated under this subsection shall be discounted as determined under a written agreement entered into by the pass through entity and the corporation. Subject to subsection (f), the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars (\$170,000,000). The discounted amount of the excess tax credit accelerated under this subsection as determined by the corporation may be remitted to the shareholders, members, or partners of the pass through entity as provided in the written agreement between the corporation and the pass through entity. The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2025.

(e) A written agreement under subsection (d) may contain a provision for payment of liquidated damages:

- (1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and pass through entity under this chapter;
- (2) that are personally guaranteed by the shareholders, members, or partners of the pass through entity; and
- (3) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2025.

(f) The total aggregated amount of tax credits that the corporation may discount under subsection (d) and section 15(d) of this chapter in a state fiscal year may not exceed seventeen million dollars (\$17,000,000), as determined before the discount is applied. This subsection expires December 31, 2025.

(g) (d) This subsection applies only to a pass through entity that:

- (1) proposes at least two hundred fifty million dollars



(2) enters into a written agreement with the corporation under this subsection before July 1, 2022, and the shareholders, members, or partners of the pass through entity agree to claim tax credits under this chapter for not more than one hundred seventy million dollars (\$170,000,000) of qualified investment that is made as part of the investment proposed as described in subdivision (1).

Notwithstanding subsection (b), the corporation may accelerate to the current taxable year the excess tax credit amount that could otherwise be carried forward by all shareholders, members, or partners of a pass through entity under subsection (b). The excess amount of the tax credit accelerated under this subsection shall be discounted as determined under a written agreement entered into by the pass through entity and the corporation. Subject to subsection ~~(f)~~, **(f)**, the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars (\$170,000,000). The discounted amount of the excess tax credit accelerated under this subsection as determined by the corporation may be remitted to the shareholders, members, or partners of the pass through entity as provided in the written agreement between the corporation and the pass through entity. The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2031.

~~(h)~~ **(e)** A written agreement under subsection ~~(g)~~ **(d)** may contain a provision for payment of liquidated damages:

- (1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and pass through entity under this chapter;
- (2) that are personally guaranteed by the shareholders, members, or partners of the pass through entity; and
- (3) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2031.

~~(i)~~ **(f)** The total aggregated amount of tax credits that the corporation may discount under subsection ~~(g)~~ **(d)** and section ~~15(g)~~ **15(d)** of this chapter in a state fiscal year may not exceed seventeen million dollars (\$17,000,000), as determined before the discount is applied. This subsection expires December 31, 2031.

SECTION 12. IC 9-17-5-6, AS AMENDED BY P.L.93-2024, SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) As used in this section, "qualified service provider" means a person able to provide electronic lien or electronic



1 title services in coordination with vehicle lienholders and state
2 departments of motor vehicles.

3 (b) As used in this section, "qualified vendor" refers to a person with
4 whom the bureau contracts to:

5 (1) develop;

6 (2) implement; and

7 (3) provide ongoing support with respect to;

8 a statewide electronic lien and title system under this section.

9 (c) As used in this section, "statewide electronic lien and title
10 system" or "system" means a statewide electronic lien and title system
11 implemented by the bureau under this section to process:

12 (1) vehicle titles;

13 (2) certificate of title data in which a lien is notated; and

14 (3) the notification, maintenance, and release of security interests
15 in vehicles;

16 through electronic means instead of paper documents.

17 (d) Not later than the dates set forth in subsection (h), the bureau
18 shall implement a statewide electronic lien and title system for the
19 following purposes:

20 (1) To facilitate and promote commerce and governmental
21 transactions by validating and authorizing the use of electronic
22 records.

23 (2) To modernize the law and eliminate barriers to electronic
24 commerce and governmental transactions resulting from
25 uncertainties related to handwritten and other written materials.

26 (3) To promote uniformity of the law among the states relating to
27 the use of electronic and similar technological means of effecting
28 and performing commercial and governmental transactions.

29 (4) To promote public confidence in the validity, integrity, and
30 reliability of electronic commerce and governmental transactions.

31 (5) To promote the development of the legal and business
32 infrastructure necessary to implement electronic commerce and
33 governmental transactions.

34 (e) The bureau may:

35 (1) contract with one (1) or more qualified vendors to develop and
36 implement a statewide electronic lien and title system; or

37 (2) develop and make available to qualified service providers a
38 well defined set of information services that will enable secure
39 access to the data and internal application components necessary
40 to facilitate the creation of a statewide electronic lien and title
41 system.

42 (f) If the bureau elects under subsection (e)(1) to contract with one



(1) or more qualified vendors to develop and implement a statewide electronic lien and title system, the following apply:

(1) The bureau shall issue a competitive request for proposals to assess the qualifications of any vendor seeking to develop, implement, and provide ongoing support for the system. The bureau may reserve the right to receive input concerning specifications for the establishment and operation of the system from parties that do not respond to the bureau's request for proposals.

(2) A contract entered into between the bureau and a qualified vendor may not provide for any costs or charges payable by the bureau to the qualified vendor. The qualified vendor shall reimburse the bureau for any reasonable and documented costs incurred by the bureau and directly associated with the development, implementation, or ongoing support of the system.

(3) Upon implementing a statewide electronic lien and title system under this section, the qualified vendor may charge participating lienholders or their agents a fee for each lien notification transaction provided through the system, in order to recover the qualified vendor's costs associated with the development, implementation, and ongoing administration of the system. A lien notification fee under this subdivision must be consistent with market pricing and may not exceed three dollars and fifty cents (\$3.50). The qualified vendor may not charge lienholders or their agents any additional fee for lien releases, assignments, or transfers. The qualified vendor may not charge a fee under this subdivision to a state agency or its agents for lien notification, lien release, lien assignment, or lien transfer. To recover their costs associated with the lien, participating lienholders or their agents may charge:

(A) the borrower in a vehicle loan; or

(B) the lessee in a vehicle lease;

an amount equal to any lien notification fee imposed by the qualified vendor under this subdivision, plus a fee in an amount not to exceed three dollars (\$3) for each electronic transaction in which a lien is notated.

(4) A qualified vendor may also serve as a qualified service provider to motor vehicle lienholders if the following conditions are met:

(A) The contract between the bureau and the qualified vendor must include provisions specifically prohibiting the qualified vendor from using information concerning vehicle titles for



any commercial, marketing, business, or other purpose not specifically contemplated by this chapter.

(B) The contract between the bureau and the qualified vendor must include an acknowledgment by the qualified vendor that the qualified vendor is required to enter into agreements to exchange electronic lien data with any:

(i) qualified service providers that offer electronic lien or title services in Indiana and that have been approved by the bureau for participation in the system; and

(ii) qualified service providers that are not qualified vendors.

(C) The bureau must periodically monitor the fees charged by a qualified vendor that also:

(i) serves as a qualified service provider to lienholders; or

(ii) provides services as a qualified vendor to other qualified service providers;

to ensure that the qualified vendor is not engaging in predatory pricing.

(g) If the bureau elects under subsection (e)(2) to develop an interface to provide qualified service providers secure access to data to facilitate the creation of a statewide electronic lien and title system, the following apply:

(1) The bureau shall establish:

(A) the total cost to develop the statewide electronic lien and title system by July 1, 2022;

(B) qualifications for third party service providers offering electronic lien services; and

(C) a qualification process to:

(i) evaluate electronic lien and title system technologies developed by third party service providers; and

(ii) determine whether such technologies comply with defined security and platform standards.

(2) Not later than July 1, 2022, the bureau shall publish on the bureau's website the qualifications established by the bureau under subdivision (1). A third party service provider that seeks to become qualified by the bureau under this subsection must demonstrate the service provider's qualifications, in the form and manner specified by the bureau, not later than thirty (30) days after the date of the bureau's publication under this subdivision. After the elapse of the thirty (30) day period during which third party service providers may respond to the bureau's publication under this subdivision, the bureau shall notify each responding third party service provider as to:



- 1 (A) the total cost to develop the system, as determined by the
- 2 bureau under subdivision (1); and
- 3 (B) whether the third party service provider has met the
- 4 qualifications established by the bureau under subdivision (1)
- 5 and is approved to participate in the statewide electronic lien
- 6 and title system.
- 7 (3) Not later than thirty (30) days after receiving a notice of
- 8 approval from the bureau under subdivision (2), each qualified
- 9 service provider shall notify the bureau of the qualified service
- 10 provider's intention to participate in the statewide electronic lien
- 11 and title system.
- 12 ~~(4) Upon implementing a statewide electronic lien and title~~
- 13 ~~system under this section, the bureau may charge participating~~
- 14 ~~service providers or their agents a fee for each lien transaction~~
- 15 ~~provided through the system in order to recover the bureau's costs~~
- 16 ~~associated with the development, implementation, and ongoing~~
- 17 ~~administration of the system. A fee under this subdivision must be~~
- 18 ~~consistent with market pricing and may not exceed three dollars~~
- 19 ~~and twenty-five cents (\$3.25). A fee collected under this~~
- 20 ~~subdivision shall be deposited in the commission fund. Fees~~
- 21 ~~collected by the bureau for the implementation of a statewide~~
- 22 ~~electronic lien and title system are limited to those contained in~~
- 23 ~~this subdivision. This subdivision expires July 1, 2025.~~
- 24 ~~(5) (4) A contract entered into between the bureau and a qualified~~
- 25 ~~service provider may not provide for any costs or charges payable~~
- 26 ~~by the bureau to the qualified service provider.~~
- 27 ~~(6) Upon the implementation of a statewide electronic lien and~~
- 28 ~~title system under this section, a qualified service provider may~~
- 29 ~~charge participating lienholders or their agents transaction fees~~
- 30 ~~consistent with market pricing in addition to the fees described in~~
- 31 ~~subdivision (4). A fee under this subdivision may not be charged~~
- 32 ~~to a state agency or its agents for lien notification, lien release,~~
- 33 ~~lien assignment, or lien transfer. To recover their costs associated~~
- 34 ~~with a lien, participating lienholders or their agents may charge:~~
- 35 ~~(A) the borrower in a vehicle loan; or~~
- 36 ~~(B) the lessee in a vehicle lease;~~
- 37 ~~an amount equal to any fee imposed by a qualified service~~
- 38 ~~provider under this subdivision, plus a fee in an amount not to~~
- 39 ~~exceed three dollars (\$3) for each electronic transaction in which~~
- 40 ~~a lien is notated. This subdivision expires July 1, 2025.~~
- 41 ~~(7) (5) The contract between the bureau and a qualified service~~
- 42 ~~provider must include provisions specifically prohibiting the~~



qualified service provider from using information concerning vehicle titles for any commercial, marketing, business, or other purpose not specifically contemplated by this chapter.

(h) Subject to subsection (i), the bureau shall implement, and allow or require the use of, a statewide electronic lien and title system under this section as follows:

(1) A statewide electronic lien system that is capable of processing:

(A) certificate of title data in which a lien is notated; and

(B) the notification, maintenance, and release of security interests in vehicles;

through electronic means must be made available for voluntary use by vehicle lienholders not later than July 1, 2022.

(2) Subject to subsection (j)(5), the bureau shall require that the statewide electronic lien system made available under subdivision (1) be used for processing:

(A) certificate of title data in which a lien is notated; and

(B) the notification, maintenance, and release of security interests in vehicles;

after June 30, 2023.

(3) A statewide electronic title system capable of processing vehicle titles through electronic means must be made available for voluntary use by vehicle dealers, lienholders, and owners not later than July 1, 2025.

(4) The bureau shall require that the statewide electronic title system made available under subdivision (3) be used for processing vehicle titles after June 30, 2026.

(i) Subsection (h) does not prohibit the bureau or any:

(1) qualified vendor with whom the bureau contracts under subsection (f); or

(2) qualified service provider with whom the bureau contracts under subsection (g);

from implementing, making available, or requiring the use of a statewide electronic lien system described in subsection (h)(1) at the same time as, or in conjunction with, a statewide electronic title system described in subsection (h)(3), or from implementing, making available, or requiring the use of a statewide electronic lien system described in subsection (h)(1) or a statewide electronic title system described in subsection (h)(3) before the applicable dates otherwise set forth in subsection (h).

(j) The following apply to the use of a statewide electronic lien system described in subsection (h)(1):



1 (1) Notwithstanding section 5(b) of this chapter, if there are one
2 (1) or more liens or encumbrances on a motor vehicle, the bureau
3 may electronically transmit the lien to the first lienholder and
4 notify the first lienholder of any additional liens. Subsequent lien
5 satisfactions may be electronically transmitted to the bureau and
6 must include the name and address of the person satisfying the
7 lien.

8 (2) Whenever the electronic transmission of lien notifications and
9 lien satisfactions is used, a certificate of title need not be issued
10 until the last lien is satisfied and a clear certificate of title can be
11 issued to the owner of the motor vehicle. The bureau may print or
12 issue electronically the clear certificate of title to the owner or
13 subsequent assignee of the motor vehicle.

14 (3) If a motor vehicle is subject to an electronic lien, the
15 certificate of title for the motor vehicle is considered to be
16 physically held by the lienholder for purposes of compliance with
17 state or federal odometer disclosure requirements.

18 (4) A certified copy of the bureau's electronic record of a lien is
19 admissible in any civil, criminal, or administrative proceeding in
20 Indiana as evidence of the existence of the lien. If a certificate of
21 title is maintained electronically in a statewide electronic title
22 system described in subsection (h)(3), a certified copy of the
23 bureau's electronic record of the certificate of title is admissible
24 in any civil, criminal, or administrative proceeding in Indiana as
25 evidence of the existence and contents of the certificate of title.

26 (5) All individuals and lienholders who conduct at least twelve
27 (12) lien transactions annually must use the statewide electronic
28 lien and title system implemented under this section to record
29 information concerning the perfection and release of a security
30 interest in a vehicle.

31 (6) An electronic notice or release of a lien made through the
32 statewide electronic lien and title system implemented under this
33 section has the same force and effect as a notice or release of a
34 lien made on a paper document.

35 (7) The bureau may convert an existing paper lien to an electronic
36 lien upon request of the primary lienholder. The bureau, or a third
37 party contracting with the bureau under this section, is authorized
38 to collect a fee not to exceed three dollars (\$3) for each
39 conversion performed under this subdivision. A fee under this
40 subdivision may not be charged to a state agency or its agents.

41 (8) Notwithstanding section 5 of this chapter, any requirement
42 that a security interest or other information appear on a certificate



of title is satisfied by the inclusion of that information in an electronic file maintained in an electronic title system.

(k) Nothing in this section precludes the bureau from collecting a title fee for the preparation and issuance of a title.

(l) The bureau may adopt rules under IC 4-22-2 to implement this section.

SECTION 13. IC 14-8-2-48, AS AMENDED BY P.L.251-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 48. (a) "Commission", except as provided in this section, refers to the natural resources commission.

(b) "Commission", for purposes of IC 14-13-1, has the meaning set forth in IC 14-13-1-1.

(c) "Commission", for purposes of IC 14-13-2, has the meaning set forth in IC 14-13-2-2.

(d) "Commission", for purposes of IC 14-13-4, has the meaning set forth in IC 14-13-4-1.

(e) "Commission", for purposes of IC 14-13-5, has the meaning set forth in IC 14-13-5-1.

(f) "Commission", for purposes of IC 14-13-6, has the meaning set forth in IC 14-13-6-2.

(g) "Commission", for purposes of IC 14-13-9, has the meaning set forth in IC 14-13-9-2.

~~(h) "Commission", for purposes of IC 14-20-11, has the meaning set forth in IC 14-20-11-1.~~

~~(i)~~ **(h)** "Commission", for purposes of IC 14-28-4, has the meaning set forth in IC 14-28-4-1.

~~(j)~~ **(i)** "Commission", for purposes of IC 14-30-2, has the meaning set forth in IC 14-30-2-2.

~~(k)~~ **(j)** "Commission", for purposes of IC 14-30-3, has the meaning set forth in IC 14-30-3-2.

~~(l)~~ **(k)** "Commission", for purposes of IC 14-30-4, has the meaning set forth in IC 14-30-4-2.

~~(m)~~ **(l)** "Commission", for purposes of IC 14-30.5, has the meaning set forth in IC 14-30.5-1-2.

~~(n)~~ **(m)** "Commission", for purposes of IC 14-33-20, has the meaning set forth in IC 14-33-20-2.

SECTION 14. IC 14-8-2-107, AS AMENDED BY P.L.127-2022, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 107. "Fund" has the following meaning:

(1) For purposes of IC 14-9-5, the meaning set forth in IC 14-9-5-1.

(2) For purposes of IC 14-9-8-21, the meaning set forth in



- 1 IC 14-9-8-21.
- 2 (3) For purposes of IC 14-9-8-21.5, the meaning set forth in
- 3 IC 14-9-8-21.5.
- 4 (4) For purposes of IC 14-9-9, the meaning set forth in
- 5 IC 14-9-9-3.
- 6 (5) For purposes of IC 14-12-1, the meaning set forth in
- 7 IC 14-12-1-1.
- 8 (6) For purposes of IC 14-12-2, the meaning set forth in
- 9 IC 14-12-2-2.
- 10 (7) For purposes of IC 14-12-3, the meaning set forth in
- 11 IC 14-12-3-2.
- 12 (8) For purposes of IC 14-13-1, the meaning set forth in
- 13 IC 14-13-1-2.
- 14 (9) For purposes of IC 14-13-2, the meaning set forth in
- 15 IC 14-13-2-3.
- 16 (10) For purposes of IC 14-16-1, the meaning set forth in
- 17 IC 14-16-1-30.
- 18 (11) For purposes of IC 14-19-8, the meaning set forth in
- 19 IC 14-19-8-1.
- 20 (12) For purposes of IC 14-19-11, the meaning set forth in
- 21 IC 14-19-11-3.1.
- 22 ~~(13) For purposes of IC 14-20-11, the meaning set forth in~~
- 23 ~~IC 14-20-11-2.~~
- 24 ~~(14)~~ **(13)** For purposes of IC 14-22-3, the meaning set forth in
- 25 IC 14-22-3-1.
- 26 ~~(15)~~ **(14)** For purposes of IC 14-22-4, the meaning set forth in
- 27 IC 14-22-4-1.
- 28 ~~(16)~~ **(15)** For purposes of IC 14-22-5, the meaning set forth in
- 29 IC 14-22-5-1.
- 30 ~~(17)~~ **(16)** For purposes of IC 14-22-8, the meaning set forth in
- 31 IC 14-22-8-1.
- 32 ~~(18)~~ **(17)** For purposes of IC 14-22-34, the meaning set forth in
- 33 IC 14-22-34-2.
- 34 ~~(19)~~ **(18)** For purposes of IC 14-23-3, the meaning set forth in
- 35 IC 14-23-3-1.
- 36 ~~(20)~~ **(19)** For purposes of IC 14-25-2-4, the meaning set forth in
- 37 IC 14-25-2-4.
- 38 ~~(21)~~ **(20)** For purposes of IC 14-25-10, the meaning set forth in
- 39 IC 14-25-10-1.
- 40 ~~(22)~~ **(21)** For purposes of IC 14-25.5, the meaning set forth in
- 41 IC 14-25.5-1-3.
- 42 ~~(23)~~ **(22)** For purposes of IC 14-31-2, the meaning set forth in



- 1 IC 14-31-2-5.
 2 ~~(24)~~ (23) For purposes of IC 14-25-12, the meaning set forth in
 3 IC 14-25-12-1.
 4 ~~(25)~~ (24) For purposes of IC 14-32-8, the meaning set forth in
 5 IC 14-32-8-1.
 6 ~~(26)~~ (25) For purposes of IC 14-33-14, the meaning set forth in
 7 IC 14-33-14-3.
 8 ~~(27)~~ (26) For purposes of IC 14-33-21, the meaning set forth in
 9 IC 14-33-21-1.
 10 ~~(28)~~ (27) For purposes of IC 14-34-6-15, the meaning set forth in
 11 IC 14-34-6-15.
 12 ~~(29)~~ (28) For purposes of IC 14-34-14, the meaning set forth in
 13 IC 14-34-14-1.
 14 ~~(30)~~ (29) For purposes of IC 14-34-19-1.3, the meaning set forth
 15 in IC 14-34-19-1.3(a).
 16 ~~(31)~~ (30) For purposes of IC 14-34-19-1.5, the meaning set forth
 17 in IC 14-34-19-1.5(a).
 18 ~~(32)~~ (31) For purposes of IC 14-37-10, the meaning set forth in
 19 IC 14-37-10-1.

20 SECTION 15. IC 14-20-11 IS REPEALED [EFFECTIVE JULY 1,
 21 2026]. (Wendell L. Willkie Memorial Commission).

22 SECTION 16. IC 20-29-6-4.1 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE UPON PASSAGE]: **Sec. 4.1. (a) This section applies to**
 25 **collective bargaining between a school employer and the exclusive**
 26 **representative of the school bus drivers employed by the school**
 27 **employer.**

28 **(b) Collective bargaining described in subsection (a) is limited**
 29 **to the subjects expressly listed in section 4 of this chapter.**

30 **(c) The prohibited subjects of collective bargaining listed in**
 31 **section 4.5 of this chapter apply to collective bargaining described**
 32 **in subsection (a).**

33 SECTION 17. IC 20-32-8.5-2, AS AMENDED BY P.L.186-2025,
 34 SECTION 291, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) Except as provided in
 36 subsection (b), the plan required by this chapter must include the
 37 following:

- 38 (1) Reading skill standards for grade 1 through grade 3.
 39 (2) A method for making determinant evaluations by grade 3 that
 40 remedial action is required for a student, including:
 41 (A) except as provided in subsections (c) and (g), beginning
 42 with evaluations administered during the 2024-2025 school



- 1 year, retention of the student in grade 3 if the student has not
- 2 achieved a passing score on the determinant evaluation of
- 3 reading skills approved by the state board after the student has
- 4 had an opportunity to retake the determinant evaluation at least
- 5 twice in the summer; and
- 6 (B) the use of curricular materials and supplemental materials
- 7 aligned to the science of reading that are designed to address
- 8 deficiencies in reading;
- 9 after other methods of remediation have been evaluated or used,
- 10 or both, if reading skills are below the standard. Appropriate
- 11 consultation with parents or guardians must be part of the plan.
- 12 (3) A requirement that schools notify a student's parent of the
- 13 following:
- 14 (A) The student's assessment results regarding skill level in:
- 15 (i) phonemic awareness;
- 16 (ii) phonics;
- 17 (iii) fluency;
- 18 (iv) vocabulary; and
- 19 (v) comprehension.
- 20 (B) The student's assessment results on the determinant
- 21 evaluation of reading skills approved by the state board.
- 22 (C) Any intervention provided to the student or any remedial
- 23 action taken.
- 24 (4) A requirement that schools monitor the progress of students
- 25 who failed to achieve a valid passing score on the:
- 26 (A) determinant evaluation of reading skills approved by the
- 27 state board; or
- 28 (B) statewide assessment program test.
- 29 (5) A requirement that schools provide reading instruction that
- 30 includes a core reading program aligned with the science of
- 31 reading to all students in kindergarten through grade 8.
- 32 (6) A requirement for the administration of the determinant
- 33 evaluation of reading skills approved by the state board to
- 34 students in grade 2.
- 35 (7) A requirement that all students take the determinant
- 36 evaluation of reading skills approved by the state board until the
- 37 student:
- 38 (A) receives a passing score, regardless of the student's grade
- 39 level; or
- 40 (B) enters grade 7.
- 41 (8) A requirement that a school report the following to the
- 42 department:



- 1 (A) The literacy interventions that will be used for students in
- 2 grade 2 who are at risk of not being reading proficient and
- 3 students in grade 3 who do not achieve a valid passing score
- 4 on the determinant evaluation of reading skills approved by
- 5 the state board.
- 6 (B) The literacy interventions in use before the adoption of the
- 7 plan for students in grade 2 who are at risk of not being
- 8 reading proficient and students in grade 3 who do not achieve
- 9 a valid passing score on the determinant evaluation of reading
- 10 skills approved by the state board.
- 11 (C) The literacy interventions in use before the adoption of the
- 12 plan for students who do not achieve a valid passing score on
- 13 the determinant evaluation of reading skills approved by the
- 14 state board.
- 15 (D) The number of students being served by the interventions
- 16 described in clauses (B) and (C).
- 17 (E) The cost of providing the interventions described in
- 18 clauses (B) and (C).
- 19 (F) Any other information requested by the department.
- 20 (9) Requirements for a school in which fewer than seventy
- 21 percent (70%) of students of the school achieved a valid passing
- 22 score on the determinant evaluation of reading skills approved by
- 23 the state board that must include the following:
- 24 (A) Use of curriculum that is:
- 25 (i) based on the science of reading;
- 26 (ii) age appropriate; and
- 27 (iii) approved by the department.
- 28 (B) Employment of ~~the following:~~
- 29 ~~(i) Before July 1, 2025, an instructional coach who is trained~~
- 30 ~~in the science of reading, as determined by the department.~~
- 31 ~~This item expires January 1, 2026.~~
- 32 ~~(ii) After June 30, 2025, an instructional coach with a~~
- 33 ~~literacy related endorsement who is trained in the science of~~
- 34 ~~reading.~~
- 35 (C) Use of only benchmark, formative, interim, or similar
- 36 assessments that:
- 37 (i) show alignment with Indiana's academic standards; and
- 38 (ii) are approved by the department.
- 39 (D) Use of a screener procured under IC 20-32-5.1-17(j).
- 40 (10) The fiscal impact of each component of the plan, if any. In
- 41 determining whether a component has a fiscal impact,
- 42 consideration shall be given to whether the component will



1 increase costs to the state or a school corporation or require the
2 state or school corporation to reallocate resources.

3 (b) A school may receive a waiver of the requirements provided in
4 511 IAC 6.2-3.1-4(a)(2) if the state board approves an alternative
5 reading plan provided by the school.

6 (c) Except as approved by the department under subsection (g), a
7 student who would otherwise be subject to retention in grade 3 under
8 the plan is not subject to the retention requirement only if the student
9 meets one (1) of the following criteria:

10 (1) The student was subject to retention and has been retained in
11 grade 3 for one (1) school year.

12 (2) The student has an intellectual disability or the student's
13 individualized education program specifies that retention is not
14 appropriate, and the student's case conference committee has
15 determined that promotion to another grade is appropriate.

16 (3) The student is an English learner who has received services
17 for fewer than two (2) years and a committee consisting of:

18 (A) the student's parent;

19 (B) a building level administrator or designee;

20 (C) a classroom teacher of service;

21 (D) an English learner teacher of record, if one exists; and

22 (E) an English learner district administrator, if one exists;

23 determines that promotion is appropriate based on the
24 implementation of research based instructional practices outlined
25 in the student's individual learning plan.

26 (4) The student received a score of proficient or above proficient
27 in grade 3 math on the statewide summative assessment.

28 (5) The student:

29 (A) has received intensive intervention as determined by the
30 department in reading for two (2) or more years; and

31 (B) was retained more than one (1) time throughout
32 kindergarten, grade 1, or grade 2.

33 (d) A student who is not subject to the retention requirement as
34 provided under subsection (c) must be provided with additional reading
35 instruction that is aligned with the science of reading until the student
36 achieves a passing score on the determinant evaluation of reading skills
37 approved by the state board.

38 (e) Before October 1 of each school year, the department shall:

39 (1) identify each incoming student (as defined in section 0.7 of
40 this chapter) enrolled in kindergarten in a school in Indiana; and

41 (2) notify the parent or guardian of the student of the retention
42 requirement under this chapter for grade 3 students who do not



1 achieve a passing score on the Indiana reading evaluation and
2 determination (IRead3).

3 (f) The department shall establish a standard reporting process and
4 reporting window for schools to report students who qualify for an
5 exemption under subsection (c).

6 (g) The department shall establish a registration process for schools
7 to exempt an English language learner who:

8 (1) does not achieve a passing score on the determinant
9 evaluation of reading skills approved by the state board; and

10 (2) attends a school that has a student population comprised of at
11 least fifty percent (50%) of English language learners in grade 3,
12 as determined by the department;

13 from compliance with the requirements under subsection (a)(2)(A)
14 until the beginning of the 2027-2028 school year. This subsection
15 expires July 1, 2028.

16 SECTION 18. IC 33-33-40-1, AS AMENDED BY P.L.224-2025,
17 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 1. (a) Jennings County
19 constitutes the eighty-sixth judicial circuit.

20 (b) The Jennings circuit court has a standard small claims and
21 misdemeanor division.

22 (c) The judge of the Jennings circuit court and the judge of the
23 Jennings superior court may jointly appoint one (1) full-time magistrate
24 under IC 33-23-5 to serve the circuit and superior courts. This
25 subsection expires December 31, 2025.

26 (d) A magistrate continues in office until jointly removed by the
27 judge of the Jennings circuit court and the judge of the Jennings
28 superior court. This subsection expires December 31, 2025.

29 (e) (c) Beginning January 1, 2026, the judges of the Jennings circuit
30 and superior court may not appoint a magistrate under IC 33-23-5.

31 (f) (d) A magistrate appointed under this section is terminated by
32 operation of law on December 31, 2025.

33 SECTION 19. IC 36-7-30.2-18, AS ADDED BY P.L.43-2023,
34 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2026]: Sec. 18. (a) The unit shall notify a commander that the
36 commander may recommend a civilian or military representative of the
37 installation in mission sustainment activities to serve as a nonvoting
38 adviser to the plan commission.

39 (b) The notice must inform the commander that a nonvoting adviser:

40 (1) is not a member of the plan commission, but is entitled to
41 attend and participate in all plan commission meetings;

42 (2) is not entitled to a salary, per diem, or reimbursement of



1 expenses; and

2 (3) serves at the pleasure of the legislative body of the unit.

3 (c) The unit shall appoint an individual to the position of nonvoting
4 adviser upon the request of the commander at any time. An individual
5 may only be appointed as a nonvoting adviser upon recommendation
6 of the commander.

7 ~~(d) This subsection applies to a unit that has a plan commission on~~
8 ~~June 30, 2023. The legislative body of the unit shall send the notice not~~
9 ~~later than January 1, 2024. This subsection expires July 1, 2025.~~

10 ~~(e)~~ (d) This subsection applies to a unit that establishes a plan
11 commission after June 30, 2023. The legislative body of the unit shall
12 send the notice not later than one hundred eighty (180) days after the
13 date that the plan commission is established.

14 SECTION 20. IC 36-7-30.2-19, AS ADDED BY P.L.43-2023,
15 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2026]: Sec. 19. (a) The legislative body of the unit must adopt
17 a resolution that:

18 (1) acknowledges the requirements of this chapter; and

19 (2) designates an employee of the unit to serve as staff liaison
20 between the unit and the installation for purposes of coordinating
21 the unit's land use activities within the state area of interest.

22 (b) The unit shall contact the commander to:

23 (1) discuss coordination between the unit and the installation in
24 compliance with this chapter; and

25 (2) notify the commander of the staff liaison designated in the
26 resolution.

27 ~~(c) This subsection applies to a unit that has a plan commission on~~
28 ~~June 30, 2023. The legislative body of the unit shall comply with~~
29 ~~subsections (a) and (b) not later than January 1, 2024. This subsection~~
30 ~~expires July 1, 2025.~~

31 ~~(d)~~ (c) This subsection applies to a unit that establishes a plan
32 commission after June 30, 2023. The legislative body of the unit shall
33 comply with subsections (a) and (b) not later than one hundred eighty
34 (180) days after the date that the plan commission is established.

35 SECTION 21. IC 36-7-30.2-20, AS ADDED BY P.L.43-2023,
36 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2026]: Sec. 20. (a) Except as provided in section 21 of this
38 chapter, a unit shall adopt or amend the unit's comprehensive plan,
39 zoning and subdivision ordinances, procedures, and regulations as
40 needed to implement this chapter and IC 36-7-30.3.

41 ~~(b) Except as provided in section 21 of this chapter, this subsection~~
42 ~~applies to a unit that has a plan commission on June 30, 2023. The unit~~



1 shall amend or repeal and adopt the comprehensive plan, zoning and
2 subdivision ordinances, procedures, and regulations as needed as
3 provided in subsection (a) not later than January 1, 2025. This
4 subsection expires July 1, 2025.

5 (c) (b) This subsection applies to a unit that establishes a plan
6 commission after June 30, 2023. The unit shall adopt a comprehensive
7 plan, zoning and subdivision ordinances, procedures, and regulations
8 as provided in subsection (a) not later than eighteen (18) months after
9 the plan commission is established.

10 SECTION 22. **An emergency is declared for this act.**

