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# HOUSE BILL No. 1423

**AM142308 has been incorporated into introduced printing.**

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**Synopsis:** Indianapolis public education corporation.

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2026

IN 1423—LS 7118/DI 110



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Introduced

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. 1423

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

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

1        SECTION 1. IC 3-10-2-17 IS ADDED TO THE INDIANA CODE  
2        AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
3        **UPON PASSAGE]: Sec. 17. (a) This section applies only to a school**  
4        **city (as defined in IC 20-25-2-12).**

5        **(b) The executive director of the Indianapolis public education**  
6        **corporation shall stand for retention:**

7            **(1) at the general election in 2028 and every four (4) years**  
8            **thereafter; and**  
9            **(2) by the eligible voters from all the districts established**  
10          **under IC 20-25-3-4.**

11        SECTION 2. IC 3-11-2-12.9, AS AMENDED BY P.L.195-2025,  
12        SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13        UPON PASSAGE]: Sec. 12.9. (a) School board offices to be elected at  
14        the general election shall be placed on the general election ballot after  
15        the offices described in section 12.4 of this chapter.

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16 "Shall \_\_\_\_\_ (insert the name of the executive director of  
17 the Indianapolis public education corporation) be retained as  
18 Executive Director of the Indianapolis Public Education  
19 Corporation?".

SECTION 3. IC 3-11-13-11, AS AMENDED BY THE  
TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL  
ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
UPON PASSAGE]: Sec. 11. (a) The ballot information, whether placed  
on the ballot card or on the marking device, must be in the order of  
arrangement provided for ballots under this section.

30 (1) print all offices and questions on a single ballot card; and  
31 (2) include a ballot variation code to ensure that the proper  
32 version of a ballot is used within a precinct.

33 (c) Each type of ballot card must be of uniform size and of the  
34 same quality and color of paper (except as permitted under  
35 IC 3-10-1-17).

36 (d) The nominees of a political party or an independent candidate  
37 or independent ticket (described in IC 3-11-2-6) nominated by  
38 petitioners shall be listed on the ballot with the name and device set  
39 forth on the certification or petition. The circle containing the device  
40 may be of any size that permits a voter to readily identify the device.  
41 IC 3-11-2-5 applies if the certification or petition does not include a  
42 name or device, or if the same device is selected by two (2) or more

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1 parties or petitioners. In the case of a candidate described in  
2 IC 3-8-2.5-2.5(a)(5)(C), a blank space **must be printed** after the  
3 candidate's name signifying that the candidate elects not to disclose any  
4 affiliation with a political party or that the candidate:

5 (1) is not affiliated with a political party; and  
6 (2) does not identify as an independent candidate.

7 (e) The offices and public questions on the general election ballot  
8 must be placed on the ballot in the order listed in IC 3-11-2-12,  
9 IC 3-11-2-12.4, IC 3-11-2-12.5, IC 3-11-2-12.7(b), IC 3-11-2-12.9(a),  
10 IC 3-11-2-12.9(c), **IC 3-11-2-12.9(d)**, IC 3-11-2-13(a) through  
11 IC 3-11-2-13(c), IC 3-11-2-14(a), IC 3-11-2-14(d), and  
12 IC 3-11-2-14(e). The offices and public questions may be listed in a  
13 continuous column either vertically or horizontally and on a number of  
14 separate pages.

15 (f) The name of each office must be printed in a uniform size in  
16 bold type. A statement reading substantially as follows must be placed  
17 immediately below the name of the office and above the name of the  
18 first candidate:

19 (1) "Vote for one (1) only.", if only one (1) candidate is to be  
20 elected to the office.  
21 (2) "Vote for not more than (insert the number of candidates to  
22 be elected) candidate(s) for this office. To vote for any candidate  
23 for this office, you must make a voting mark for each candidate  
24 you wish to vote for. A straight party vote will not count as a  
25 vote for any candidate for this office.", if more than one (1)  
26 candidate is to be elected to the office.  
27 (3) "Vote for one (1) only. A straight party vote will not count as  
28 a vote for any candidate for this office.", if only one (1)  
29 candidate is to be elected to a school board office.

30 (g) Below the name of the office and the statement required by  
31 subsection (f), the names of the candidates for each office must be  
32 grouped together in the following order:

33 (1) The major political party whose candidate received the  
34 highest number of votes in the county for secretary of state at the  
35 last election is listed first.  
36 (2) The major political party whose candidate received the  
37 second highest number of votes in the county for secretary of  
38 state is listed second.  
39 (3) All other political parties listed in the order that the parties'  
40 candidates for secretary of state finished in the last election are  
41 listed after the party listed in subdivision (2).



(4) If a political party did not have a candidate for secretary of state in the last election or a nominee is an independent candidate or independent ticket (described in IC 3-11-2-6), the party or candidate is listed after the parties described in subdivisions (1), (2), and (3).

6 (5) If more than one (1) political party or independent candidate  
7 or ticket described in subdivision (4) qualifies to be on the  
8 ballot, the parties, candidates, or tickets are listed in the order in  
9 which the party filed its petition of nomination under  
10 IC 3-8-6-12.

16 (8) The name of a write-in candidate may not be listed on the  
17 ballot.

18 (h) The names of the candidates grouped in the order established  
19 by subsection (g) must be printed in type with uniform capital letters  
20 and have a uniform space between each name. The name of the  
21 candidate's political party, or the word "Independent" if the:

22 (1) candidate; or

23 (2) ticket of candidates for:

24 (A) President and Vice President of the United States; or  
25 (B) governor and lieutenant governor;

26 is independent, must be placed immediately below or beside the name  
27 of the candidate and must be printed in a uniform size and type. In the  
28 case of a candidate described in IC 3-8-2.5-2.5(a)(5)(C), the name of  
29 the candidate must be printed with a blank space after the candidate's  
30 name signifying that the candidate elects not to disclose any affiliation  
31 with a political party or that the candidate is not affiliated with a  
32 political party and does not identify as an independent candidate.

33 (i) All the candidates of the same political party for election to  
34 at-large seats on the fiscal or legislative body of a political subdivision  
35 must be grouped together:

36 (1) under the name of the office that the candidates are seeking;  
37 (2) in the order established by subsection (g); and  
38 (3) within the political party, in alphabetical order according to  
39 surname.

40 A statement reading substantially as follows must be placed  
41 immediately below the name of the office and above the name of the



1       first candidate: "Vote for not more than (insert the number of  
 2       candidates to be elected) candidate(s) of ANY party for this office.".

3               (j) Candidates for election to at-large seats on the governing body  
 4       of a school corporation must be grouped:

5               (1) under the name of the office that the candidates are seeking;  
 6               and  
 7               (2) in alphabetical order according to surname.

8       A statement reading substantially as follows must be placed  
 9       immediately below the name of the office and above the name of the  
 10      first candidate: "Vote for not more than (insert the number of  
 11      candidates to be elected) candidate(s) for this office. A straight party  
 12      vote will not count as a vote for any candidate for this office.".

13               (k) The following information must be placed at the top of the  
 14      ballot before the first public question is listed:

15               (1) The cautionary statement described in IC 3-11-2-7.  
 16               (2) The instructions described in IC 3-11-2-8, IC 3-11-2-10(d),  
 17               and IC 3-11-2-10(e).

18               (l) The ballot must include a single connectable arrow, circle, oval,  
 19       or square, or a voting position for voting a straight party ticket by one  
 20      (1) mark as required by section 14 of this chapter, and the single  
 21      connectable arrow, circle, oval, or square, or the voting position for  
 22      casting a straight party ticket ballot must be identified by:

23               (1) the name of the political party; and  
 24               (2) immediately below or beside the political party's name, the  
 25      device of that party (described in IC 3-11-2-5).

26       The name and device of each political party must be of uniform size  
 27       and type and arranged in the order established by subsection (g) for  
 28       listing candidates under each office. The instructions described in  
 29       IC 3-11-2-10(c) for voting a straight party ticket and the statement  
 30       concerning presidential electors required under IC 3-10-4-3 must be  
 31       placed on the ballot label. The instructions for voting a straight party  
 32       ticket must include the statement: "If you do not wish to vote a straight  
 33       party ticket, do not make a mark in this section and proceed to voting  
 34       the ballot by office.".

35               (m) A public question must be in the form described in  
 36       IC 3-11-2-15(a) and IC 3-11-2-15(b), except that a single connectable  
 37       arrow, a circle, or an oval may be used instead of a square. Except as  
 38       expressly authorized or required by statute, a county election board  
 39       may not print a ballot card that contains language concerning the public  
 40       question other than the language authorized by a statute.

41               **(n) This subsection applies only to a school city (as defined in**



1       **IC 20-25-2-12). The question of the retention of the executive**  
 2       **director of the Indianapolis public education corporation must**  
 3       **read as follows:**

4       **"Shall \_\_\_\_\_ (insert the name of the executive director of**  
 5       **the Indianapolis public education corporation) be retained as**  
 6       **Executive Director of the Indianapolis Public Education**  
 7       **Corporation?".**

8       **(n) (o) The requirements in this section:**

- 9           (1) do not replace; and
- 10           (2) are in addition to;

11       any other requirements in this title that apply to optical scan ballots.

12       **(o) (p) The procedure described in IC 3-11-2-16 must be used**  
 13       **when a ballot does not comply with the requirements imposed by this**  
 14       **title or contains another error or omission that might result in confusion**  
 15       **or mistakes by voters.**

16       **(p) (q) This subsection applies to an optical scan ballot that does**  
 17       **not list:**

- 18           (1) the names of political parties or candidates; or
- 19           (2) the text of public questions;

20       on the face of the ballot. The ballot must be prepared in accordance  
 21       with this section, except that the ballot must include a numbered circle  
 22       or oval to refer to each political party, candidate, or public question.

23       **SECTION 4. IC 3-11-14-3.5, AS AMENDED BY THE**  
 24       **TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL**  
 25       **ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**  
 26       **UPON PASSAGE]: Sec. 3.5. (a) Each county election board shall have**  
 27       **the names of all candidates for all elected offices, political party**  
 28       **offices, and public questions printed on ballot labels for use in an**  
 29       **electronic voting system as provided in this chapter.**

30       **(b) The county may:**

- 31           (1) print all offices and public questions on a single ballot label;  
 32           and
- 33           (2) include a ballot variation code to ensure that the proper  
 34           version of a ballot label is used within a precinct.

35       **(c) Each type of ballot label must be of uniform size and of the**  
 36       **same quality and color of paper (except as permitted under**  
 37       **IC 3-10-1-17).**

38       **(d) The nominees of a political party or an independent candidate**  
 39       **or independent ticket (described in IC 3-11-2-6) nominated by**  
 40       **petitioners must be listed on the ballot label with the name and device**  
 41       **set forth on the certification or petition. The circle containing the**  
 42       **device may be of any size that permits a voter to readily identify the**



device. IC 3-11-2-5 applies if the certification or petition does not include a name or device, or if the same device is selected by two (2) or more parties or petitioners. In the case of a candidate described in IC 3-8-2.5-2.5(a)(5)(C), a blank space **must be printed** after the candidate's name signifying that the candidate elects not to disclose any affiliation with a political party or that the candidate:

7 (1) is not affiliated with a political party; and  
8 (2) does not identify as an independent candidate

17 (f) The name of each office must be printed in a uniform size in  
18 bold type. A statement reading substantially as follows must be placed  
19 immediately below the name of the office and above the name of the  
20 first candidate:

(1) "Vote for one (1) only.", if only one (1) candidate is to be elected to the office.

23 (2) "Vote for not more than (insert the number of candidates to  
24 be elected) candidate(s) for this office. To vote for any candidate  
25 for this office, you must make a voting mark for each candidate  
26 you wish to vote for. A straight party vote will not count as a  
27 vote for any candidate for this office.", if more than one (1)  
28 candidate is to be elected to the office.

29 (3) "Vote for one (1) only. A straight party vote will not count as  
30 a vote for any candidate for this office.", if only one (1)  
31 candidate is to be elected to a school board office.

32 (g) Below the name of the office and the statement required by  
33 subsection (f), the names of the candidates for each office must be  
34 grouped together in the following order:

35 (1) The major political party whose candidate received the  
36 highest number of votes in the county for secretary of state at the  
37 last election is listed first.

41 (3) All other political parties listed in the order that the parties'



1 candidates for secretary of state finished in the last election are  
 2 listed after the party listed in subdivision (2).

3 (4) If a political party did not have a candidate for secretary of  
 4 state in the last election or a nominee is an independent  
 5 candidate or independent ticket (described in IC 3-11-2-6), the  
 6 party or candidate is listed after the parties described in  
 7 subdivisions (1), (2), and (3).

8 (5) If more than one (1) political party or independent candidate  
 9 or ticket described in subdivision (4) qualifies to be on the  
 10 ballot, the parties, candidates, or tickets are listed in the order in  
 11 which the party filed its petition of nomination under  
 12 IC 3-8-6-12.

13 (6) The name of a candidate described in IC 3-8-2.5-2.5(a)(5)(C)  
 14 is placed after the candidates listed in subdivisions (1) through  
 15 (5), if applicable.

16 (7) A space for write-in voting is placed after the candidates  
 17 listed in subdivisions (1) through (6), if required by law. A space  
 18 for write-in voting for an office is not required if there are no  
 19 declared write-in candidates for that office. However, procedures  
 20 must be implemented to permit write-in voting for candidates for  
 21 federal offices.

22 (8) The name of a write-in candidate may not be listed on the  
 23 ballot.

24 (h) The names of the candidates grouped in the order established  
 25 by subsection (g) must be printed in type with uniform capital letters  
 26 and have a uniform space between each name. The name of the  
 27 candidate's political party, or the word "Independent", if the:

28 (1) candidate; or

29 (2) ticket of candidates for:

30 (A) President and Vice President of the United States; or

31 (B) governor and lieutenant governor;

32 is independent, must be placed immediately below or beside the name  
 33 of the candidate and must be printed in uniform size and type. In the  
 34 case of a candidate described in IC 3-8-2.5-2.5(a)(5)(C), the name of  
 35 the candidate must be printed with a blank space after the candidate's  
 36 name signifying that the candidate elects not to disclose any affiliation  
 37 with a political party or that the candidate is not affiliated with a  
 38 political party and does not identify as an independent candidate.

39 (i) All the candidates of the same political party for election to  
 40 at-large seats on the fiscal or legislative body of a political subdivision  
 41 must be grouped together:



(1) under the name of the office that the candidates are seeking;  
(2) in the party order established by subsection (g); and  
(3) within the political party, in alphabetical order according to surname.

5 A statement reading substantially as follows must be placed  
6 immediately below the name of the office and above the name of the  
7 first candidate: "Vote for not more than (insert the number of  
8 candidates to be elected) candidate(s) of ANY party for this office.".

11 (1) under the name of the office that the candidates are seeking;  
12 and  
13 (2) in alphabetical order according to surname.

14 A statement reading substantially as follows must be placed  
15 immediately below the name of the office and above the name of the  
16 first candidate: "Vote for not more than (insert the number of  
17 candidates to be elected) candidate(s) for this office. A straight party  
18 vote will not count as a vote for any candidate for this office.".

22 (l) The instructions described in IC 3-11-2-8, IC 3-11-2-10(d), and  
23 IC 3-11-2-10(e) may be:

24 (1) placed on the ballot label; or  
25 (2) posted in a location within the voting booth that permits the  
26 voter to easily read the instructions.

27 (m) Except as provided in section 14.5 of this chapter, the ballot  
28 label must include a touch sensitive point or button for voting a straight  
29 political party ticket by one (1) touch, and the touch sensitive point or  
30 button must be identified by:

31 (1) the name of the political party; and  
32 (2) immediately below or beside the political party's name, the  
33 device of that party (described in IC 3-11-2-5).

34 The name and device of each party must be of uniform size and type,  
35 and arranged in the order established by subsection (g) for listing  
36 candidates under each office. The instructions described in  
37 IC 3-11-2-10(c) for voting a straight party ticket and the statement  
38 concerning presidential electors required under IC 3-10-4-3 must be  
39 placed on the ballot label. The instructions for voting a straight party  
40 ticket must include the statement: "If you do not wish to vote a straight  
41 party ticket, press "NEXT" (or replace "NEXT" with the term used by

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1       that voting system to permit a voter to skip a ballot screen) to continue  
 2       voting.".

3       (n) A public question must be in the form described in  
 4       IC 3-11-2-15(a) and IC 3-11-2-15(b), except that a touch sensitive  
 5       point or button must be used instead of a square. Except as expressly  
 6       authorized or required by statute, a county election board may not print  
 7       a ballot label that contains language concerning the public question  
 8       other than the language authorized by a statute.

9       **(o) This subsection applies only to a school city (as defined in  
 10       IC 20-25-2-12). The question of the retention of the executive  
 11       director of the Indianapolis public education corporation must  
 12       read as follows:**

13       **"Shall \_\_\_\_\_ (insert the name of the executive director of  
 14       the Indianapolis public education corporation) be retained as  
 15       Executive Director of the Indianapolis Public Education  
 16       Corporation?".**

17       **(p) The requirements in this section:**

- 18       (1) do not replace; and
- 19       (2) are in addition to;

20       any other requirements in this title that apply to ballots for electronic  
 21       voting systems.

22       **(p) The procedure described in IC 3-11-2-16 must be used  
 23       when a ballot label does not comply with the requirements imposed by  
 24       this title or contains another error or omission that might result in  
 25       confusion or mistakes by voters.**

26       SECTION 5. IC 3-12-5-1, AS AMENDED BY P.L.278-2019,  
 27       SECTION 143, IS AMENDED TO READ AS FOLLOWS  
 28       [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Whenever a candidate is  
 29       elected to a local office that is commissioned by the governor under  
 30       IC 4-3-1-5, the circuit court clerk shall prepare a statement specifying  
 31       the number of votes received by each candidate for that office.

32       (b) The statement prepared under subsection (a) must also include  
 33       the number of votes cast for and against the following:

- 34       (1) The ratification of a state constitutional amendment  
 35       submitted to the electorate.
- 36       (2) The retention of a justice of the supreme court or a judge of  
 37       the court of appeals or tax court.
- 38       (3) Each candidate who was declared elected by the county  
 39       election board under IC 3-12-4-9.
- 40       **(4) The retention of the executive director of the Indianapolis  
 41       public education corporation.**
- 42       (c) The clerk shall transmit under section 1.5 of this chapter the



1 statement to the election division not later than noon on the second  
 2 Monday following election day.

3 (d) The election division shall tabulate the votes received under  
 4 this section. Not later than the third Friday after the election, the  
 5 secretary of state shall issue a certificate certifying the following:

6 (1) Each state constitutional amendment ratified or rejected.  
 7 (2) Each justice or judge retained or removed.

8 **(3) Whether the executive director of the Indianapolis public  
 9 education corporation was retained or removed.**

10 (e) The election division shall provide a copy of a certificate  
 11 described by:

12 (1) subsection (d)(1) to the chief justice of the Indiana supreme  
 13 court and the director of the office of code revision of the  
 14 legislative services agency; and

15 (2) subsection (d)(2) to the chief justice of the state; **and**

16 **(3) subsection (d)(3) to the mayor of a consolidated city.**

17 (f) The election division shall provide a copy of all statements  
 18 received under this section to the office.

19 SECTION 6. IC 6-1.1-14.5 IS ADDED TO THE INDIANA  
 20 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 21 [EFFECTIVE UPON PASSAGE]: **Sec. 14.5. "Public education**  
 22 **corporation" refers to the Indianapolis public education**  
 23 **corporation established by IC 20-25.3-3-1.**

24 SECTION 7. IC 6-1.1-17-21.5 IS ADDED TO THE INDIANA  
 25 CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 26 [EFFECTIVE UPON PASSAGE]: **Sec. 21.5. After March 31, 2026,**  
 27 **the public education corporation has all the powers and shall**  
 28 **perform all the duties assigned to the school city (as defined in**  
 29 **IC 20-25-2-12) under this chapter related to the fixing and**  
 30 **reviewing of budgets, tax rates, and tax levies.**

31 SECTION 8. IC 6-1.1-18.5-2, AS AMENDED BY P.L.68-2025,  
 32 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 33 UPON PASSAGE]: Sec. 2. (a) As used in this section, "Indiana  
 34 nonfarm personal income" means the estimate of total nonfarm  
 35 personal income for Indiana in a calendar year as computed by the  
 36 federal Bureau of Economic Analysis using any actual data for the  
 37 calendar year and any estimated data determined appropriate by the  
 38 federal Bureau of Economic Analysis.

39 (b) Except as provided in subsections (c) and (e), for purposes of  
 40 determining a civil taxing unit's maximum permissible ad valorem  
 41 property tax levy for an ensuing calendar year, the civil taxing unit



1 shall use the maximum levy growth quotient determined in the last  
 2 STEP of the following STEPS:

3 STEP ONE: For each of the six (6) calendar years immediately  
 4 preceding the year in which a budget is adopted under  
 5 IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana  
 6 nonfarm personal income for the calendar year by the Indiana  
 7 nonfarm personal income for the calendar year immediately  
 8 preceding that calendar year, rounding to the nearest  
 9 one-thousandth (0.001).

10 STEP TWO: Determine the sum of the STEP ONE results.

11 STEP THREE: Divide the STEP TWO result by six (6),  
 12 rounding to the nearest one-thousandth (0.001).

13 STEP FOUR: Determine the lesser of the following:

14 (A) The STEP THREE quotient.

15 (B) One and six-hundredths (1.06).

16 (c) Except as provided in subsection (f), a school corporation, **or**,  
 17 **in the case of a school city (as defined in IC 20-25-2-12), the public**  
 18 **education corporation**, shall use for its operations fund maximum  
 19 levy calculation under IC 20-46-8-1 the maximum levy growth quotient  
 20 determined in the last STEP of the following STEPS:

21 STEP ONE: Determine for each school corporation, the average  
 22 annual growth in net assessed value using the three (3) calendar  
 23 years immediately preceding the year in which a budget is  
 24 adopted under IC 6-1.1-17-5 for the ensuing calendar year.

25 STEP TWO: Determine the greater of:

26 (A) zero (0); or

27 (B) the STEP ONE amount minus the sum of:

28 (i) the maximum levy growth quotient determined  
 29 under subsection (b) minus one (1); plus  
 30 (ii) two-hundredths (0.02).

31 STEP THREE: Determine the lesser of:

32 (A) the STEP TWO amount; or

33 (B) four-hundredths (0.04).

34 STEP FOUR: Determine the sum of:

35 (A) the STEP THREE amount; plus

36 (B) the maximum levy growth quotient determined under  
 37 subsection (b).

38 STEP FIVE: Determine the greater of:

39 (A) the STEP FOUR amount; or

40 (B) the maximum levy growth quotient determined under  
 41 subsection (b).



6 (e) This subsection applies only for purposes of determining the  
7 maximum levy growth quotient to be used in determining a civil taxing  
8 unit's maximum permissible ad valorem property tax levy in calendar  
9 years 2024, 2025, and 2026. For purposes of determining the maximum  
10 levy growth quotient in calendar years 2024, 2025, and 2026, instead  
11 of the result determined in the last STEP in subsection (b), the  
12 maximum levy growth quotient is determined in the last STEP of the  
13 following STEPS:

16 STEP TWO: Subtract one (1) from the STEP ONE result.

19 STEP FOUR: Add one (1) to the STEP THREE result.

20 STEP FIVE: Determine the lesser of:

21 (A) the STEP FOUR result; or  
22 (B) one and four-hundredths (1.04).

23 (f) This subsection applies only for purposes of determining the  
24 maximum levy growth quotient to be used in determining a school  
25 corporation's, **or, in the case of a school city (as defined in**  
26 **IC 20-25-2-12), the public education corporation's**, operations fund  
27 maximum levy in calendar years 2024, 2025, and 2026. For purposes  
28 of determining the maximum levy growth quotient in calendar years  
29 2024, 2025, and 2026, instead of the result determined in the last STEP  
30 in subsection (c), the maximum levy growth quotient is determined in  
31 the last STEP of the following STEPS:

32 STEP ONE: Determine the result of STEP FIVE of subsection  
33 (c), calculated as if this subsection was not in effect.

34 STEP TWO: Subtract one (1) from the STEP ONE result.

35                   STEP THREE: Multiply the STEP TWO result by eight-tenths (0.8).  
36

37 STEP FOUR: Add one (1) to the STEP THREE result.

38 STEP FIVE: Determine the lesser of:

39 (A) the STEP FOUR result; or  
40 (B) one and four-hundredths (1.

41 SECTION 9. IC 6-1.1-20-0.3 IS ADDED TO THE INDIANA

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1       CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 2       [EFFECTIVE UPON PASSAGE]: Sec. 0.3. (a) **Subject to subsection**  
 3       **(b), after March 31, 2026, a school city (as defined in**  
 4       **IC 20-25-2-12) may not exercise the powers and duties under this**  
 5       **chapter and instead the public education corporation assumes the**  
 6       **powers and duties of the school city as set forth in IC 20-25.3-5.**

7       (b) **Notwithstanding subsection (a), the county auditor shall**  
 8       **distribute revenue collected from a levy imposed under this**  
 9       **chapter to the school city.**

10      SECTION 10. IC 20-18-2-14.5 IS ADDED TO THE INDIANA  
 11      CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 12      [EFFECTIVE UPON PASSAGE]: Sec. 14.5. **"Public education**  
 13      **corporation" refers to the Indianapolis public education**  
 14      **corporation established by IC 20-25.3-3-1.**

15      SECTION 11. IC 20-24-3-20 IS ADDED TO THE INDIANA  
 16      CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 17      [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) **Beginning April 1,**  
 18      **2026, a charter may not be granted or renewed by an authorizer**  
 19      **for a charter school located within the geographic boundaries of**  
 20      **the school city (as defined in IC 20-25-2-12) except by one (1) of the**  
 21      **following:**

22       (1) **The charter board.**  
 23       (2) **The executive (as defined in IC 36-1-2-5) of a consolidated**  
 24       **city.**  
 25       (3) **The school city.**

26       (b) **A charter school that was granted a charter before April**  
 27       **1, 2026, by an authorizer other than an authorizer listed in**  
 28       **subsection (a) may continue operating with that authorizer until**  
 29       **the term of the charter expires or is terminated, whichever occurs**  
 30       **earlier. After the termination or expiration of the charter, a**  
 31       **charter for a charter school described in subsection (a) may only**  
 32       **be granted or renewed by an authorizer described in subsection**  
 33       **(a).**

34      SECTION 12. IC 20-25-3-0.5 IS ADDED TO THE INDIANA  
 35      CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 36      [EFFECTIVE UPON PASSAGE]: Sec. 0.5. **The board of**  
 37      **commissioners has all of the powers and duties established under**  
 38      **this article except for the powers and duties granted to the**  
 39      **Indianapolis public education corporation under IC 20-25.3.**

40      SECTION 13. IC 20-25-4-23 IS ADDED TO THE INDIANA  
 41      CODE AS A **NEW SECTION TO READ AS FOLLOWS**  
 42      [EFFECTIVE UPON PASSAGE]: Sec. 23. **Notwithstanding any**



1       **other law, after March 31, 2026, the school city may not issue  
2       bonds or otherwise incur indebtedness payable in whole or in part  
3       from a pledge of property tax revenue, excise tax revenue, or local  
4       income tax revenue.**

5       SECTION 14. IC 20-25.3 IS ADDED TO THE INDIANA CODE  
6       AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE  
7       UPON PASSAGE]:

8       **ARTICLE 25.3. INDIANAPOLIS PUBLIC EDUCATION  
9       CORPORATION**

10      **Chapter 1. Scope of Authority**

11      **Sec. 1. The Indianapolis public education corporation exists  
12       and shall operate for the public purpose of establishing a unified  
13       student transportation, school property, and school performance  
14       system within the geographic boundaries of the school city that  
15       maximizes the efficient use of taxpayer provided resources,  
16       respects the decision making of individual public schools and the  
17       school city, and creates the best conditions for student learning and  
18       success.**

19      **Sec. 2. This article shall be liberally construed to effect the  
20       purposes of this article. If any other law or rule is inconsistent with  
21       this article, this article is controlling as to the administration and  
22       management of school property, transportation, and school  
23       performance within the geographic boundaries of the school city  
24       undertaken under this article.**

25      **Chapter 2. Definitions**

26      **Sec. 1. The definitions in:**

27       **(1) this chapter; and  
28       (2) except as provided in section 2 of this chapter,  
29       IC 20-25-2;**  
30       **apply throughout this article.**

31      **Sec. 2. "Board of school commissioners" refers to the board of  
32       school commissioners established by IC 20-25-3-1.**

33      **Sec. 3. "Corporation" refers to the Indianapolis public  
34       education corporation established by IC 20-25.3-3-1.**

35      **Sec. 4. "Corporation board" refers to the Indianapolis public  
36       education corporation board established by IC 20-25.3-3-2.**

37      **Sec. 5. "Mayor" refers to the mayor of a consolidated city.**

38      **Sec. 6. "Participating school" means the following schools:**

39       **(1) A school maintained by the school city.  
40       (2) The following that are located within the geographic  
41       boundaries of the school city:  
42       (A) A participating innovation network school.**



- (B) A participating innovation network charter school.
- (C) A charter school.

**Sec. 7. "School property" means a building or real property that is:**

- (1) leased or owned by the school city or a participating school; and
- (2) located within the geographic boundaries of the school city.

## Chapter 3. Indianapolis Public Education Corporation

Sec. 1. There is established in a county containing a consolidated city for the public purposes set forth in this article a distinct municipal corporation to be known as the Indianapolis Public Education Corporation.

**Sec. 2. (a) The corporation is governed by the Indianapolis public education corporation board appointed under this section.**

(b) The corporation board is comprised of the following nine (9) members:

(1) Three (3) members appointed by the mayor who are leaders of participating innovation network charter schools or charter schools located within the geographic boundaries of the school city.

(2) Three (3) members appointed by the mayor who are members of the board of school commissioners.

(3) Three (3) members appointed by the mayor who have:

- (A) expertise in management, capital planning, facilities, transportation, or logistics; or
- (B) experience in working with vulnerable student populations and communities.

c) All members of the corporation board must reside within geographic boundaries of the school city.

(d) The mayor shall appoint one (1) of the members of the corporation board as chairperson of the corporation board.

**Sec. 3. (a) The term of office of an appointed member of the corporation board is four (4) years. The member's term begins on July 1 after the appointment.**

**(b) Each member holds office for the term of appointment and continues to serve after expiration of the appointment until a successor is appointed and qualified. A member is eligible for reappointment.**

**(c) If there is a vacancy in the corporation board, the mayor shall fill the vacancy for the unexpired term.**

(d) A vacancy occurs if a member dies, resigns, changes



1       **residence of the county, or ceases to be a:**  
 2        **(1) leader of a participating innovation network charter**  
 3        **school or charter school located within the geographic**  
 4        **boundaries of the school city; or**  
 5        **(2) member of the board of commissioners.**  
 6        **(e) A member of the corporation board serves at the pleasure**  
 7       **of the mayor.**  
 8        Sec. 4. (a) A majority of the corporation board members  
 9        constitutes a quorum for a meeting. The corporation board may  
 10      act by an affirmative vote of a majority of the corporation board.  
 11      (b) A vacancy in the membership of the corporation board  
 12      does not impair the right of a quorum to exercise all rights and  
 13      perform all duties of the corporation board.  
 14      Sec. 5. Meetings of the members of the corporation board shall  
 15      be held at the call of the chairperson. The members shall meet at  
 16      least once every three (3) months to attend to the business of the  
 17      corporation.  
 18      Sec. 6. The members of the corporation board are not entitled  
 19      to any salary, per diem, or other reimbursements or compensation  
 20      to serve on the corporation board.  
 21      Sec. 7. The corporation board shall keep the corporation  
 22      board's documents in the office of the corporation or in an  
 23      electronic format. The corporation board shall record the aye and  
 24      nay vote on the final passage of any item of business and on any  
 25      other item if two (2) corporation board members request that the  
 26      votes be recorded by ayes and nays.  
 27      Sec. 8. (a) The corporation board shall adopt rules of  
 28      procedure for corporation board meetings. The corporation board  
 29      may suspend the rules of procedure by unanimous vote of the  
 30      members present at the meeting. The corporation board shall not  
 31      suspend the rules of procedure beyond the duration of the meeting  
 32      at which the suspension of rules occurs.  
 33      (b) The corporation board may exercise the powers to  
 34      supervise internal affairs common to municipal legislative and  
 35      administrative bodies.  
 36      Sec. 9. The corporation board shall exercise the executive and  
 37      legislative powers of the corporation.  
 38      Sec. 10. (a) The corporation board shall appoint an individual  
 39      recommended by the mayor as the executive director of the  
 40      corporation.  
 41      (b) The executive director:  
 42        **(1) must reside within the geographic boundaries of the**



1 school city;

2 (2) subject to subsection (c), serves at the pleasure of the

3 corporation board; and

4 (3) shall do the following:

5 (A) Administer, manage, and direct the affairs and

6 activities of the corporation and any employees of the

7 corporation in accordance with the policies and under

8 the control and direction of the members of the

9 corporation board.

10 (B) Approve all allowable expenses of the corporation or

11 of any employee or consultant, and expenses incidental

12 to the operation of the corporation.

13 (C) Perform other duties as may be directed by the

14 members of the corporation board in carrying out the

15 purposes of this article.

16 (c) The executive director shall stand for retention under

17 IC 3-10-2-17. If the majority of the voters vote to oppose the

18 retention of the executive director, the corporation board shall

19 appoint another individual recommended by the mayor as the

20 executive director of the corporation.

21 (d) The corporation board shall set the salaries of the executive

22 director and any employees of the corporation.

23 Sec. 11. (a) Notwithstanding section 3 of this chapter, the

24 following applies to the members initially appointed to the

25 corporation board:

26 (1) The mayor shall appoint members to the corporation

27 board not later than June 1, 2026.

28 (2) The term of each member begins on the date that the

29 member is appointed under subdivision (1).

30 (3) The terms of the members are as follows:

31 (A) One (1) member appointed under section 2(b)(1),

32 2(b)(2), and 2(b)(3) of this chapter shall each serve until

33 July 1, 2028.

34 (B) One (1) member:

35 (i) appointed under section 2(b)(1), 2(b)(2), and

36 2(b)(3) of this chapter; and

37 (ii) who is not a member described in clause (A) or

38 (C);

39 shall each serve until July 1, 2029.

40 (C) One (1) member:

41 (i) appointed under section 2(b)(1), 2(b)(2), and

42 2(b)(3) of this chapter; and

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(ii) who is not a member described in clause (A) or (B);

**shall each serve until July 1, 2030.**

**(b) This section expires January 1, 3031.**

## **Chapter 4. General Duties and Powers**

**Sec. 1. The corporation, in its corporate name, may do the following:**

- (1) Sue and be sued in a court of competent jurisdiction.
- (2) Enter into contracts.
- (3) Acquire and dispose of real, personal, and mixed property by deed, purchase, gift, grant, devise, lease, condemnation, or otherwise.
- (4) Make and adopt appropriate regulations, orders, rules, and resolutions.
- (5) Do all things reasonable or necessary to carry out the work and perform the corporation's duties under this chapter.

**Sec. 2. In carrying out the purpose of the corporation, the corporation board is granted all powers necessary or appropriate to do the following:**

- (1) Control the management and operation of school property.
- (2) Establish a unified transportation plan and lead and oversee the provision of transportation of all students to and from participating schools within the geographic boundaries of the school city.
- (3) Develop and implement a single school performance framework described in section 3 of this chapter that applies to all participating schools.
- (4) Establish and manage a unified enrollment system applicable to all participating school students.
- (5) Ensure that, to the extent possible, school property is provided and made available to all participating schools on an equitable basis.
- (6) Develop and implement a formula that provides for the fair and equitable distribution of property taxes and other funds to the school city and participating schools.
- (7) Track qualitative and quantitative data to monitor outcomes and publicly report data in a manner prescribed by the mayor.
- (8) Make, execute, and enforce contracts and all other instruments necessary, convenient, or desirable for the

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1                   **purposes of the corporation, including entering into a**  
 2                   **contract with, as applicable, the school city and each**  
 3                   **participating school regarding:**

- 4                   **(A) the management and operation of school property;**
- 5                   **(B) provision of transportation of all students to and**  
 6                   **from participating schools within the geographic**  
 7                   **boundaries of the school city; and**
- 8                   **(C) any other matters the corporation board determines**  
 9                   **is necessary to carry out the purposes of the**  
 10                  **corporation.**

11                  **(9) Acquire, construct, erect, maintain, hold, and contract for**  
 12                  **construction, erection, or maintenance of real estate, real**  
 13                  **estate improvements, or an interest in real estate or real**  
 14                  **estate improvements, as the corporation board considers**  
 15                  **necessary for school purposes, including buildings, parts of**  
 16                  **buildings, additions to buildings, rooms, gymnasiums,**  
 17                  **auditoriums, playgrounds, playing and athletic fields,**  
 18                  **facilities for physical training, buildings for administrative,**  
 19                  **office, warehouse, repair activities, or housing school owned**  
 20                  **buses, landscaping, walks, drives, parking areas, roadways,**  
 21                  **easements and facilities for power, sewer, water, roadway,**  
 22                  **access, storm and surface water, drinking water, gas,**  
 23                  **electricity, other utilities and similar purposes, by purchase,**  
 24                  **either outright for cash (or under conditional sales or**  
 25                  **purchase money contracts providing for a retention of a**  
 26                  **security interest by the seller until payment is made or by**  
 27                  **notes where the contract, security retention, or note is**  
 28                  **permitted by applicable law), by exchange, by gift, by devise,**  
 29                  **by eminent domain, or by lease with or without option to**  
 30                  **purchase.**

31                  **(10) Repair, remodel, remove, or demolish, or to contract for**  
 32                  **the repair, remodeling, removal, or demolition of the real**  
 33                  **estate, real estate improvements, or interest in the real estate**  
 34                  **or real estate improvements that the corporation owns, as**  
 35                  **the corporation board considers necessary for school**  
 36                  **purposes.**

37                  **(11) Acquire personal property or an interest in personal**  
 38                  **property as the corporation board considers necessary for**  
 39                  **school purposes, including buses, motor vehicles, equipment,**  
 40                  **apparatus, and appliances, either by cash purchase or under**  
 41                  **conditional sales or purchase money contracts providing for**  
 42                  **a security interest by the seller until payment is made or by**



1                   notes where the contract, security, retention, or note is  
 2                   permitted by applicable law, by gift, by devise, by loan, or by  
 3                   lease with or without option to purchase and to repair,  
 4                   remodel, remove, relocate, and demolish the personal  
 5                   property. All purchases and contracts specified under the  
 6                   powers authorized under subdivisions (9) and (10) and this  
 7                   subdivision are subject solely to applicable law relating to  
 8                   purchases and contracting by municipal corporations in  
 9                   general and to the supervisory control of state agencies as  
 10                  provided in section 8 of this chapter.

11                  (12) To sell or exchange real or personal property or interest  
 12                  in real or personal property that, in the opinion of the  
 13                  corporation board, is not necessary for school purposes to  
 14                  demolish or otherwise dispose of the property if, in the  
 15                  opinion of the corporation board, the property is not  
 16                  necessary for school purposes and is worthless, and to pay  
 17                  the expenses for the demolition or disposition.

18                  (13) Contract with or employ staff to execute the  
 19                  corporation's duties.

20                  (14) Fix and pay the salaries of the executive director and  
 21                  any employees of the corporation.

22                  (15) Maintain an office or offices at a place or places within  
 23                  the geographic boundaries of the school city as the  
 24                  corporation board may designate.

25                  (16) To make budgets, to appropriate funds, and to disburse  
 26                  the money, as applicable, of the corporation in accordance  
 27                  with the formula established under subdivision (6). To  
 28                  borrow money against current tax collections and otherwise  
 29                  to borrow money, in accordance with IC 20-48-1.

30                  (17) Procure insurance against any loss in connection with its  
 31                  property and other assets, including loans and loan notes in  
 32                  amounts and from insurers as the corporation board may  
 33                  consider advisable.

34                  (18) To make all applications, to enter into all contracts, and  
 35                  to sign all documents necessary for the receipt of aid, money,  
 36                  or property from the state, the federal government, or from  
 37                  any other source.

38                  (19) To defend a member of the corporation board or any  
 39                  employee of the corporation in any suit arising out of the  
 40                  performance of the member's or employee's duties for or  
 41                  employment with, the corporation, if the corporation board  
 42                  by resolution determined that the action was taken in good

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14 (21) Regularly conduct assessments of school property.

15 (22) To exercise any other power and make any expenditure  
16 in carrying out the general powers and purposes provided in  
17 this article or in carrying out the powers delineated in this  
18 section which is reasonable from a business or educational  
19 standpoint in carrying out purposes of the corporation,  
20 including the acquisition of property or the employment or  
21 contracting for services, even though the power or  
22 expenditure is not specifically set out in this chapter.

23 Sec. 3. (a) The corporation board shall:

24 (1) create a single school performance framework that  
25 applies to all participating schools; and

28 (b) The school performance framework must:

29 (1) set clear expectation for school performance;

30 (2) be based on multiple measures and metrics, including:

31 (A) academic performance measures, including the  
32 performance assessment results under IC 20-31-8;

33 **(B) student assessment outcomes;**

### 34 (C) student discipline pr

35 (D) student enrollment;  
36 (E) physical condition of school property, including

## 38 (F) short and long term financial assets

### 39 (G) organizational hea

40 and  
41 (H) any additional measures relevant to student success

42 as determined by the corporation board; and

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(3) include a requirement to close chronically low performing participating schools.

**Sec. 4. The corporation board may establish an advisory committee to assist the corporation board in creating and implementing the school performance framework described in section 3 of this chapter.**

**Sec. 5. The corporation board may not implement a unified transportation plan described in section 2(2) of this chapter unless the corporation board submits the plan to the legislative council in an electronic format under IC 5-14-6 at least one (1) calendar year before the date the plan is implemented.**

## Sec. 6. The school city and all participating schools:

**(1) are required to provide transportation to the students of the school city or participating schools through the unified transportation plan established by the corporation board;**

transportation plan established by the corporation board;

**(2) shall enter into contracts with the corporation board; and**

**(3) shall comply with any applicable regulations, orders, rules, and resolutions adopted by the corporation board.**

**Sec. 7. The corporation is subject to required audits by the state board of accounts under IC 5-11-1-9.**

Sec. 8. All powers delegated to the corporation under this chapter are subject to all applicable laws subjecting a school corporation to regulation by a state agency, including the secretary of education, state board of accounts, state police department, fire prevention and building safety commission, department of local government finance, environmental rules board, state school bus committee, Indiana department of health, and any local governmental agency to which the state has been delegated a specific authority in matters other than educational matters and other than finance, including plan commissions, zoning boards, and boards concerned with health and safety.

**Sec. 9. Nothing in this article may be construed to impair a contract that was entered into before the effective date of this article. However, after the effective date of this article, the school city or a participating school may not enter into, renew, or extend a contract that is not in compliance with:**

- (1) this article;**
- (2) a contract entered into by the school city or participating school under this article; or**
- (3) any regulation, order, rule, or resolution adopted by the corporation board.**

## **Chapter 5. Financial and Administrative Powers and Duties**

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1           **Sec. 1. Beginning July 1, 2026, the corporation is liable for and**  
 2           **must pay and discharge all of the outstanding indebtedness,**  
 3           **liabilities, and obligations of the school city payable from a pledge**  
 4           **of property tax revenue according to the existing terms and**  
 5           **repayment schedule. The rights of the bondholders remain**  
 6           **unchanged, although the liabilities of the school city become the**  
 7           **responsibility of the corporation.**

8           **Sec. 2. After March 31, 2026, the school city may not take any**  
 9           **action under the procedures set forth in IC 5-1 and instead the**  
 10          **corporation shall assume the powers and duties of the school city**  
 11          **under IC 5-1.**

12          **Sec. 3. After March 31, 2026, the corporation has all the**  
 13          **powers and shall perform all the duties assigned to the school city**  
 14          **under IC 6-1.1-17 related to the fixing and reviewing of budgets,**  
 15          **tax rates, and tax levies. The school city shall provide records and**  
 16          **information as necessary for the corporation to carry out its duties.**

17          **Sec. 4. (a) Except as provided in subsections (b) and (c), after**  
 18          **March 31, 2026, the school city may not take any action under the**  
 19          **procedures set forth in IC 6-1.1-20 and instead the corporation**  
 20          **shall assume the powers and duties of the school city under**  
 21          **IC 6-1.1-20 in the territory of the school city.**

22          **(b) Notwithstanding subsection (a), property tax revenue**  
 23          **received from a referendum debt service tax levy that is approved**  
 24          **by the voters after March 31, 2026, shall be distributed to the**  
 25          **school city in the manner provided under IC 6-1.1-20.**

26          **(c) A referendum debt service tax levy that is approved by the**  
 27          **voters before April 1, 2026, shall continue to be imposed after**  
 28          **March 31, 2026, and the school city shall continue to use the**  
 29          **revenue from the referendum debt service levy to pay debt service**  
 30          **on the same terms, for the same period of time, and for the same**  
 31          **purposes for which it was originally approved by the voters.**

32          **Sec. 5. (a) Except as provided in subsections (b) and (c), after**  
 33          **March 31, 2026, the school city may not take any action under the**  
 34          **procedures set forth in IC 20-46-1 and instead the corporation**  
 35          **shall assume the powers and duties of the school city under**  
 36          **IC 20-46-1 in the territory of the school city.**

37          **(b) Notwithstanding subsection (a), property tax revenue**  
 38          **received from an operating referendum tax levy that is approved**  
 39          **by the voters after March 31, 2026, shall be distributed to the**  
 40          **school city and applicable charter schools in the manner provided**  
 41          **under IC 20-46-1.**

42          **(c) An operating referendum tax levy that is approved by the**



1       **voters before April 1, 2026, shall continue to be imposed after**  
 2       **March 31, 2026, through the end of the term and the school city**  
 3       **shall continue to use the revenue from the operating referendum**  
 4       **tax levy for the same purposes for which it was originally approved**  
 5       **by the voters through the end of the term of the referendum.**

6       **Sec. 6. Beginning July 1, 2026, the corporation shall assume**  
 7       **the powers and duties of the school city under IC 20-46-7, including**  
 8       **control and management of the corresponding fund created under**  
 9       **IC 20-40-9. Beginning with the January 1, 2027, assessment date,**  
 10       **and for each assessment date thereafter, the corporation shall**  
 11       **impose an annual property tax levy in the territory of the school**  
 12       **city. Property tax revenue received from the tax levy shall be used**  
 13       **to pay outstanding debts and obligations.**

14       **Sec. 7. (a) Except as provided in subsection (b), beginning July**  
 15       **1, 2026, the corporation shall assume the powers and duties of the**  
 16       **school city to impose a levy under IC 20-46-8. Beginning with the**  
 17       **January 1, 2027, assessment date, and for each assessment date**  
 18       **thereafter, the corporation shall impose an annual property tax**  
 19       **levy in the territory of the school city.**

20       **(b) Notwithstanding subsection (a), property tax revenue**  
 21       **received from a tax levy imposed under IC 20-46-8 for assessment**  
 22       **dates after December 31, 2026, shall be distributed to the school**  
 23       **city and applicable charter schools in the manner provided under**  
 24       **IC 20-46-8.**

25       **Sec. 8. (a) Except as provided in subsection (b), after March**  
 26       **31, 2026, the school city may not take any action under the**  
 27       **procedures set forth in IC 20-46-9 and instead the corporation**  
 28       **shall assume the powers and duties of the school city under**  
 29       **IC 20-46-9 in the territory of the school city.**

30       **(b) Notwithstanding subsection (a), property tax revenue**  
 31       **received from a school safety referendum tax levy that is approved**  
 32       **by the voters after March 31, 2026, shall be distributed to the**  
 33       **school city and applicable charter schools in the manner provided**  
 34       **under IC 20-46-9.**

35       **SECTION 15. IC 20-26-7-47, AS AMENDED BY P.L.36-2024,**  
 36       **SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**  
 37       **UPON PASSAGE]: Sec. 47. (a) The following definitions apply**  
 38       **throughout this section:**

39        (1) "Covered school building" has the meaning set forth in  
 40        IC 20-26-7.1-2.1.  
 41        (2) "Current school year" refers to a year in which the governing  
 42        body is required to conduct a review of school building usage



1 under subsection (c).

2 (3) "Enrollment" refers to the following:

3     (A) Except as provided in clause (B), students counted in

4         ADM (as defined in IC 20-43-1-6) in the first count date for

5         a school year fixed under IC 20-43-4-3.

6     (B) With regard to a school corporation, students counted in

7         a school corporation's fall count of ADM minus all students

8         counted in the fall count of ADM who are enrolled in

9         eligible schools that:

10         (i) have entered into an agreement with the school

11             corporation to participate as a participating innovation

12             network charter school under IC 20-25.7-5; and

13         (ii) are included in the school corporation's fall ADM

14             count.

15     (4) "Interested person" has the meaning set forth in

16         IC 20-26-7.1-2.2.

17     (b) This section:

18         (1) applies to a school corporation only if:

19             (1) (A) the total student enrollment for in-person instruction

20             in the school corporation in the current school year is at

21             least ten percent (10%) less than the student enrollment for

22             in-person instruction in the school corporation in a school

23             year that precedes the current school year by five (5); and

24             (2) (B) the school corporation in the current school year has

25             more than one (1) school building serving the same grade

26             level as the school building subject to closure under this

27             section; and

28         (2) **does not apply to a school city (as defined in**

29         **IC 20-25-2-12).**

30         (c) Each school year, the governing body of a school corporation

31         shall review the usage of school buildings used by the school

32         corporation to determine whether any school building should be closed

33         for the ensuing school year and subsequent school years.

34         (d) A school corporation shall close a school building for the

35         ensuing school year (and subsequent school years) if:

36             (1) at any time the school building had been used for classroom

37             instruction;

38             (2) in the current school year and the two (2) school years

39             immediately preceding the current school year the school

40             building was underutilized for classroom instruction purposes or

41             other allowable uses specified by this section;

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1 (3) as of the end of the school year before the school building is  
2 required to be closed under this section, the school corporation  
3 was not subject to a transitional plan adopted by the governing  
4 body and approved by the department to use the school building  
5 for an allowable use not later than the next school year after the  
6 school building is otherwise required to be closed under this  
7 section;

11 (A) with sufficient capacity to take the students using the  
12 school building being considered for closure; and  
13 (B) that does not require more than twenty (20) minutes of  
14 travel time by car or bus from the school building being  
15 considered for closure; and

(e) For purposes of this section, a school building is underutilized in a school year if the school building is not used for any of the following allowable uses:

22 (1) The number of full-time equivalent students enrolled for  
23 in-person instruction in the school building on instructional days  
24 (as determined under IC 20-30-2) for instructional purposes,  
25 averaged over the current school year and the two (2) school  
26 years immediately preceding the current school year, is at least  
27 fifty percent (50%) of:

28 (A) the known classroom design capacity of the school  
29 building; or  
30 (B) if the design capacity is not known, the average  
31 maximum full-time equivalent enrollment in any of the last  
32 twenty-five (25) years, as validated by records created or  
33 maintained by the department.

34 (2) The school corporation demonstrates through facts included  
35 in a resolution that the school building is being used and that it  
36 is financially prudent to continue to use the school building,  
37 considering all community resources, for a distinct student  
38 population that reasonably cannot be served through integration  
39 with the general school population, such as students attending an  
40 alternative education program (as defined in IC 20-30-8-1).  
41 However, to be an allowable use under this subdivision, the

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1 average number of full-time equivalent students using the school  
 2 building in a school year for instructional purposes must be at  
 3 least thirty percent (30%) of:

4 (A) the known classroom design capacity of the school  
 5 building; or

6 (B) if the design capacity is not known, the average  
 7 maximum full-time equivalent enrollment in any of the last  
 8 twenty-five (25) years, as validated by records created or  
 9 maintained by the department; and

10 (if multiple school buildings are used for the same purposes)  
 11 combining the student populations into fewer school buildings  
 12 is not reasonably feasible.

13 (3) The school corporation demonstrates through facts included  
 14 in a resolution that the school building is being used and that it  
 15 is financially prudent to continue to use the school building,  
 16 considering all community resources, for administrative or other  
 17 school offices. However, to be an allowable use under this  
 18 subdivision, at least fifty percent (50%) of the square footage of  
 19 the school building must be used for offices, the personnel  
 20 headquartered in the school building must consistently use the  
 21 space for office purposes, and the occupancy cost of using the  
 22 school building cannot be more than comparable office space  
 23 that is available in the school district.

24 (4) The school corporation demonstrates through facts included  
 25 in a resolution that the school building is being used and that it  
 26 is financially prudent to continue to use the school building,  
 27 considering all community resources, for storage. However, to be  
 28 an allowable use under this subdivision, at least fifty percent  
 29 (50%) of the square footage of the school building must be used  
 30 for storage, on average the storage space must be used to  
 31 capacity, and the cost of using the school building for storage  
 32 must be less than comparable storage space that is available in  
 33 the school district.

34 (5) The school corporation demonstrates through facts included  
 35 in a resolution that the school building is being used and that it  
 36 is financially prudent to continue to use the school building,  
 37 considering all community resources, for a combination of office  
 38 space and storage. However, to be an allowable use under this  
 39 subdivision, at least fifty percent (50%) of the square footage of  
 40 the school building must be used for a combination of office  
 41 space and storage and:



1 (A) the personnel headquartered in the school building must  
2 consistently use the office space for office purposes, and the  
3 occupancy cost of using the office space, calculated using  
4 the costs of operating the school building, cannot be more  
5 than comparable office space that is available in the school  
6 district; and

7 (B) on average, the storage space must be used to capacity  
8 and the cost of using the school building for storage must be  
9 less than comparable storage space that is available in the  
10 school district.

11 (f) Closure of a school building that is:

12 (1) owned by the school corporation or any other entity that is  
13 related in any way to, or created by, the school corporation or the  
14 governing body; or

17 shall be carried out in conformity with IC 20-26-7.1.

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5 (A) is not contesting the petition; or  
6 (B) is contesting the petition and states the facts upon which  
7 the school corporation relies in contesting the petition; and

7 the school corporation relies in contesting the petition, and  
8 (2) provide a copy of the response to the petitioner and any  
9 intervening party.

10 (k) If the school corporation:

(1) files a response that the school corporation is not contesting the petition; or

12 the petition, or  
13 (2) fails to submit a timely response under subsection (i);

the department shall issue an order granting the petition. A petition and any response or reply are public documents.

(l) If a school corporation contests a petition under subsection (j), a party to the proceeding has not more than sixty (60) days after the date that the school corporation files a response under subsection (j) to submit a reply to the school corporation's response.

23 (1) petitioner and any intervening party have submitted a reply  
24 under subsection (1); or

25 (2) time period to reply under subsection (l) has expired.

26 (n) A school corporation or another party to the proceeding may  
27 file with the state board a petition requesting review of the department's  
28 determination. Upon receipt of a petition under this subsection, the  
29 state board shall review the department's determination. An appeal to  
30 the state board shall be subject to the procedure described in  
31 IC 20-26-11-15(b).

35 SECTION 16. IC 20-26-7-48, AS ADDED BY P.L.189-2023,  
36 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
37 UPON PASSAGE]: Sec. 48. (a) The following definitions apply  
38 throughout this section:

39 (1) "Current school year" refers to a year in which the governing  
40 body is required to conduct a review of school building usage  
41 under section 47(c) of this chapter.



(2) "Enrollment" has the meaning set forth in section 47(a)(3) of this chapter.

(b) This section:

(1) applies to a school corporation only if:

(1) (A) the total student enrollment for in-person instruction in the school corporation in the current school year is at least ten percent (10%) less than the student enrollment for in-person instruction in the school corporation in a school year that precedes the current school year by five (5); and (2) (B) the school corporation in the current school year has more than one (1) school building serving the same grade level as a school building subject to closure under section 47 of this chapter; and

(2) does not apply to a school city (as defined in IC 20-25-2-12).

(c) Each school corporation shall annually report to the department, in the form and on the schedule specified by the department, the following information:

- (1) A listing of all buildings owned or leased by the school corporation that were originally designed as a school building.
- (2) The following information for each building listed in subdivision (1):

(A) Designed occupancy, regardless of current use.

(B) Current use (and percentage of use) for classroom instruction, as special use classrooms, as office space, or as storage or alternatively the building's status as transitioning from one (1) use or combination of uses to another.

(C) The following information:

(i) Current average full-time equivalent student enrollment for in-person instruction in the school building on instructional days (as determined under JC 20-30-2) in a school year.

(ii) Percentage of instructional use

- (ii) Percentage of instructional use.
- (iii) Percentage of use for other purposes

(D) Self-evaluation of whether the building qualifies for closure under section 47 of this chapter or the school board otherwise intends to close the building and the date closure will occur (if applicable)

SECTION 17 JC 20-26-7 1-1 AS AMENDED BY P.L. 68-2025

SECTION 17.1C 20-207.1-1, AS AMENDED BY P.L.06-2023,  
SECTION 209 IS AMENDED TO READ AS FOLLOWS

SECTION 209, IS AMENDED TO READ AS FOLLOWS  
[EFFECTIVE UPON PASSAGE]: Sec. 1. (a) For purposes of this



1 section, "charter school" does not include a virtual charter school or an  
 2 adult high school.

3 (b) This chapter does not apply to the following:

4 (1) A school building that since July 1, 2011, is leased or loaned  
 5 by the school corporation that owns the school building to  
 6 another entity, if the entity is not a building corporation or other  
 7 entity that is related in any way to, or created by, the school  
 8 corporation or the governing body.

9 (2) A school corporation to which all of the following apply:

10 (A) The county auditor distributes revenue after May 10,  
 11 2023, as required under IC 20-46-1-21 or IC 20-46-1-22 to  
 12 each eligible charter school.

13 (B) If the school corporation listed in IC 20-46-9-22  
 14 receives revenue from a school safety referendum tax levy  
 15 under IC 20-46-9, the county auditor distributes revenue  
 16 after May 10, 2023, as required under IC 20-46-9-22 to  
 17 each charter school described in IC 20-46-9-22(b).

18 The above subdivisions are intended to apply retroactively. No  
 19 referendums or distributed revenue prior to May 10, 2023, are  
 20 effective to provide exemption from this chapter.

21 (3) A school corporation to which all of the following apply:

22 (A) The school corporation approves a resolution after May  
 23 10, 2023, to impose an operating referendum tax levy under  
 24 IC 20-46-1 after May 10, 2023, that includes sharing the  
 25 revenue from the referendum tax levy in the amounts  
 26 described in clause (B) with each charter school that:

27 (i) a student who resides within the attendance area of  
 28 the school corporation attends; and  
 29 (ii) elects to participate in the referendum.

30 The above subdivisions are intended to apply retroactively. No  
 31 resolutions, referendums, or distributed revenue prior to May 10,  
 32 2023, are effective to provide exemption from this chapter.

33 (B) The amount of referendum tax levy revenue that the  
 34 school corporation is required to share with each charter  
 35 school under the resolution described in clause (A) is equal  
 36 to the amount determined applying the applicable formula  
 37 under IC 20-46-1-21 or IC 20-46-1-22.

38 (C) The referendum tax levy described in clause (A) is  
 39 approved by the voters.

40 (D) The school corporation distributes the amounts  
 41 described in clause (B) to each charter school described in



1 clause (A).

2 (E) If the school corporation receives revenue from a school  
 3 safety referendum tax levy under IC 20-46-9, the school  
 4 corporation shares the revenue from the school safety  
 5 referendum tax levy with each charter school that:

6 (i) a student who resides within the attendance area of  
 7 the school corporation attends; and

8 (ii) elects to participate in the referendum;

9 in an amount equal to the amount determined applying the  
 10 formula under IC 20-46-9-22(d).

11 **(4) A school city (as defined in IC 20-25-2-12).**

12 (c) In order for any payment to a charter school to qualify as  
 13 sharing of proceeds from a referendum for purposes of exemption from  
 14 IC 20-26-7.1, the referendum must have been passed with prior notice  
 15 to voters of all amounts of referendum proceeds to be paid to charter  
 16 schools. Any claim of exemption based on payment of proceeds from  
 17 a referendum passed without such notice is void.

18 SECTION 18. IC 20-40-9-4, AS ADDED BY P.L.2-2006,  
 19 SECTION 163, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE UPON PASSAGE]: Sec. 4. **(a)** The governing body of  
 21 each school corporation shall establish a debt service fund.

22 **(b) Beginning July 1, 2026, and notwithstanding any other law,  
 23 the public education corporation is responsible for control and  
 24 management of the debt service fund created by the governing  
 25 body of a school city (as defined in IC 20-25-2-12), including  
 26 making payments of debt service.**

27 SECTION 19. IC 20-46-1-0.5 IS ADDED TO THE INDIANA  
 28 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 29 [EFFECTIVE UPON PASSAGE]: **Sec. 0.5.** **(a)** **Subject to subsection**  
 30 **(b), after March 31, 2026, a school city (as defined in**  
 31 **IC 20-25-2-12) may not exercise the powers and duties under this**  
 32 **chapter and instead the public education corporation assumes the**  
 33 **powers and duties of the school city as set forth in IC 20-25.3-5.**

34 **(b) Notwithstanding subsection (a), the county auditor shall:**

35 **(1) determine the amounts of revenue to be distributed to the  
 36 school city and any charter schools as provided in section 21  
 37 or 22 of this chapter, as applicable; and**

38 **(2) distribute revenue collected from a levy imposed under  
 39 this chapter to the school city and any charter schools as  
 40 provided in section 21 or 22 of this chapter, as applicable.**

41 SECTION 20. IC 20-46-7-0.5 IS ADDED TO THE INDIANA  
 42 CODE AS A **NEW SECTION** TO READ AS FOLLOWS



1       **[EFFECTIVE UPON PASSAGE]: Sec. 0.5. Beginning with property  
2        taxes first due and payable after December 31, 2027:**

3        **(1) a school city (as defined in IC 20-25-2-12) may not impose  
4           the property tax levy or otherwise exercise the powers and  
5           duties under this chapter; and**

6        **(2) the public education corporation shall impose the annual  
7           property tax levy under this chapter in the territory of the  
8           school city and assumes the powers and duties of the school  
9           city under this chapter as set forth in IC 20-25.3-5, including  
10           making debt service payments.**

11      SECTION 21. IC 20-46-8-0.5 IS ADDED TO THE INDIANA  
12      CODE AS A NEW SECTION TO READ AS FOLLOWS  
13      **[EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) Subject to subsection  
14           (b), beginning with property taxes first due and payable after  
15           December 31, 2027:**

16       **(1) a school city (as defined in IC 20-25-2-12) may not impose  
17           the property tax levy or otherwise exercise the powers and  
18           duties under this chapter; and**

19       **(2) the public education corporation shall impose the annual  
20           property tax levy under this chapter in the territory of the  
21           school city and assumes the powers and duties of the school  
22           city under this chapter as set forth in IC 20-25.3-5.**

23       **(b) Notwithstanding subsection (a), the county auditor shall:**  
24           **(1) determine the amounts of revenue to be distributed to the  
25           school city and any charter schools as provided in section  
26           11.2 or 12 of this chapter, as applicable; and**  
27           **(2) distribute revenue collected from a levy imposed under  
28           this chapter to the school city and any charter schools as  
29           provided in section 11.2 or 12 of this chapter, as applicable.**

30      SECTION 22. IC 20-46-9-0.5 IS ADDED TO THE INDIANA  
31      CODE AS A NEW SECTION TO READ AS FOLLOWS  
32      **[EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) Subject to subsection  
33           (b), after March 31, 2026, a school city (as defined in  
34           IC 20-25-2-12) may not exercise the powers and duties under this  
35           chapter and instead, the public education corporation assumes the  
36           powers and duties of the school city as set forth in IC 20-25.3-5.**

37       **(b) Notwithstanding subsection (a), the county auditor shall:**  
38           **(1) determine the amounts of revenue to be distributed to the  
39           school city and any charter schools as provided in this  
40           chapter; and**  
41           **(2) distribute revenue collected from a levy imposed under  
42           this chapter to the school city and any charter schools as**



1                   **provided in this chapter.**

2                   SECTION 23. IC 20-48-3-0.5 IS ADDED TO THE INDIANA  
3                   CODE AS A NEW SECTION TO READ AS FOLLOWS  
4                   [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. After March 31, 2026, a**  
5                   **school city may not exercise the powers and duties under this**  
6                   **article and instead the public education corporation assumes the**  
7                   **powers, duties, and responsibilities of the school city under this**  
8                   **article as set forth in IC 20-25.3.**

9                   SECTION 24. An emergency is declared for this act.

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