

PRINTING CODE. Deletions appear in ~~this style type~~. Insertions appear in this style type. Typeface changes are shown in **this** *this* this style **type** or in **this** *this* this style **type**.

HOUSE BILL No. 1423

Proposed Changes to introduced printing by AM142308

DIGEST OF PROPOSED AMENDMENT

Executive director. Requires the executive director of the Indianapolis public education corporation (corporation) to stand for retention at the general election in 2028 and every four years thereafter. Provides that if a majority of the eligible voters vote to oppose the retention of the executive director, the corporation board shall appoint another individual recommended by the mayor as the executive director of the corporation.

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
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) This section applies
4 only to a school 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.

16 (b) If the ballot contains a candidate for a school board office, the
17 ballot must also contain a statement that reads substantially as follows:

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 To vote for a candidate for this office, make a voting mark on or in the
2 square to the left of the candidate's name. A straight party vote will not
3 count as a vote for any candidate for this office.".

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

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

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

(d) The nominees of a political party or an independent candidate or independent ticket (described in IC 3-11-2-6) nominated by petitioners shall be listed on the ballot with the name and device set forth on the certification or petition. The circle containing the 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

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 candidate's name signifying that the candidate elects not to disclose any
 2 affiliation with a political party or that the candidate:

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

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

13 (f) The name of each office must be printed in a uniform size in
 14 bold type. 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:

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

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

31 (1) The major political party whose candidate received the
 32 highest number of votes in the county for secretary of state at the
 33 last election is listed first.
 34 (2) The major political party whose candidate received the
 35 second highest number of votes in the county for secretary of
 36 state is listed second.
 37 (3) All other political parties listed in the order that the parties'
 38 candidates for secretary of state finished in the last election are
 39 listed after the party listed in subdivision (2).
 40 (4) If a political party did not have a candidate for secretary of
 41 state in the last election or a nominee is an independent
 42 candidate or independent ticket (described in IC 3-11-2-6), the



1 party or candidate is listed after the parties described in
 2 subdivisions (1), (2), and (3).

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

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

11 (7) A space for write-in voting is placed after the candidates
 12 listed in subdivisions (1) through (6), if required by law.

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

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

19 (1) candidate; or

20 (2) ticket of candidates for:

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

22 (B) governor and lieutenant governor;

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

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

33 (1) under the name of the office that the candidates are seeking;

34 (2) in the order established by subsection (g); and

35 (3) within the political party, in alphabetical order according to
 36 surname.

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

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



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

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

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

(1) The cautionary statement described in IC 3-11-2-7.

(2) The instructions described in IC 3-11-2-8, IC 3-11-2-10(d), and IC 3-11-2-10(e).

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

(1) the name of the political party; and

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

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

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

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

"Shall (insert the name of the executive director of the Indianapolis public education corporation) be retained as



1 **Executive Director of the Indianapolis Public Education**
 2 **Corporation?".**

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

4 **(1) do not replace; and**
 5 **(2) are in addition to;**

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

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

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

13 **(1) the names of political parties or candidates; or**
 14 **(2) the text of public questions;**

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

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

25 **(b) The county may:**

26 **(1) print all offices and public questions on a single ballot label;**
 27 **and**
 28 **(2) include a ballot variation code to ensure that the proper**
 29 **version of a ballot label is used within a precinct.**

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

33 **(d) The nominees of a political party or an independent candidate**
 34 **or independent ticket (described in IC 3-11-2-6) nominated by**
 35 **petitioners must be listed on the ballot label with the name and device**
 36 **set forth on the certification or petition. The circle containing the**
 37 **device may be of any size that permits a voter to readily identify the**
 38 **device. IC 3-11-2-5 applies if the certification or petition does not**
 39 **include a name or device, or if the same device is selected by two (2)**
 40 **or more parties or petitioners. In the case of a candidate described in**
 41 **IC 3-8-2.5-2.5(a)(5)(C), a blank space **must be printed** after the**
 42 **candidate's name signifying that the candidate elects not to disclose any**



1 affiliation with a political party or that the candidate:

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

4 (e) The ballot labels must list the offices and public questions on
 5 the general election ballot in the order listed in IC 3-11-2-12,
 6 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),
 7 IC 3-11-2-12.9(c), IC 3-11-2-12.9(d), IC 3-11-2-13(a) through
 8 IC 3-11-2-13(c), IC 3-11-2-14(a), IC 3-11-2-14(d), and
 9 IC 3-11-2-14(e). Each office and public question may have a separate
 10 screen, or the offices and public questions may be listed in a
 11 continuous column either vertically or horizontally.

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

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

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

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

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

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

33 (2) The major political party whose candidate received the
 34 second highest number of votes in the county for secretary of
 35 state is listed second.

36 (3) All other political parties listed in the order that the parties'
 37 candidates for secretary of state finished in the last election are
 38 listed after the party listed in subdivision (2).

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



1 subdivisions (1), (2), and (3).

2 (5) If more than one (1) political party or independent candidate

3 or ticket described in subdivision (4) qualifies to be on the

4 ballot, the parties, candidates, or tickets are listed in the order in

5 which the party filed its petition of nomination under

6 IC 3-8-6-12.

7 (6) The name of a candidate described in IC 3-8-2.5-2.5(a)(5)(C)

8 is placed after the candidates listed in subdivisions (1) through

9 (5), if applicable.

10 (7) A space for write-in voting is placed after the candidates

11 listed in subdivisions (1) through (6), if required by law. A space

12 for write-in voting for an office is not required if there are no

13 declared write-in candidates for that office. However, procedures

14 must be implemented to permit write-in voting for candidates for

15 federal offices.

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 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 party 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

42 first candidate: "Vote for not more than (insert the number of



1 candidates to be elected) candidate(s) of ANY party for this office.".
 2

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 cautionary statement described in IC 3-11-2-7 must be
 14 placed at the top or beginning of the ballot label before the first public
 15 question is listed.

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

18 (1) placed on the ballot label; or

19 (2) posted in a location within the voting booth that permits the
 voter to easily read the instructions.

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

24 (1) the name of the political party; and

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

27 The name and device of each party must be of uniform size and type,
 28 and arranged in the order established by subsection (g) for listing
 29 candidates under each office. The instructions described in
 30 IC 3-11-2-10(c) for voting a straight party ticket and the statement
 31 concerning presidential electors required under IC 3-10-4-3 must be
 32 placed on the ballot label. The instructions for voting a straight party
 33 ticket must include the statement: "If you do not wish to vote a straight
 34 party ticket, press "NEXT" (or replace "NEXT" with the term used by
 35 that voting system to permit a voter to skip a ballot screen) to continue
 36 voting.".

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



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

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

(e) (p) The requirements in this section:

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

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

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

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

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

- (1) The ratification of a state constitutional amendment submitted to the electorate.
- (2) The retention of a justice of the supreme court or a judge of the court of appeals or tax court.
- (3) Each candidate who was declared elected by the county election board under IC 3-12-4-9.
- (4) The retention of the executive director of the Indianapolis public education corporation.

public education corporation.
(c) The clerk shall transmit under section 1.5 of this chapter the statement to the election division not later than noon on the second Monday following election day

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

(1) Each state constitutional amendment ratified or rejected.
(2) Each justice or judge retained or removed.
(3) Whether the executive director of the Indianapolis publ



education corporation was retained or removed.

2 (e) The election division shall provide a copy of a certificate
 3 described by:

4 (1) subsection (d)(1) to the chief justice of the Indiana supreme
 5 court and the director of the office of code revision of the
 6 legislative services agency; **and**

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

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

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

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

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

23 SECTION ~~6-1.1-18.5-2~~ IC 6-1.1-18.5-2, AS AMENDED BY
 24 P.L.68-2025, SECTION 59, IS AMENDED TO READ AS FOLLOWS
 25 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) As used in this section,
 26 "Indiana nonfarm personal income" means the estimate of total
 27 nonfarm personal income for Indiana in a calendar year as computed
 28 by the federal Bureau of Economic Analysis using any actual data for
 29 the calendar year and any estimated data determined appropriate by the
 30 federal Bureau of Economic Analysis.

31 (b) Except as provided in subsections (c) and (e), for purposes of
 32 determining a civil taxing unit's maximum permissible ad valorem
 33 property tax levy for an ensuing calendar year, the civil taxing unit
 34 shall use the maximum levy growth quotient determined in the last
 35 STEP of the following STEPS:

36 STEP ONE: For each of the six (6) calendar years immediately
 37 preceding the year in which a budget is adopted under
 38 IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana
 39 nonfarm personal income for the calendar year by the Indiana
 40 nonfarm personal income for the calendar year immediately
 41 preceding that calendar year, rounding to the nearest
 42 one-thousandth (0.001).



1 STEP TWO: Determine the sum of the STEP ONE results.
 2 STEP THREE: Divide the STEP TWO result by six (6),
 3 rounding to the nearest one-thousandth (0.001).
 4 STEP FOUR: Determine the lesser of the following:
 5 (A) The STEP THREE quotient.
 6 (B) One and six-hundredths (1.06).
 7 (c) Except as provided in subsection (f), a school corporation, **or**,
 8 **in the case of a school city (as defined in IC 20-25-2-12), the public**
 9 **education corporation**, shall use for its operations fund maximum
 10 levy calculation under IC 20-46-8-1 the maximum levy growth quotient
 11 determined in the last STEP of the following STEPS:
 12 STEP ONE: Determine for each school corporation, the average
 13 annual growth in net assessed value using the three (3) calendar
 14 years immediately preceding the year in which a budget is
 15 adopted under IC 6-1.1-17-5 for the ensuing calendar year.
 16 STEP TWO: Determine the greater of:
 17 (A) zero (0); or
 18 (B) the STEP ONE amount minus the sum of:
 19 (i) the maximum levy growth quotient determined
 20 under subsection (b) minus one (1); plus
 21 (ii) two-hundredths (0.02).
 22 STEP THREE: Determine the lesser of:
 23 (A) the STEP TWO amount; or
 24 (B) four-hundredths (0.04).
 25 STEP FOUR: Determine the sum of:
 26 (A) the STEP THREE amount; plus
 27 (B) the maximum levy growth quotient determined under
 28 subsection (b).
 29 STEP FIVE: Determine the greater of:
 30 (A) the STEP FOUR amount; or
 31 (B) the maximum levy growth quotient determined under
 32 subsection (b).
 33 (d) The budget agency shall provide the maximum levy growth
 34 quotient for the ensuing year to civil taxing units, school corporations,
 35 **the public education corporation (in the case of a school city (as**
 36 **defined in IC 20-25-2-12)), and the department of local government**
 37 **finance before July 1 of each year.**
 38 (e) This subsection applies only for purposes of determining the
 39 maximum levy growth quotient to be used in determining a civil taxing
 40 unit's maximum permissible ad valorem property tax levy in calendar
 41 years 2024, 2025, and 2026. For purposes of determining the maximum
 42 levy growth quotient in calendar years 2024, 2025, and 2026, instead



1 of the result determined in the last STEP in subsection (b), the
 2 maximum levy growth quotient is determined in the last STEP of the
 3 following STEPS:

4 STEP ONE: Determine the result of STEP FOUR of subsection
 5 (b), calculated as if this subsection was not in effect.

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

7 STEP THREE: Multiply the STEP TWO result by eight-tenths
 8 (0.8).

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

10 STEP FIVE: Determine the lesser of:

11 (A) the STEP FOUR result; or

12 (B) one and four-hundredths (1.04).

13 (f) This subsection applies only for purposes of determining the
 14 maximum levy growth quotient to be used in determining a school
 15 corporation's, **or, in the case of a school city (as defined in**
 16 **IC 20-25-2-12), the public education corporation's**, operations fund
 17 maximum levy in calendar years 2024, 2025, and 2026. For purposes
 18 of determining the maximum levy growth quotient in calendar years
 19 2024, 2025, and 2026, instead of the result determined in the last STEP
 20 in subsection (c), the maximum levy growth quotient is determined in
 21 the last STEP of the following STEPS:

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

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

25 STEP THREE: Multiply the STEP TWO result by eight-tenths
 26 (0.8).

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

28 STEP FIVE: Determine the lesser of:

29 (A) the STEP FOUR result; or

30 (B) one and four-hundredths (1.04).

31 SECTION ~~↔~~[\[9\]](#). IC 6-1.1-20-0.3 IS ADDED TO THE
 32 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE UPON PASSAGE]: Sec. 0.3. (a) **Subject to subsection**
 34 **(b), after March 31, 2026, a school city (as defined in**
 35 **IC 20-25-2-12) may not exercise the powers and duties under this**
 36 **chapter and instead the public education corporation assumes the**
 37 **powers and duties of the school city as set forth in IC 20-25.3-5.**

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

41 SECTION ~~↔~~[\[10\]](#). IC 20-18-2-14.5 IS ADDED TO THE
 42 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE UPON PASSAGE]: Sec. 14.5. "Public education
 2 corporation" refers to the Indianapolis public education
 3 corporation established by IC 20-25.3-3-1.

4 SECTION ~~←~~[\[11\]](#). IC 20-24-3-20 IS ADDED TO THE
 5 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 6 [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) Beginning April 1,
 7 2026, a charter may not be granted or renewed by an authorizer
 8 for a charter school located within the geographic boundaries of
 9 the school city (as defined in IC 20-25-2-12) except by one (1) of the
 10 following:

- 11 (1) The charter board.
- 12 (2) The executive (as defined in IC 36-1-2-5) of a consolidated
 13 city.
- 14 (3) The school city.

15 (b) A charter school that was granted a charter before April
 16 1, 2026, by an authorizer other than an authorizer listed in
 17 subsection (a) may continue operating with that authorizer until
 18 the term of the charter expires or is terminated, whichever occurs
 19 earlier. After the termination or expiration of the charter, a
 20 charter for a charter school described in subsection (a) may only
 21 be granted or renewed by an authorizer described in subsection
 22 (a).

23 SECTION ~~←~~[\[12\]](#). IC 20-25-3-0.5 IS ADDED TO THE
 24 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE UPON PASSAGE]: Sec. 0.5. The board of
 26 commissioners has all of the powers and duties established under
 27 this article except for the powers and duties granted to the
 28 Indianapolis public education corporation under IC 20-25.3.

29 SECTION ~~←~~[\[13\]](#). IC 20-25-4-23 IS ADDED TO THE
 30 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE UPON PASSAGE]: Sec. 23. Notwithstanding any
 32 other law, after March 31, 2026, the school city may not issue
 33 bonds or otherwise incur indebtedness payable in whole or in part
 34 from a pledge of property tax revenue, excise tax revenue, or local
 35 income tax revenue.

36 SECTION ~~←~~[\[14\]](#). IC 20-25.3 IS ADDED TO THE INDIANA
 37 CODE AS A NEW ARTICLE TO READ AS FOLLOWS
 38 [EFFECTIVE UPON PASSAGE]:

39 **ARTICLE 25.3. INDIANAPOLIS PUBLIC EDUCATION
 40 CORPORATION**

41 **Chapter 1. Scope of Authority**

42 **Sec. 1. The Indianapolis public education corporation exists**



1 and shall operate for the public purpose of establishing a unified
 2 student transportation, school property, and school performance
 3 system within the geographic boundaries of the school city that
 4 maximizes the efficient use of taxpayer provided resources,
 5 respects the decision making of individual public schools and the
 6 school city, and creates the best conditions for student learning and
 7 success.

8 **Sec. 2.** This article shall be liberally construed to effect the
 9 purposes of this article. If any other law or rule is inconsistent with
 10 this article, this article is controlling as to the administration and
 11 management of school property, transportation, and school
 12 performance within the geographic boundaries of the school city
 13 undertaken under this article.

14 **Chapter 2. Definitions**

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

16 (1) this chapter; and
 17 (2) except as provided in section 2 of this chapter,
 18 IC 20-25-2;
 19 apply throughout this article.

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

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

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

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

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

28 (1) A school maintained by the school city.
 29 (2) The following that are located within the geographic
 30 boundaries of the school city:
 (A) A participating innovation network school.
 (B) A participating innovation network charter school.
 (C) A charter school.

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

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

37 **Chapter 3. Indianapolis Public Education Corporation**

38 **Sec. 1.** There is established in a county containing a
 39 consolidated city for the public purposes set forth in this article a



**1 distinct municipal corporation to be known as the Indianapolis
2 Public Education Corporation.**

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

38 of the mayor.
39 **Sec. 4. (a)** A majority of the corporation board members
40 constitutes a quorum for a meeting. The corporation board may
41 act by an affirmative vote of a majority of the corporation board.

41 act by an affirmative vote of a majority of the corporation board.

42 (b) A vacancy in the membership of the corporation board

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 does not impair the right of a quorum to exercise all rights and
 2 perform all duties of the corporation board.

3 **Sec. 5. Meetings of the members of the corporation board shall**
 4 **be held at the call of the chairperson. The members shall meet at**
 5 **least once every three (3) months to attend to the business of the**
 6 **corporation.**

7 **Sec. 6. The members of the corporation board are not entitled**
 8 **to any salary, per diem, or other reimbursements or compensation**
 9 **to serve on the corporation board.**

10 **Sec. 7. The corporation board shall keep the corporation**
 11 **board's documents in the office of the corporation or in an**
 12 **electronic format. The corporation board shall record the aye and**
 13 **nay vote on the final passage of any item of business and on any**
 14 **other item if two (2) corporation board members request that the**
 15 **votes be recorded by ayes and nays.**

16 **Sec. 8. (a) The corporation board shall adopt rules of**
 17 **procedure for corporation board meetings. The corporation board**
 18 **may suspend the rules of procedure by unanimous vote of the**
 19 **members present at the meeting. The corporation board shall not**
 20 **suspend the rules of procedure beyond the duration of the meeting**
 21 **at which the suspension of rules occurs.**

22 **(b) The corporation board may exercise the powers to**
 23 **supervise internal affairs common to municipal legislative and**
 24 **administrative bodies.**

25 **Sec. 9. The corporation board shall exercise the executive and**
 26 **legislative powers of the corporation.**

27 **Sec. 10. (a) The corporation board shall appoint an individual**
 28 **recommended by the mayor as the executive director of the**
 29 **corporation.**

30 **(b) The executive director:**

31 **(1) must reside within the geographic boundaries of the**
 32 **school city;**
 33 **(2) subject to subsection (c), serves at the pleasure of the**
 34 **corporation board; and**

35 **(3) shall do the following:**

36 **(A) Administer, manage, and direct the affairs and**
 37 **activities of the corporation and any employees of the**
 38 **corporation in accordance with the policies and under**
 39 **the control and direction of the members of the**
 40 **corporation board.**

41 **(B) Approve all allowable expenses of the corporation or**
 42 **of any employee or consultant, and expenses incidental**



1 to the operation of the corporation.
 2

3 (C) Perform other duties as may be directed by the
 4 members of the corporation board in carrying out the
 purposes of this article.

5 (c) The executive director shall stand for retention under
 6 IC 3-10-2-17. If the majority of the voters vote to oppose the
 7 retention of the executive director, the corporation board shall
 8 appoint another individual recommended by the mayor as the
 9 executive director of the corporation.

10 (d) The corporation board shall set the salaries of the
 11 executive director and any employees of the corporation.

12 Sec. 11. (a) Notwithstanding section 3 of this chapter, the
 13 following applies to the members initially appointed to the
 14 corporation board:

15 (1) The mayor shall appoint members to the corporation
 16 board not later than June 1, 2026.

17 (2) The term of each member begins on the date that the
 18 member is appointed under subdivision (1).

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

20 (A) One (1) member appointed under section 2(b)(1),
 21 2(b)(2), and 2(b)(3) of this chapter shall each serve until
 22 July 1, 2028.

23 (B) One (1) member:

24 (i) appointed under section 2(b)(1), 2(b)(2), and
 25 2(b)(3) of this chapter; and

26 (ii) who is not a member described in clause (A) or
 27 (C);

28 shall each serve until July 1, 2029.

29 (C) One (1) member:

30 (i) appointed under section 2(b)(1), 2(b)(2), and
 31 2(b)(3) of this chapter; and

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

34 shall each serve until July 1, 2030.

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

36 Chapter 4. General Duties and Powers

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

39 (1) Sue and be sued in a court of competent jurisdiction.

40 (2) Enter into contracts.

41 (3) Acquire and dispose of real, personal, and mixed
 42 property by deed, purchase, gift, grant, devise, lease,



1 condemnation, or otherwise.

2 (4) Make and adopt appropriate regulations, orders, rules,

3 and resolutions.

4 (5) Do all things reasonable or necessary to carry out the

5 work and perform the corporation's duties under this

6 chapter.

7 Sec. 2. In carrying out the purpose of the corporation, the

8 corporation board is granted all powers necessary or appropriate

9 to do the following:

10 (1) Control the management and operation of school

11 property.

12 (2) Establish a unified transportation plan and lead and

13 oversee the provision of transportation of all students to and

14 from participating schools within the geographic boundaries

15 of the school city.

16 (3) Develop and implement a single school performance

17 framework described in section 3 of this chapter that applies

18 to all participating schools.

19 (4) Establish and manage a unified enrollment system

20 applicable to all participating school students.

21 (5) Ensure that, to the extent possible, school property is

22 provided and made available to all participating schools on

23 an equitable basis.

24 (6) Develop and implement a formula that provides for the

25 fair and equitable distribution of property taxes and other

26 funds to the school city and participating schools.

27 (7) Track qualitative and quantitative data to monitor

28 outcomes and publicly report data in a manner prescribed

29 by the mayor.

30 (8) Make, execute, and enforce contracts and all other

31 instruments necessary, convenient, or desirable for the

32 purposes of the corporation, including entering into a

33 contract with, as applicable, the school city and each

34 participating school regarding:

35 (A) the management and operation of school property;

36 (B) provision of transportation of all students to and

37 from participating schools within the geographic

38 boundaries of the school city; and

39 (C) any other matters the corporation board determines

40 is necessary to carry out the purposes of the

41 corporation.

42 (9) Acquire, construct, erect, maintain, hold, and contract for



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

20 (10) Repair, remodel, remove, or demolish, or to contract for
 21 the repair, remodeling, removal, or demolition of the real
 22 estate, real estate improvements, or interest in the real estate
 23 or real estate improvements that the corporation owns, as
 24 the corporation board considers necessary for school
 25 purposes.

26 (11) Acquire personal property or an interest in personal
 27 property as the corporation board considers necessary for
 28 school purposes, including buses, motor vehicles, equipment,
 29 apparatus, and appliances, either by cash purchase or under
 30 conditional sales or purchase money contracts providing for
 31 a security interest by the seller until payment is made or by
 32 notes where the contract, security, retention, or note is
 33 permitted by applicable law, by gift, by devise, by loan, or by
 34 lease with or without option to purchase and to repair,
 35 remodel, remove, relocate, and demolish the personal
 36 property. All purchases and contracts specified under the
 37 powers authorized under subdivisions (9) and (10) and this
 38 subdivision are subject solely to applicable law relating to
 39 purchases and contracting by municipal corporations in
 40 general and to the supervisory control of state agencies as
 41 provided in section 8 of this chapter.

42 (12) To sell or exchange real or personal property or interest



1 in real or personal property that, in the opinion of the
 2 corporation board, is not necessary for school purposes to
 3 demolish or otherwise dispose of the property if, in the
 4 opinion of the corporation board, the property is not
 5 necessary for school purposes and is worthless, and to pay
 6 the expenses for the demolition or disposition.

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

9 (14) Fix and pay the salaries of the executive director and
 10 any employees of the corporation.

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

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

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

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

27 (19) To defend a member of the corporation board or any
 28 employee of the corporation in any suit arising out of the
 29 performance of the member's or employee's duties for or
 30 employment with, the corporation, if the corporation board
 31 by resolution determined that the action was taken in good
 32 faith. To save any member or employee harmless from any
 33 liability, cost, or damage in connection with the performance,
 34 including the payment of legal fees, except where the
 35 liability, cost, or damage is predicated on or arises out of the
 36 bad faith of the member or employee, or is a claim or
 37 judgment based on the member's or employee's malfeasance
 38 as a member or in employment.

39 (20) To prepare, make, enforce, amend, or repeal rules,
 40 regulations, orders, and procedures:

41 (A) to carry out the purposes of the corporation; and

42 (B) that may be designated by an appropriate title such



1 as "policy handbook", "bylaws", or "rules and
2 regulations".

3 (21) Regularly conduct assessments of school property.
4 (22) To exercise any other power and make any expenditure
5 in carrying out the general powers and purposes provided in
6 this article or in carrying out the powers delineated in this
7 section which is reasonable from a business or educational
8 standpoint in carrying out purposes of the corporation,
9 including the acquisition of property or the employment or
10 contracting for services, even though the power or
11 expenditure is not specifically set out in this chapter.

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

17 (b) The school performance framework must:

18 (1) set clear expectation for school performance;

16 school year.

17 (b) The school performance framework must:

18 (1) set clear expectation for school performance;

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

20 (A) academic performance measures, including the

21 performance assessment results under IC 20-31-8;

22 (B) student assessment outcomes;

23 (C) student discipline practices;

24 (D) student enrollment;

25 (E) physical condition of school property, including

26 deferred maintenance;

27 (F) short and long term financial health measures;

28 (G) organizational health and governance measures;

29 and

30 (H) any additional measures relevant to student success

31 as determined by the corporation board; and

32 (3) include a requirement to close chronically low

33 performing participating schools.

38 Sec. 5. The corporation board may not implement a unified
39 transportation plan described in section 2(2) of this chapter unless
40 the corporation board submits the plan to the legislative council in
41 an electronic format under IC 5-14-6 at least one (1) calendar year
42 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;
- (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

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

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

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 **Sec. 3. After March 31, 2026, the corporation has all the**
 2 **powers and shall perform all the duties assigned to the school city**
 3 **under IC 6-1-1-17 related to the fixing and reviewing of budgets,**
 4 **tax rates, and tax levies. The school city shall provide records and**
 5 **information as necessary for the corporation to carry out its duties.**

6 **Sec. 4. (a) Except as provided in subsections (b) and (c), after**
 7 **March 31, 2026, the school city may not take any action under the**
 8 **procedures set forth in IC 6-1-1-20 and instead the corporation**
 9 **shall assume the powers and duties of the school city under**
 10 **IC 6-1-1-20 in the territory of the school city.**

11 **(b) Notwithstanding subsection (a), property tax revenue**
 12 **received from a referendum debt service tax levy that is approved**
 13 **by the voters after March 31, 2026, shall be distributed to the**
 14 **school city in the manner provided under IC 6-1-1-20.**

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

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

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

31 **(c) An operating referendum tax levy that is approved by the**
 32 **voters before April 1, 2026, shall continue to be imposed after**
 33 **March 31, 2026, through the end of the term and the school city**
 34 **shall continue to use the revenue from the operating referendum**
 35 **tax levy for the same purposes for which it was originally approved**
 36 **by the voters through the end of the term of the referendum.**

37 **Sec. 6. Beginning July 1, 2026, the corporation shall assume**
 38 **the powers and duties of the school city under IC 20-46-7, including**
 39 **control and management of the corresponding fund created under**
 40 **IC 20-40-9. Beginning with the January 1, 2027, assessment date,**
 41 **and for each assessment date thereafter, the corporation shall**
 42 **impose an annual property tax levy in the territory of the school**



1 **city. Property tax revenue received from the tax levy shall be used**
 2 **to pay outstanding debts and obligations.**

3 **Sec. 7. (a) Except as provided in subsection (b), beginning July**
 4 **1, 2026, the corporation shall assume the powers and duties of the**
 5 **school city to impose a levy under IC 20-46-8. Beginning with the**
 6 **January 1, 2027, assessment date, and for each assessment date**
 7 **thereafter, the corporation shall impose an annual property tax**
 8 **levy in the territory of the school city.**

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

14 **Sec. 8. (a) Except as provided in subsection (b), after March**
 15 **31, 2026, the school city may not take any action under the**
 16 **procedures set forth in IC 20-46-9 and instead the corporation**
 17 **shall assume the powers and duties of the school city under**
 18 **IC 20-46-9 in the territory of the school city.**

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

24 SECTION 1~~↔~~⁵¹, IC 20-26-7-47, AS AMENDED BY
 25 P.L.36-2024, SECTION 2, IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 47. (a) The following
 27 definitions apply throughout this section:

28 (1) "Covered school building" has the meaning set forth in
 29 IC 20-26-7.1-2.1.

30 (2) "Current school year" refers to a year in which the governing
 31 body is required to conduct a review of school building usage
 32 under subsection (c).

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

34 (A) Except as provided in clause (B), students counted in
 35 ADM (as defined in IC 20-43-1-6) in the first count date for
 36 a school year fixed under IC 20-43-4-3.

37 (B) With regard to a school corporation, students counted in
 38 a school corporation's fall count of ADM minus all students
 39 counted in the fall count of ADM who are enrolled in
 40 eligible schools that:

41 (i) have entered into an agreement with the school
 42 corporation to participate as a participating innovation



1 network charter school under IC 20-25.7-5; and
 2 (ii) are included in the school corporation's fall ADM
 3 count.

4 (4) "Interested person" has the meaning set forth in
 5 IC 20-26-7.1-2.2.

6 (b) This section:

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

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

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

19 (c) Each school year, the governing body of a school corporation
 20 shall review the usage of school buildings used by the school
 21 corporation to determine whether any school building should be closed
 22 for the ensuing school year and subsequent school years.

23 (d) A school corporation shall close a school building for the
 24 ensuing school year (and subsequent school years) if:

25 (1) at any time the school building had been used for classroom
 26 instruction;

27 (2) in the current school year and the two (2) school years
 28 immediately preceding the current school year the school
 29 building was underutilized for classroom instruction purposes or
 30 other allowable uses specified by this section;

31 (3) as of the end of the school year before the school building is
 32 required to be closed under this section, the school corporation
 33 was not subject to a transitional plan adopted by the governing
 34 body and approved by the department to use the school building
 35 for an allowable use not later than the next school year after the
 36 school building is otherwise required to be closed under this
 37 section;

38 (4) in the case of a school building that was used in any part in
 39 the current school year for instructional purposes, the school
 40 corporation has another school building:

41 (A) with sufficient capacity to take the students using the
 42 school building being considered for closure; and



(B) that does not require more than twenty (20) minutes of travel time by car or bus from the school building being 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:

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

16 (A) the known classroom design capacity of the school
17 building; or
18 (B) if the design capacity is not known, the average
19 maximum full-time equivalent enrollment in any of the last
20 twenty-five (25) years, as validated by records created or
21 maintained by the department.

22 (2) The school corporation demonstrates through facts included
23 in a resolution that the school building is being used and that it
24 is financially prudent to continue to use the school building,
25 considering all community resources, for a distinct student
26 population that reasonably cannot be served through integration
27 with the general school population, such as students attending an
28 alternative education program (as defined in IC 20-30-8-1).
29 However, to be an allowable use under this subdivision, the
30 average number of full-time equivalent students using the school
31 building in a school year for instructional purposes must be at
32 least thirty percent (30%) of:

33 (A) the known classroom design capacity of the school
34 building; or

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

39 (if multiple school buildings are used for the same purposes)
40 combining the student populations into fewer school buildings
41 is not reasonably feasible.

42 (3) The school corporation demonstrates through facts included

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 in a resolution that the school building is being used and that it
 2 is financially prudent to continue to use the school building,
 3 considering all community resources, for administrative or other
 4 school offices. However, to be an allowable use under this
 5 subdivision, at least fifty percent (50%) of the square footage of
 6 the school building must be used for offices, the personnel
 7 headquartered in the school building must consistently use the
 8 space for office purposes, and the occupancy cost of using the
 9 school building cannot be more than comparable office space
 10 that is available in the school district.

11 (4) The school corporation demonstrates through facts included
 12 in a resolution that the school building is being used and that it
 13 is financially prudent to continue to use the school building,
 14 considering all community resources, for storage. However, to be
 15 an allowable use under this subdivision, at least fifty percent
 16 (50%) of the square footage of the school building must be used
 17 for storage, on average the storage space must be used to
 18 capacity, and the cost of using the school building for storage
 19 must be less than comparable storage space that is available in
 20 the school district.

21 (5) The school corporation demonstrates through facts included
 22 in a resolution that the school building is being used and that it
 23 is financially prudent to continue to use the school building,
 24 considering all community resources, for a combination of office
 25 space and storage. However, to be an allowable use under this
 26 subdivision, at least fifty percent (50%) of the square footage of
 27 the school building must be used for a combination of office
 28 space and storage and:

29 (A) the personnel headquartered in the school building must
 30 consistently use the office space for office purposes, and the
 31 occupancy cost of using the office space, calculated using
 32 the costs of operating the school building, cannot be more
 33 than comparable office space that is available in the school
 34 district; and

35 (B) on average, the storage space must be used to capacity
 36 and the cost of using the school building for storage must be
 37 less than comparable storage space that is available in the
 38 school district.

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

40 (1) owned by the school corporation or any other entity that is
 41 related in any way to, or created by, the school corporation or the
 42 governing body; or



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

1 (i) An interested person that is not otherwise a party to the
2 proceeding may intervene in the proceeding under subsection (h) as a
3 party. The school corporation has the burden of going forward with the
4 evidence and the burden of proof to demonstrate that the school
5 building does not meet the criteria for closure or the covered school
6 building is not required to be made available under IC 20-26-7.1.

30 (1) file a response to the petition that notifies the department that
31 the school corporation:

32 (A) is not contesting the petition; or
33 (B) is contesting the petition and states the facts upon which

34 the school corporation relies in contesting the petition; and
35 (2) provide a copy of the response to the petitioner and any

35 (2) provide a copy of the response to the petitioner and any
36 intervening party.
37 (k) If the school corporation:

(k) if the school corporation:

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

39 the petition, or
40 (2) fails to submit a timely response under subsection (j);
41 the department shall issue an order granting the petition. A petition and

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

2026 IN 1423—LS 7118/DI 110

2026 IN 1423—LS 7118/DI 110



(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.

(m) The department shall make a determination regarding a petition under subsection (h) not more than one hundred twenty (120) days after the date that the:

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

(2) time period to reply under subsection (1) has expired.

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

(o) Upon the issuance of a final unappealable order granting a petition, the school corporation shall make the school building available for lease or purchase in accordance with IC 20-26-7.1.

SECTION 1~~1~~[6]. IC 20-26-7-48, AS ADDED BY P.L.189-2023, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) The following definitions apply throughout this section:

(1) "Current school year" refers to a year in which the governing body is required to conduct a review of school building usage 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:

(+) (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



1 department, in the form and on the schedule specified by the
 2 department, the following information:

3 (1) A listing of all buildings owned or leased by the school
 4 corporation that were originally designed as a school building.

5 (2) The following information for each building listed in
 6 subdivision (1):

7 (A) Designed occupancy, regardless of current use.

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

12 (C) The following information:

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

17 (ii) Percentage of instructional use.

18 (iii) Percentage of use for other purposes.

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

23 SECTION 1~~(7)~~ IC 20-26-7.1-1, AS AMENDED BY
 24 P.L.68-2025, SECTION 209, IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) For purposes
 26 of this section, "charter school" does not include a virtual charter
 27 school or an adult high school.

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

29 (1) A school building that since July 1, 2011, is leased or loaned
 30 by the school corporation that owns the school building to
 31 another entity, if the entity is not a building corporation or other
 32 entity that is related in any way to, or created by, the school
 33 corporation or the governing body.

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

35 (A) The county auditor distributes revenue after May 10,
 36 2023, as required under IC 20-46-1-21 or IC 20-46-1-22 to
 37 each eligible charter school.

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



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

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

5 (A) The school corporation approves a resolution after May
 6 10, 2023, to impose an operating referendum tax levy under
 7 IC 20-46-1 after May 10, 2023, that includes sharing the
 8 revenue from the referendum tax levy in the amounts
 9 described in clause (B) with each charter school that:

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

13 The above subdivisions are intended to apply retroactively. No
 14 resolutions, referendums, or distributed revenue prior to May 10,
 15 2023, are effective to provide exemption from this chapter.

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

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

23 (D) The school corporation distributes the amounts
 24 described in clause (B) to each charter school described in
 25 clause (A).

26 (E) If the school corporation receives revenue from a school
 27 safety referendum tax levy under IC 20-46-9, the school
 28 corporation shares the revenue from the school safety
 29 referendum tax levy with each charter school that:

30 (i) a student who resides within the attendance area of
 31 the school corporation attends; and
 32 (ii) elects to participate in the referendum;
 33 in an amount equal to the amount determined applying the
 34 formula under IC 20-46-9-22(d).

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

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

42 SECTION 1 ~~☞~~ [8]. IC 20-40-9-4, AS ADDED BY P.L.2-2006,

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 SECTION 163, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The governing body of
 3 each school corporation shall establish a debt service fund.

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

9 SECTION 1~~4~~⁹ [9]. IC 20-46-1-0.5 IS ADDED TO THE
 10 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) Subject to subsection
 12 (b), after March 31, 2026, a school city (as defined in
 13 IC 20-25-2-12) may not exercise the powers and duties under this
 14 chapter and instead the public education corporation assumes the
 15 powers and duties of the school city as set forth in IC 20-25.3-5. <
 16 >¹

17 1 (b) Notwithstanding subsection (a), the county auditor shall:
 18 (1) determine the amounts of revenue to be distributed to the
 19 school city and any charter schools as provided in section 21
 20 or 22 of this chapter, as applicable; and
 21 (2) distribute revenue collected from a levy imposed under
 22 this chapter to the school city and any charter schools as
 23 provided in section 21 or 22 of this chapter, as applicable.

24 SECTION ~~15~~¹⁵ [20]. IC 20-46-7-0.5 IS ADDED TO THE
 25 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: Sec. 0.5. Beginning with property
 27 taxes first due and payable after December 31, 2027:

28 (1) a school city (as defined in IC 20-25-2-12) may not impose
 29 the property tax levy or otherwise exercise the powers and
 30 duties under this chapter; and
 31 (2) the public education corporation shall impose the annual
 32 property tax levy under this chapter in the territory of the
 33 school city and assumes the powers and duties of the school
 34 city under this chapter as set forth in IC 20-25.3-5, including
 35 making debt service payments.

36 SECTION ~~16~~¹⁶ [21]. IC 20-46-8-0.5 IS ADDED TO THE
 37 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) Subject to subsection
 39 (b), beginning with property taxes first due and payable after
 40 December 31, 2027:

41 (1) a school city (as defined in IC 20-25-2-12) may not impose
 42 the property tax levy or otherwise exercise the powers and



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

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

- (1) determine the amounts of revenue to be distributed to the school city and any charter schools as provided in section 11.2 or 12 of this chapter, as applicable; and
- (2) distribute revenue collected from a levy imposed under this chapter to the school city and any charter schools as provided in section 11.2 or 12 of this chapter, as applicable.

12 provided in section 11.2 or 12 of this chapter, as applicable.
13 SECTION ~~47~~²² [22]. IC 20-46-9-0.5 IS ADDED TO THE
14 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
15 [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) Subject to subsection
16 (b), after March 31, 2026, a school city (as defined in
17 IC 20-25-2-12) may not exercise the powers and duties under this
18 chapter and instead, the public education corporation assumes the
19 powers and duties of the school city as set forth in IC 20-25.3-5-
20

powers and duties of the school city as set forth in TC 26.25.5.3.

>I

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

1 (1) determine the amounts of revenue to be distributed to the school city and any charter schools as provided in this chapter; and

1 (2) distribute revenue collected from a levy imposed under this chapter to the school city and any charter schools as provided in this chapter.

27 provided in this chapter.
28 SECTION ~~48~~[23]. IC 20-48-3-0.5 IS ADDED TO THE
29 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
30 [EFFECTIVE UPON PASSAGE]: Sec. 0.5. After March 31, 2026, a
31 school city may not exercise the powers and duties under this
32 article and instead the public education corporation assumes the
33 powers, duties, and responsibilities of the school city under this
34 article as set forth in IC 20-25.3.

35 SECTION ~~24~~24. An emergency is declared for this act.1

36 1

2026

IN 1423—LS 7118/DI 110



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY