

SENATE BILL No. 86

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-24; IC 20-25.7-5-3; IC 20-26; IC 20-27; IC 20-28-5-8; IC 20-29; IC 20-30-1-1; IC 20-33-9-10.5; IC 20-40; IC 20-46.

Synopsis: Charter schools. Provides that provisions regarding the following apply to charter schools: (1) Child suicide awareness and prevention policy requirements. (2) Staff performance evaluation plan requirements. (3) Curriculum. (4) Student discipline. (5) Criminal organization activity. (6) Student safety reporting. (7) Government funds and accounts. (8) Certain notice requirements regarding convictions of licensed employees. Removes the charter board, state educational institutions, and nonprofit college or university governing boards from the definition of an authorizer. After June 30, 2026, provides that the charter board, state educational institutions, and governing boards may not issue new charters or renew existing charters. After June 30, 2026, establishes a five year moratorium that prohibits an authorizer from granting a charter to an organizer to establish and operate a charter school in Indiana. Requires charter schools to provide transportation services to all students who reside within the public school district within which the charter school is located. Exempts school corporations subject to certain property tax sharing requirements from the dollar law. Changes the maximum charter school contract term to five years. Provides that a charter must contain a provision to appoint certain persons to the governing board of the charter school. Requires any public meeting of a charter school
(Continued next page)

Effective: July 1, 2026.

Qaddoura

December 8, 2025, read first time and referred to Committee on Education and Career Development.



governing board where the annual budget is adopted to be held in the county in which the charter school is located. Prohibits certain charter schools from receiving state funding, or from receiving funding from operation fund property tax levies, operating referendum tax levies, and school safety referendum tax levies. Removes, expires, and repeals provisions that require school corporations to share operation fund property tax levy, operating referendum tax levy, and school safety referendum tax levy funds with charter schools. Makes conforming changes.



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.

SENATE BILL No. 86

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 20-24-1-2.5, AS AMENDED BY P.L.81-2019,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 2.5. "Authorizer" means, for a charter school, one
4 (1) of the following:
5 (1) Subject to IC 20-24-2.2-1.2, a governing body.
6 (2) ~~A state educational institution that offers a four (4) year~~
7 ~~baccalaureate degree.~~
8 (3) (2) The executive (as defined in IC 36-1-2-5) of a consolidated
9 city.
10 (4) ~~The charter board.~~
11 (5) Subject to IC 20-24-2.2-1.2, a governing board of a nonprofit
12 college or university that provides a four (4) year educational
13 program for which it awards a baccalaureate or more advanced
14 degree, including the following:
15 Anderson University



1 Bethel University
 2 Butler University
 3 Calumet College of St. Joseph
 4 DePauw University
 5 Earlham College
 6 Franklin College
 7 Goshen College
 8 Grace College
 9 Hanover College
 10 Holy Cross College
 11 Huntington University
 12 Indiana Tech
 13 Indiana Wesleyan University
 14 Manchester University
 15 Marian University
 16 Martin University
 17 Oakland City University
 18 Rose-Hulman Institute of Technology
 19 Saint Mary-of-the-Woods College
 20 Saint Mary's College
 21 Taylor University
 22 Trine University
 23 University of Evansville
 24 University of Indianapolis
 25 University of Notre Dame
 26 University of Saint Francis
 27 Valparaiso University
 28 Wabash College.

29 SECTION 2. IC 20-24-2.1-1, AS AMENDED BY P.L.43-2021,
 30 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2026]: Sec. 1. (a) The Indiana charter school board is
 32 established for the purpose of ~~authorizing~~ **approving the**
 33 **authorization of** charter schools throughout Indiana.

34 (b) The charter board is a statewide ~~charter school authorizer board~~
 35 composed of the following nine (9) members appointed to four (4) year
 36 terms:

37 (1) Four (4) members appointed by the governor. Not more than
 38 two (2) members appointed under this subdivision may be
 39 members of the same political party.

40 (2) One (1) member who has previous experience with or on
 41 behalf of charter schools appointed by the secretary of education.

42 (3) Four (4) members, who may not be legislators, appointed as



1 follows:

2 (A) One (1) member appointed by the president pro tempore
3 of the senate.

4 (B) One (1) member appointed by the minority leader of the
5 senate.

6 (C) One (1) member appointed by the speaker of the house of
7 representatives.

8 (D) One (1) member appointed by the minority leader of the
9 house of representatives.

10 A member appointed under this subsection may not be removed by the
11 member's appointing authority without cause before the end of the full
12 four (4) year term.

13 (c) The governor shall appoint the chairperson of the charter board.

14 (d) A majority of the members appointed to the charter board
15 constitutes a quorum. The affirmative votes of a majority of the
16 members present are required for the charter board to take action.

17 (e) Each member of the charter board who is not a state employee
18 is entitled to the minimum salary per diem provided by
19 IC 4-10-11-2.1(b). The member is also entitled to reimbursement for
20 traveling expenses as provided under IC 4-13-1-4 and other expenses
21 actually incurred in connection with the member's duties as provided
22 in the state policies and procedures established by the Indiana
23 department of administration and approved by the budget agency.

24 (f) Members appointed to the charter board must collectively
25 possess strong experience and expertise in:

26 (1) public and nonprofit governance;

27 (2) management;

28 (3) finance;

29 (4) public school leadership;

30 (5) higher education;

31 (6) school assessments, curriculum, and instruction; and

32 (7) public education law.

33 SECTION 3. IC 20-24-2.1-2, AS AMENDED BY P.L.139-2022,
34 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2026]: Sec. 2. The charter board shall establish a process to:

36 (1) review a proposal to establish a charter school under
37 IC 20-24-3-4; **and**

38 (2) make a decision on the proposal as required under
39 IC 20-24-3-9.

40 ~~(3) monitor charter schools authorized by the charter board; and~~

41 ~~(4) make decisions on the renewal, nonrenewal, and revocation of~~
42 ~~charters granted by the charter board.~~



1 SECTION 4. IC 20-24-2.2-1.2, AS AMENDED BY THE
 2 TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL
 3 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2026]: Sec. 1.2. (a) This section applies to an authorizer
 5 described in IC 20-24-1-2.5(1) **and** IC 20-24-1-2.5(2) **and**
 6 ~~IC 20-24-1-2.5(5)~~ if the authorizer has not previously issued a charter
 7 for any charter school prior to July 1, 2015.

8 (b) A governing body of a school corporation may register with the
 9 state board for charter authority within the attendance area of the
 10 school corporation. The state board shall post on the state board's
 11 ~~Internet web site~~ **website** an application received from an authorizer to
 12 register with the state board under this section within ten (10) days
 13 after receipt of the application. The state board may not charge an
 14 authorizer a fee to register with the state board under this section.

15 ~~(c) A governing board of a nonprofit college or university described~~
 16 ~~in IC 20-24-1-2.5(5) may apply to the state board for statewide,~~
 17 ~~regional, or local chartering authority.~~

18 ~~(d)~~ (c) The state board shall publicize to all governing bodies the
 19 opportunity to register with the state board for chartering authority
 20 within their school corporation. Not later than May 1 of each year, the
 21 state board shall provide information about the opportunity, including
 22 a registration deadline, to all governing bodies. To register as an
 23 authorizer, each interested governing body must submit the following
 24 information in a format prescribed by the state board:

- 25 (1) A written notification of intent to serve as a charter authorizer
 26 in accordance with this article.
- 27 (2) An explanation of the governing body's strategic vision for
 28 chartering.
- 29 (3) An explanation of the governing body's budget and personnel
 30 capacity and commitment to execute the duties of quality charter
 31 authorizing in accordance with this article.
- 32 (4) An explanation of how the governing body will solicit charter
 33 school applicants in accordance with IC 20-24-3.
- 34 (5) A description or outline of the performance framework the
 35 governing body will use to guide the establishment of a charter
 36 contract and for the oversight and evaluation of charter schools,
 37 consistent with this article.
- 38 (6) A draft of the governing body's renewal, revocation, and
 39 nonrenewal processes, consistent with this article.
- 40 (7) A statement of assurance that the governing body commits to
 41 serving as a charter authorizer in fulfillment of the expectations,
 42 spirit, and intent of this article, and that the governing body will



fully adopt standards of quality charter school authorizing in accordance with section 1.5 of this chapter.

(e) (d) Within sixty (60) days of receipt of the information described in subsection (d), (c), the state board shall register the governing body as a charter authorizer within the attendance area of the school corporation and shall provide the governing body a letter confirming the governing body's registration as a charter authorizer. A governing body may not engage in any charter authorizing functions without a current registration as a charter authorizer with the state board.

(f) The state board shall establish an annual application and approval process, including cycles and deadlines during the state fiscal year, for registering an entity described in IC 20-24-1-2.5(5) for authorizer authority. Not later than May 1 of each year, the state board shall make available information and guidelines for an applicant described in IC 20-24-1-2.5(5) concerning the opportunity to apply for chartering authority under this article. The application process must require each applicant to submit an application that clearly explains or presents the following elements:

(1) A written notification of intent to serve as a charter authorizer in accordance with this article.

(2) The applicant's strategic vision for chartering.

(3) A plan to support the applicant's strategic vision described in subdivision (2), including an explanation and evidence of the applicant's budget and personnel capacity and commitment to execute the duties of quality charter authorizing in accordance with this article.

(4) A draft or preliminary outline of the request for proposals that the applicant would, if approved by the state board under this section, issue to solicit charter school applicants under IC 20-24-3.

(5) A draft of the performance framework that the applicant would, if approved by the state board under this section, use to guide the establishment of a charter contract and for ongoing oversight and evaluation of charter schools consistent with this article.

(6) A draft of the applicant's renewal, revocation, and nonrenewal processes.

(7) A statement of assurance that the applicant commits to serving as a charter authorizer in fulfillment of the expectations, spirit, and intent of this article, and that the applicant will fully adopt standards of quality charter school authorizing in accordance with section 1.5 of this chapter.



(g) Not later than July 1 of each year, the state board shall grant or deny chartering authority to an applicant under subsection (f). The state board shall make its decision on the merits of each applicant's proposal and plans submitted under subsection (f).

(h) Within thirty (30) days of the state board's decision under subsection (g), the state board shall execute a renewable authorizing contract with an applicant that the state board has approved for chartering authority. The initial term of each authorizing contract is six (6) years. The authorizing contract must specify each approved applicant's agreement to serve as a charter authorizer in accordance with this article and shall specify additional performance terms based on the applicant's proposal and plan for chartering. An approved applicant may not commence charter authorizing without an authorizing contract in effect.

(i) (e) The state board shall maintain on the state board's Internet web site website the names of each authorizer approved by the state board under this section.

(f) After June 30, 2026, the charter board, a state educational institution, and the governing board of a nonprofit college or university that provides a four (4) year educational program for which it awards a baccalaureate or more advanced degree may not:

- (1) issue a new charter; or
- (2) renew an existing charter upon the charter's expiration under IC 20-24-4-1.

SECTION 5. IC 20-24-3-1, AS AMENDED BY P.L.280-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) An authorizer may grant a charter to an organizer to operate a charter school under this article.

(b) After June 30, 2026, an authorizer may not grant a charter to an organizer to establish and operate a charter school located in Indiana. This subsection expires July 1, 2031.

SECTION 6. IC 20-24-3-4, AS AMENDED BY P.L.214-2025, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) An organizer may submit to the authorizer a proposal to establish a charter school.

(b) A proposal must contain at least the following information:

- (1) Identification of the organizer.
- (2) A description of the organizer's organizational structure and governance plan.
- (3) The following information for the proposed charter school:
 - (A) Name.



- 1 (B) Purposes.
- 2 (C) Governance structure.
- 3 (D) Management structure.
- 4 (E) Educational mission goals.
- 5 (F) Curriculum and instructional methods.
- 6 (G) Methods of pupil assessment.
- 7 (H) Admission policy and criteria, subject to IC 20-24-5.
- 8 (I) School calendar.
- 9 (J) Age or grade range of students to be enrolled.
- 10 (K) A description of staff responsibilities.
- 11 (L) A description of the physical plant.
- 12 (M) Budget and financial plans.
- 13 (N) Personnel plan, including methods for selection, retention,
- 14 and compensation of employees.
- 15 (O) Transportation plan, **subject to section 20 of this chapter.**
- 16 (P) Discipline program, subject to IC 20-24-5.5.
- 17 (Q) Plan for compliance with any applicable desegregation
- 18 order.
- 19 (R) The date when the charter school is expected to:
- 20 (i) begin school operations; and
- 21 (ii) have students attending the charter school.
- 22 (S) The arrangement for providing teachers and other staff
- 23 with health insurance, retirement benefits, liability insurance,
- 24 and other benefits.
- 25 (T) Any other applications submitted to an authorizer in the
- 26 previous five (5) years.
- 27 (4) The manner in which the authorizer must conduct an annual
- 28 audit of the program operations of the charter school.
- 29 (c) In the case of a charter school proposal from an applicant that
- 30 currently operates one (1) or more charter schools in any state or
- 31 nation, the request for proposals shall additionally require the applicant
- 32 to provide evidence of past performance and current capacity for
- 33 growth.
- 34 (d) If the proposal described in subsection (a) concerns an existing
- 35 charter school overseen by a different authorizer than the authorizer to
- 36 which the organizer is submitting the proposal, the authorizer receiving
- 37 the proposal shall consult with the current authorizer before granting
- 38 approval of the proposal.
- 39 (e) This section does not waive, limit, or modify the provisions of:
- 40 (1) IC 20-29 in a charter school where the teachers have chosen
- 41 to organize under IC 20-29; or
- 42 (2) an existing collective bargaining agreement for noncertificated



employees (as defined in IC 20-29-2-11).

SECTION 7. IC 20-24-3-14, AS AMENDED BY P.L.250-2017, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 14. (a) This section applies to state educational institutions ~~described in IC 20-24-1-2.5(2)~~ **that:**

- (1) provide a four (4) year educational program for which they award a baccalaureate or more advanced degree; and**
- (2) have authorized one (1) or more charters before July 1, 2026.**

(b) Except as provided in subsection (c), the ultimate responsibility for choosing to authorize a charter school and responsibilities for maintaining authorization rest with the university's board of trustees.

(c) The university's board of trustees shall assign authorization authority and authorization responsibilities to another entity that functions under the direction of the university's board. A decision made under this subsection shall be communicated in writing to the department.

(d) An entity created under subsection (c) is subject to IC 5-14-1.5 and IC 5-14-3.

(e) Before a university may authorize a charter school, the university must conduct a public meeting with public notice in the school corporation where the charter school will be located. If the location of the proposed charter school has not been identified, the public hearing must be held within the county where the proposed charter school would be located.

(f) This section expires June 30, 2041.

SECTION 8. IC 20-24-3-14.1, AS ADDED BY P.L.127-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 14.1. (a) This section applies to nonprofit colleges and universities ~~described in IC 20-24-1-2.5(5)~~ **that:**

- (1) provide a four (4) year educational program for which they award a baccalaureate or more advanced degree; and**
- (2) have authorized one (1) or more charters before July 1, 2026.**

(b) Except as provided in subsection (c), the ultimate responsibility for choosing to authorize and for maintaining authorization rests with the nonprofit college's or university's board of trustees.

(c) Beginning January 1, 2017, the nonprofit college's or university's board of trustees shall assign authorization authority and authorization responsibilities to a separate legal entity that functions under the direction of the nonprofit college's or university's board. A decision made under this subsection shall be communicated in writing to the



department and the state board.

(d) An entity created under subsection (c) is subject to the requirements of IC 5-14-1.5 and IC 5-14-3. Creation of an entity under subsection (c) by a nonprofit college or university described in IC 20-24-1-2.5(5) does not subject the nonprofit college or university itself to the requirements of IC 5-14-1.5 and IC 5-14-3 unless otherwise required by law.

(e) Before an entity created under subsection (c) may authorize a charter school, the entity must conduct a public meeting with public notice in the school corporation where the charter school will be located. If the location of the proposed charter school has not been identified, the public hearing must be held within the county where the proposed charter school would be located.

(f) This section expires June 30, 2041.

SECTION 9. IC 20-24-3-19, AS ADDED BY P.L.68-2025, SECTION 201, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 19. (a) This section applies to a charter school that receives property tax revenue under any statute referred to in ~~IC 20-24-7-6.1~~ or IC 20-24-7-6.2.

(b) As used in this section, "executive" has the meaning set forth in IC 36-1-2-5.

(c) The county executive of the county in which the charter school organizer is incorporated shall appoint one (1) individual to serve as a member of the charter school board.

(d) In the case of a charter school organizer that operates more than one (1) charter school located in more than one (1) county, the county executive of the county in which the charter school is incorporated shall appoint the member under this section.

(e) The following may not be appointed to a governing board under this section:

(1) An individual currently serving on the governing body of a school corporation.

(2) An individual currently employed by a school corporation.

(f) A county executive may designate an individual who already serves on the governing board of the charter school as the county executive's appointee under subsection (c).

(g) This section expires December 31, 2036.

SECTION 10. IC 20-24-3-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 20. (a) This section does not apply to:**

(1) a virtual charter school; or



1 (2) an adult high school.

2 (b) As used in this section, "charter school district" refers to the
3 school district within which the charter school building is located.

4 (c) Each charter school established or renewed after June 30,
5 2026, must provide transportation services to all students who
6 reside within the charter school's district in accordance with
7 IC 20-27, if the charter school receives property taxes under
8 IC 20-24-7-6.1 or IC 20-24-7-6.2.

9 SECTION 11. IC 20-24-4-1, AS AMENDED BY P.L.214-2025,
10 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2026]: Sec. 1. A charter must meet the following
12 requirements:

13 (1) Be a written instrument.

14 (2) Be executed by an authorizer and an organizer.

15 (3) Confer certain rights, franchises, privileges, and obligations
16 on a charter school.

17 (4) Confirm the status of a charter school as a public school.

18 (5) Subject to subdivision (6)(E), be granted for:

19 (A) **prior to July 1, 2026**, not more than fifteen (15) years;

20 ~~and~~

21 **(B) after June 30, 2026, not more than five (5) years; and**

22 ~~(B) (C)~~ (C) a fixed number of years agreed to by the authorizer
23 and the organizer.

24 (6) Provide for the following:

25 (A) A review by the authorizer of the charter school's
26 performance, including the progress of the charter school in
27 achieving the academic goals set forth in the charter, at least
28 one (1) time in each five (5) year period while the charter is in
29 effect.

30 (B) Renewal, if the authorizer and the organizer agree to renew
31 the charter.

32 (C) The renewal application must include guidance from the
33 authorizer, and the guidance must include the performance
34 criteria that will guide the authorizer's renewal decisions.

35 (D) The renewal application process must, at a minimum,
36 provide an opportunity for the charter school to:

37 (i) present additional evidence, beyond the data contained in
38 the performance report, supporting its case for charter
39 renewal;

40 (ii) describe improvements undertaken or planned for the
41 charter school; and

42 (iii) detail the charter school's plans for the next charter



- 1 term.
- 2 (E) Not later than the end of the calendar year in which the
- 3 charter school seeks renewal of a charter, the governing board
- 4 of a charter school seeking renewal shall submit a renewal
- 5 application to the charter authorizer under the renewal
- 6 application guidance issued by the authorizer. The authorizer
- 7 shall make a final ruling on the renewal application not later
- 8 than April 1 after the filing of the renewal application.
- 9 (7) Specify the grounds for the authorizer to:
- 10 (A) revoke the charter before the end of the term for which the
- 11 charter is granted; or
- 12 (B) not renew a charter.
- 13 (8) Set forth the methods by which the charter school will be held
- 14 accountable for achieving the educational mission and goals of
- 15 the charter school, including the following:
- 16 (A) Evidence of improvement in:
- 17 (i) assessment measures, including the statewide assessment
- 18 program measures;
- 19 (ii) attendance rates;
- 20 (iii) graduation rates (if appropriate);
- 21 (iv) increased numbers of Indiana diplomas with a Core 40
- 22 designation or increased numbers of Indiana diploma
- 23 designations established under IC 20-19-2-21 and other
- 24 college and career ready indicators including advanced
- 25 placement participation and passage, dual credit
- 26 participation and passage, and International Baccalaureate
- 27 participation and passage (if appropriate);
- 28 (v) increased numbers of Indiana diplomas with Core 40
- 29 with academic honors and technical honors designations (if
- 30 appropriate);
- 31 (vi) student academic growth;
- 32 (vii) financial performance and stability; and
- 33 (viii) governing board performance and stewardship,
- 34 including compliance with applicable laws, rules and
- 35 regulations, and charter terms.
- 36 (B) Evidence of progress toward reaching the educational
- 37 goals set by the organizer.
- 38 (9) Describe the method to be used to monitor the charter
- 39 school's:
- 40 (A) compliance with applicable law; and
- 41 (B) performance in meeting targeted educational performance.
- 42 (10) Specify that the authorizer and the organizer may amend the



1 charter during the term of the charter by mutual consent and
2 describe the process for amending the charter.

3 (11) Describe specific operating requirements, including all the
4 matters set forth in the application for the charter.

5 (12) Specify a date when the charter school will:

6 (A) begin school operations; and

7 (B) have students attending the charter school.

8 (13) Specify that records of a charter school relating to the
9 school's operation and charter are subject to inspection and
10 copying to the same extent that records of a public school are
11 subject to inspection and copying under IC 5-14-3.

12 (14) Specify that records provided by the charter school to the
13 department or authorizer that relate to compliance by the
14 organizer with the terms of the charter or applicable state or
15 federal laws are subject to inspection and copying in accordance
16 with IC 5-14-3.

17 (15) Specify that the charter school is subject to the requirements
18 of IC 5-14-1.5.

19 (16) In the case of a charter school that is subject to
20 IC 20-24-3-19, the charter must confirm that at least one (1)
21 member of the governing board of the charter school will be
22 appointed in accordance with IC 20-24-3-19.

23 **(17) Specify that the charter must require that at least:**

24 **(A) one (1) member of the governing board of the charter**
25 **school is a parent of a child enrolled in the charter school;**
26 **and**

27 **(B) one (1) member of the governing board of the charter**
28 **school is:**

29 **(i) a resident of the school district within which the**
30 **charter school is physically located; and**

31 **(ii) not a parent of a student enrolled at the charter**
32 **school.**

33 **This subsection expires December 31, 2036.**

34 SECTION 12. IC 20-24-6-11 IS ADDED TO THE INDIANA
35 CODE AS A NEW SECTION TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2026]: **Sec. 11. (a) Each charter school shall**
37 **adopt a plan for annual performance evaluations for each**
38 **certificated employee (as defined in IC 20-28-11.5-0.5). A charter**
39 **school shall implement the plan beginning with the 2026-2027**
40 **school year.**

41 **(b) The plan adopted under this section must include the**
42 **components listed in IC 20-28-11.5-4(c).**



1 SECTION 13. IC 20-24-7-4, AS AMENDED BY P.L.221-2015,
 2 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2026]: Sec. 4. (a) Services that a school corporation provides
 4 to a charter school, including transportation, may be provided at not
 5 more than one hundred three percent (103%) of the actual cost of the
 6 services.

7 (b) This subsection applies to an authorizer that is a state
 8 educational institution described in ~~IC 20-24-1-2.5(2)~~.
 9 **IC 20-24-3-14(a)**. Except as provided in subsection (f), in a state fiscal
 10 year, a state educational institution may receive from the organizer of
 11 a charter school authorized by the state educational institution an
 12 administrative fee equal to not more than three percent (3%) of the total
 13 amount the organizer receives during the state fiscal year from basic
 14 tuition support (as defined in IC 20-43-1-8).

15 (c) This subsection applies to the executive of a consolidated city
 16 that authorizes a charter school. Except as provided in subsection (f),
 17 in a state fiscal year, the executive may collect from the organizer of a
 18 charter school authorized by the executive an administrative fee equal
 19 to not more than three percent (3%) of the total amount the organizer
 20 receives during the state fiscal year for basic tuition support.

21 (d) This subsection applies to an authorizer that is a nonprofit
 22 college or university that is approved by the state board of education
 23 **before July 1, 2026**. Except as provided in IC 20-24-2.2-1.5 and
 24 subsection (f), in a state fiscal year, a private college or university may
 25 collect from the organizer of a charter school authorized by the private
 26 college or university an administrative fee equal to not more than three
 27 percent (3%) of the total amount the organizer receives during the state
 28 fiscal year for basic tuition support.

29 (e) This subsection applies to the charter board. Except as provided
 30 in subsection (f), in a state fiscal year, the charter school board may
 31 collect from the organizer of a charter school authorized by the charter
 32 board an administrative fee equal to not more than three percent (3%)
 33 of the total amount the organizer receives during the state fiscal year
 34 for basic tuition support.

35 (f) This subsection applies to an adult high school. An authorizer
 36 described in subsections (b) through (e) may collect an administrative
 37 fee equal to not more than three percent (3%) of the total state
 38 appropriation to the adult high school for a state fiscal year under
 39 section 13.5 of this chapter.

40 (g) An authorizer's administrative fee may not include any costs
 41 incurred in delivering services that a charter school may purchase at its
 42 discretion from the authorizer. The authorizer shall use its funding



provided under this section exclusively for the purpose of fulfilling authorizing obligations.

(h) Except for oversight services, a charter school may not be required to purchase services from its authorizer as a condition of charter approval or of executing a charter contract, nor may any such condition be implied.

(i) A charter school may choose to purchase services from its authorizer. In that event, the charter school and authorizer shall execute an annual service contract, separate from the charter contract, stating the parties' mutual agreement concerning the services to be provided by the authorizer and any service fees to be charged to the charter school. An authorizer may not charge more than market rates for services provided to a charter school.

(j) Not later than ninety (90) days after the end of each fiscal year, each authorizer shall provide to each charter school it authorizes an itemized accounting of the actual costs of services purchased by the charter school from the authorizer. Any difference between the amount initially charged to the charter school and the actual cost shall be reconciled and paid to the owed party. If either party disputes the itemized accounting, any charges included in the accounting, or charges to either party, either party may request a review by the department. The requesting party shall pay the costs of the review.

SECTION 14. IC 20-24-7-6, AS AMENDED BY P.L.230-2025, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. **(a)** With the approval of a majority of the members of the governing body, a school corporation may distribute a proportionate share of the school corporation's operations fund to a charter school.

(b) A charter school may elect to distribute a proportionate share of the charter school's operations fund to the school corporation in whose district the charter school is located.

(c) A governing body may distribute money that is received as part of a tax levy collected under IC 20-46-1 from the school corporation's education fund to a charter school, excluding a virtual charter school and adult high school, in the manner provided by IC 20-46-1-8(d).

(d) A governing body may distribute money from the school safety referendum tax levy fund to a charter school, excluding a virtual charter school and adult high school, in the manner prescribed by IC 20-46-9-6(d).

SECTION 15. IC 20-24-7-6.1 IS REPEALED [EFFECTIVE JULY 1, 2026]. ~~Sec. 6.1: (a) This section applies to revenue collected:~~



(1) after June 30, 2024, and before January 1, 2028, from a tax levy imposed under IC 20-46-8 by the governing body of a school corporation described in IC 20-46-8-11.2(a); and

(2) after December 31, 2027, in the case of a tax levy imposed under IC 20-46-8 by the governing body of a school corporation.

(b) In calendar year 2025, 2026, and 2027, the county auditor shall distribute money that is received as part of a tax levy collected under IC 20-46-8 to an eligible charter school, excluding a virtual charter school and adult high school, for deposit in the charter school's operations fund created under IC 20-40-18-1. The distributions shall be made at the same time that tax levy revenue is required to be distributed to school corporations.

(c) Beginning in calendar year 2028, and each year thereafter, the county auditor shall distribute money that is received as part of a tax levy collected under IC 20-46-8 to an eligible charter school, excluding a virtual charter school and adult high school, in the manner prescribed by IC 20-46-8-12 for deposit in the charter school's operations fund created under IC 20-40-18-1. The distributions shall be made at the same time that tax levy revenue is required to be distributed to school corporations.

SECTION 16. IC 20-24-7-6.2, AS AMENDED BY P.L.68-2025, SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.2. (a) This section applies to a levy

(1) resulting from a resolution to place a referendum on the ballot adopted by the governing body under IC 20-46-1-8, IC 20-46-1-8.5, IC 20-46-9-6, or IC 20-46-9-7 after May 10, 2023, and before July 1, 2026, for counties described in IC 20-46-1-21(a) and IC 20-46-9-22(a). or

(2) if the:

(A) governing body of the school corporation approves the referendum levy in a resolution adopted under IC 20-46-1-8 or IC 20-46-1-8.5; and

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

(b) The county auditor in the county in which the applicable school corporation is located shall distribute money that is received as part of a tax levy collected under IC 20-46-1 to an applicable charter school, excluding a virtual charter school or adult high school, in the manner provided by IC 20-46-1-21.

(c) The county auditor in the county in which the applicable school



corporation is located shall distribute money that is received as part of a tax levy collected under IC 20-46-9 to an applicable charter school, excluding a virtual charter school or adult high school, in the manner prescribed by IC 20-46-9-22.

(d) A charter school that may receive money from a school corporation's tax levy collected under IC 20-46-1 or a school safety referendum tax levy under IC 20-46-9 is prohibited from promoting a referendum in the same manner as a school corporation is prohibited from promoting a position on a referendum under IC 20-46-1-20.

(e) If a charter school receives a distribution from a school corporation from the school corporation's tax levy collected under IC 20-46-1 or a school safety referendum tax levy under IC 20-46-9, the charter school must post the following on the charter school's website:

(1) The specific purposes for which the revenue received from the tax levy will be used.

(2) An estimate of the annual dollar amounts that will be expended for each purpose described in subdivision (1).

(f) This section expires December 31, 2036.

SECTION 17. IC 20-24-7-13, AS AMENDED BY P.L.214-2025, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 13. (a) A virtual charter school may only apply for authorization with any statewide authorizer in accordance with the authorizer's guidelines. A virtual charter school may renew a charter only with a statewide authorizer. An authorizer described in ~~IC 20-24-1-2.5(1) and IC 20-24-1-2.5(3)~~ **IC 20-24-1-2.5(2)** is not considered a statewide authorizer.

(b) For each state fiscal year, a virtual charter school is entitled to receive funding in a month from the state in an amount equal to:

(1) the quotient of:

(A) the school's basic tuition support determined under IC 20-43-6-3; divided by

(B) twelve (12); plus

(2) the total of any:

(A) special education grants under IC 20-43-7;

(B) career and technical education grants under IC 20-43-8;

(C) non-English speaking program grants under IC 20-43-10-4; and

(D) academic performance grants under IC 20-43-10.5;

to which the virtual charter school is entitled for the month.

For each state fiscal year, a virtual charter school's special education grants under IC 20-43-7 shall be calculated in the same manner as



special education grants are calculated for other school corporations.

(c) The state board shall adopt rules under IC 4-22-2 to govern the operation of virtual charter schools.

(d) Each authorizer of a virtual charter school shall establish requirements or guidelines for virtual charter schools authorized by the authorizer that include the following:

(1) Minimum requirements for the mandatory annual onboarding process and orientation required under IC 20-24-5-4.5, which shall include a requirement that a virtual charter school must provide to a parent of a student:

(A) the student engagement and attendance requirements or policies of the virtual charter school; and

(B) notice that a person who knowingly or intentionally deprives a dependent of education commits a violation under IC 35-46-1-4.

(2) Requirements relating to tracking and monitoring student participation and attendance.

(3) Ongoing student engagement and counseling policy requirements.

(4) Employee policy requirements, including professional development requirements.

(e) The department, with the approval of the state board, shall before December 1 of each year submit an annual report to the budget committee concerning the program under this section.

(f) Each school year, at least sixty percent (60%) of the students who are enrolled in virtual charter schools under this section for the first time must have been included in the state's fall count of ADM conducted in the previous school year.

(g) Each virtual charter school shall report annually to the department concerning the following, on a schedule determined by the department:

(1) Classroom size.

(2) The ratio of teachers per classroom.

(3) The number of student-teacher meetings conducted in person or by video conference.

(4) Any other information determined by the department.

The department shall provide this information annually to the state board and the legislative council in an electronic format under IC 5-14-6.

(h) A virtual charter school shall adopt a student engagement policy. A student who regularly fails to participate in courses may be withdrawn from enrollment under policies adopted by the virtual



1 charter school. The policies adopted by the virtual charter school must
2 ensure that:

3 (1) adequate notice of the withdrawal is provided to the parent
4 and the student; and

5 (2) an opportunity is provided, before the withdrawal of the
6 student by the virtual charter school, for the student or the parent
7 to demonstrate that failure to participate in the course is due to an
8 event that would be considered an excused absence under
9 IC 20-33-2.

10 (i) A student who is withdrawn from enrollment for failure to
11 participate in courses pursuant to the school's student engagement
12 policy may not reenroll in that same virtual charter school for the
13 school year in which the student is withdrawn.

14 (j) An authorizer shall review and monitor whether a virtual charter
15 school that is authorized by the authorizer complies with the
16 requirements described in subsections (h) and (i).

17 SECTION 18. IC 20-24-7-17, AS ADDED BY P.L.68-2025,
18 SECTION 206, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2026]: Sec. 17. (a) This section is in addition
20 to any other requirement imposed on a charter school with respect to
21 the closure of a charter school, including the payment of any
22 outstanding debts.

23 (b) At the time of the closure of a charter school, the charter school
24 shall return any money remaining unexpended from any distribution of
25 property tax revenue received from a levy referred to in sections 6.1
26 **(before its repeal)** and 6.2 of this chapter to the school corporation that
27 made the distribution. A charter school that closes is not entitled to any
28 future distributions of property tax revenue from a levy referred to in
29 sections 6.1 **(before its repeal)** and 6.2 of this chapter. **This**
30 **subsection expires December 31, 2036.**

31 (c) If a charter school has outstanding debt at the time of the closure,
32 the charter school must satisfy the outstanding debt in accordance with
33 the following:

34 (1) If the charter school owns the building but did not purchase
35 the building under IC 20-26-7.1, the charter school must first sell
36 the building and apply the proceeds received from the sale to pay
37 off the outstanding debt.

38 (2) If subdivision (1) does not apply, the charter school must
39 satisfy the debt by means of any other revenue source legally
40 available to the charter school.

41 (d) A charter school that closes must notify the county auditor of the
42 county in which the charter school is located of the closure and provide



the county auditor with a copy of the:

- (1) charter school authorizer's decision;
 - (2) charter school's governing body's vote determining; or
 - (3) minutes of the meeting at which the charter school's governing body made the decision;
- to close the charter school.

SECTION 19. IC 20-24-8-5, AS AMENDED BY P.L.214-2025, SECTION 62, AND AS AMENDED BY P.L.230-2025, SECTION 132, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:
Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:

- (1) IC 5-11-1-9 (required audits by the state board of accounts).
- (2) *IC 5-14-3.7 (access to financial data for local schools).*
- ~~(2)~~ (3) IC 20-39-1-1 (unified accounting system).
- ~~(3)~~ (4) IC 20-35 (special education).
- ~~(4)~~ (5) IC 20-26-5-10 (criminal history).
- ~~(5)~~ (6) IC 20-26-5-6 (subject to laws requiring regulation by state agencies).
- ~~(6)~~ (7) IC 20-28-10-12 (nondiscrimination for teacher marital status).
- ~~(7)~~ (8) IC 20-28-10-14 (teacher freedom of association).
- ~~(8)~~ (9) IC 20-28-10-17 (school counselor immunity).
- ~~(9)~~ (10) For conversion charter schools only if the conversion charter school elects to collectively bargain under IC 20-24-6-3(b), IC 20-28-6, IC 20-28-7.5, IC 20-28-8, IC 20-28-9, and IC 20-28-10.
- ~~(10)~~ (11) IC 20-33-2 (compulsory school attendance).
- ~~(11)~~ ~~(12)~~ ~~IC 20-33-8-19, IC 20-33-8-21, and IC 20-33-8-22 (student due process and judicial review).~~
- ~~(12)~~ ~~(13)~~ ~~IC 20-33-8-16 (firearms and deadly weapons).~~
- ~~(13)~~ ~~(14)~~ (12) IC 20-34-3 (health and safety measures).
- ~~(14)~~ ~~(15)~~ (13) IC 20-33-9 (reporting of student violations of law).
- ~~(15)~~ ~~(16)~~ (14) IC 20-30-3-2 and IC 20-30-3-4 (patriotic commemorative observances).
- ~~(16)~~ ~~(17)~~ (15) IC 20-31-3, IC 20-32-4, ~~IC 20-32-5 (for a school year ending before July 1, 2018), IC 20-32-5.1, (for a school year beginning after June 30, 2018), IC 20-32-8, and IC 20-32-8.5, as provided in IC 20-32-8.5-2 (academic standards, accreditation, assessment, and remediation): and assessment).~~
- ~~(17)~~ ~~(18)~~ (16) IC 20-33-7 (parental access to education records).



~~(18) (19)~~ (17) IC 20-31 (accountability for school performance and improvement).

~~(19) (20)~~ (18) IC 20-30-5-19 (personal financial responsibility instruction).

~~(20) (21)~~ (19) IC 20-26-5-37.3, before its expiration (career and technical education reporting).

~~(21) (22)~~ (20) IC 20-35.5 (dyslexia screening and intervention).

~~(22) IC 22-2-18, before its expiration on June 30, 2021 (limitations on employment of minors).~~

~~(23)~~ (21) IC 20-26-12-1 (curricular material purchase and provision; public school students).

~~(24)~~ (22) IC 20-26-12-2 (curricular material purchase and rental).

(23) IC 20-26-5-34.4 (child suicide awareness and prevention).

(24) IC 20-30 (curriculum).

(25) IC 20-33-8 (student discipline).

(26) IC 20-33-9-10.5 (criminal organization activity).

(27) IC 20-34-6 (student safety reporting).

(28) IC 20-40, as applicable (government funds and accounts).

SECTION 20. IC 20-24-9-8, AS ADDED BY P.L.216-2021, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) This section does not apply to the following:

(1) To an organizer that operates two (2) or more charter schools unless all charter schools operated by the organizer are located within the same county.

(2) To the organizer of a virtual charter school.

(3) To an innovation network school under IC 20-25.7.

(b) This section does not apply to a public meeting in which the governing board participates in the public meeting by means of electronic communication.

(c) Beginning July 1, 2021, **2026**, the organizer of one (1) or more charter schools that are located within the same county must:

(1) hold at least fifty percent (50%) of the public meetings of the governing board of the charter schools within the county in which the charter schools are located; and

(2) hold the public meetings of the governing board at which the annual budgets of the charter schools are adopted within the county in which the charter schools are located.

SECTION 21. IC 20-24-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Chapter 15. Charter School Funding

Sec. 1. The definitions in IC 20-24-1 apply to this chapter.



1 **Sec. 2. This chapter applies to any charter school that enrolled**
 2 **less than one hundred (100) students on the charter school's most**
 3 **recent spring ADM count date under IC 20-43-4-3.**

4 **Sec. 3. (a) Notwithstanding any other law, a charter school**
 5 **described in section 2 of this chapter is ineligible to receive:**

6 **(1) any state funding; or**

7 **(2) local property tax funding described in IC 20-46-1,**
 8 **IC 20-46-8, or IC 20-46-9;**

9 **following the charter school's most recent spring ADM count date**
 10 **in which the charter school enrolls less than one hundred (100)**
 11 **students.**

12 **(b) The charter school shall provide notice of the most recent**
 13 **spring ADM count date in which the charter school enrolls less**
 14 **than one hundred (100) students and the charter school's**
 15 **ineligibility for state funding to the organizer, the state board, and**
 16 **the department of education not later than thirty (30) days after**
 17 **the spring ADM count date.**

18 **Sec. 4. (a) A student enrolled in a charter school described in**
 19 **section 2 of this chapter may elect to transfer to the public school**
 20 **corporation within whose school district the charter school is**
 21 **located.**

22 **(b) Notwithstanding any other law, a public school corporation**
 23 **must accept a transfer request described in subsection (a).**

24 **Sec. 5. This chapter shall be liberally construed to effect the**
 25 **purposes of this chapter.**

26 **SECTION 22. IC 20-25.7-5-3, AS AMENDED BY P.L.68-2025,**
 27 **SECTION 207, IS AMENDED TO READ AS FOLLOWS**
 28 **[EFFECTIVE JULY 1, 2026]: Sec. 3. (a) For as long as a charter**
 29 **school remains a participating innovation network charter school:**

30 **(1) the school corporation may provide transportation for students**
 31 **attending the participating innovation network charter school;**

32 **(2) the school corporation may maintain and repair the buildings**
 33 **and grounds used by the participating innovation network charter**
 34 **school consistent with the maintenance and repair to the school**
 35 **corporation's other buildings and grounds;**

36 **(3) the school corporation may enter into an agreement to transfer**
 37 **the ownership of a school corporation facility to the organizer;**
 38 **and**

39 **(4) the school corporation may not alter the use of the facility**
 40 **occupied by the participating innovation network charter school**
 41 **without written agreement from the organizer.**

42 **(b) If an organizer contracts with a school corporation for goods or**



1 services, the school corporation may not charge the organizer more for
 2 the goods or services than the school corporation pays for the goods or
 3 services. A school corporation may not require an organizer to contract
 4 for specific goods or services provided by the school corporation or any
 5 other entity.

6 (c) A school corporation and an organizer may negotiate to require
 7 specific services with regard to a participating innovation network
 8 charter school during the term of an agreement. However, an organizer
 9 must be able to select the service provider for the services.

10 (d) For as long as a charter school remains a participating
 11 innovation network charter school, the school corporation may
 12 distribute money levied as property taxes to the charter school. Property
 13 taxes distributed to a charter school must be used only for a purpose for
 14 which the property taxes could have been used by the school
 15 corporation. Property taxes distributed under this subsection may
 16 supplement services and property provided under subsection (a) or (b).
 17 The parties may jointly modify an agreement described in section 2 of
 18 this chapter to implement this subsection.

19 (e) An agreement concerning the transfer of ownership of a school
 20 corporation facility described in subsection (a) is not subject to
 21 IC 20-26-7.1.

22 ~~(f) Unless an agreement entered into before July 1, 2024, between~~
 23 ~~a board and an organizer provides otherwise, a school corporation may~~
 24 ~~not charge an organizer an amount for goods and services that is~~
 25 ~~greater than the amount of the operations fund property tax levy the~~
 26 ~~organizer receives under IC 20-46-8-11.2 or IC 20-46-8-12 for the~~
 27 ~~participating innovation network charter school.~~

28 SECTION 23. IC 20-26-5-34.4, AS ADDED BY P.L.254-2017,
 29 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2026]: Sec. 34.4. Each school corporation **and charter school**
 31 shall adopt a policy addressing measures intended to increase child
 32 suicide awareness and prevention. The policy must address the
 33 following:

- 34 (1) Counseling services for the child and the child's family related
 35 to suicide prevention.
- 36 (2) Availability of referral information for crisis intervention to
 37 children, parents, and school corporation **or charter school** staff.
- 38 (3) Increasing awareness of the relationship between suicide and
 39 drug and alcohol use.
- 40 (4) Training on warning signs and tendencies that may evidence
 41 that a child is considering suicide.
- 42 (5) Availability of information concerning suicide prevention



services in the community.

(6) Cooperation among the school corporation **or charter school** and suicide prevention services in the community.

(7) Development of a plan to assist survivors of attempted suicide and to assist children and school corporation **or charter school** staff in coping with an attempted suicide or death of a student or school employee.

(8) Development of any other program or activity that is appropriate.

SECTION 24. IC 20-26-7.1-1, AS AMENDED BY P.L.68-2025, SECTION 209, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) For purposes of this section, "charter school" does not include a virtual charter school or an adult high school.

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

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

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

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

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

The above subdivisions are intended to apply retroactively. No referendums or distributed revenue prior to May 10, 2023, are effective to provide exemption from this chapter. **This subdivision expires December 31, 2036.**

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

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

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



1 (ii) elects to participate in the referendum.
 2 The above subdivisions are intended to apply retroactively. No
 3 resolutions, referendums, or distributed revenue prior to May 10,
 4 2023, are effective to provide exemption from this chapter.

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

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

12 (D) The school corporation distributes the amounts described
 13 in clause (B) to each charter school described in clause (A).

14 (E) If the school corporation receives revenue from a school
 15 safety referendum tax levy under IC 20-46-9, the school
 16 corporation shares the revenue from the school safety
 17 referendum tax levy with each charter school that:

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

20 (ii) elects to participate in the referendum;
 21 in an amount equal to the amount determined applying the
 22 formula under IC 20-46-9-22(d).

23 **This subdivision expires December 31, 2036.**

24 **(4) A school corporation that receives property tax revenue**
 25 **under any statute referred to in IC 20-24-7-6.1 (before its**
 26 **repeal) or IC 20-24-7-6.2.**

27 (c) In order for any payment to a charter school to qualify as sharing
 28 of proceeds from a referendum for purposes of exemption from
 29 IC 20-26-7.1, the referendum must have been passed with prior notice
 30 to voters of all amounts of referendum proceeds to be paid to charter
 31 schools. Any claim of exemption based on payment of proceeds from
 32 a referendum passed without such notice is void. **This subdivision**
 33 **expires December 31, 2036.**

34 SECTION 25. IC 20-26-7.1-2.2, AS ADDED BY P.L.189-2023,
 35 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2026]: Sec. 2.2. As used in this chapter, "interested person"
 37 refers to the following:

38 (1) Each state educational institution.

39 (2) Each charter school in a county where a school corporation
 40 with a covered school building subject to closure is located.

41 (3) All charter school authorizers. ~~(excluding school corporation~~
 42 ~~authorizers as defined in IC 20-24-1-2.5(1)).~~



(4) Each trade or professional organization representing charter schools listed as an organization representing charter schools on the website of the department or otherwise known to a school corporation with a covered school building subject to closure.

(5) The Indiana charter school board.

(6) Each charter school that is not described in subdivision (2) that has provided a written notice of interest in a covered school building to the department.

SECTION 26. IC 20-27-1-1, AS ADDED BY P.L.1-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. Except as otherwise provided, this article applies to the following:

(1) School corporations.

(2) Nonpublic schools.

(3) Charter schools.

SECTION 27. IC 20-27-5-1, AS ADDED BY P.L.1-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. This chapter does not apply to a **charter school or a nonpublic school** or to a school bus driver contract executed for a **charter school or a nonpublic school**.

SECTION 28. IC 20-27-6-1, AS AMENDED BY P.L.140-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. This chapter does not apply to:

(1) a nonpublic school or to a nonpublic school bus driver contract executed for a nonpublic school; ~~or~~

(2) a charter school or to a charter school bus driver contract executed for a charter school; or

~~(2)~~ **(3)** an educational service center (as defined by IC 20-20-1-2) or a school bus driver contract executed for an educational service center.

SECTION 29. IC 20-27-7-1, AS ADDED BY P.L.1-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. The state police department shall annually inspect all special purpose buses and school buses, including those operated by a **charter school or a nonpublic school** to transport students. The inspection of a school bus must determine whether the school bus complies with the safety requirements prescribed for school bus construction and equipment in the rules of the committee.

SECTION 30. IC 20-27-8-9, AS ADDED BY P.L.1-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 9. A school bus driver, including a school bus driver who drives a bus for a **charter school or a nonpublic school**,



1 shall attend an annual safety meeting or workshop. A safety meeting or
2 workshop may not exceed two (2) days in any one (1) calendar year.

3 SECTION 31. IC 20-27-8-10, AS AMENDED BY P.L.43-2021,
4 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2026]: Sec. 10. (a) An individual who does not have at least
6 thirty (30) days experience in driving a school bus during the three (3)
7 year period immediately preceding the effective date of the individual's
8 assignment as a school bus driver for a public, **charter**, or nonpublic
9 school that is accredited by the state board within Indiana shall
10 satisfactorily complete a preservice school bus driver safety education
11 training course. The course may not exceed forty (40) hours.

12 (b) Course attendance must be completed:

13 (1) before the assignment of an individual required to take the
14 course as a school bus driver; or

15 (2) if immediate assignment is necessary, upon the completion of
16 the next scheduled course following the assignment.

17 (c) The secretary of education shall provide instructors, adequate
18 meeting facilities, registration forms, a uniform course of instruction,
19 and all other necessary materials for the preservice school bus driver
20 safety education meetings.

21 SECTION 32. IC 20-27-8-15, AS AMENDED BY P.L.127-2016,
22 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2026]: Sec. 15. (a) The driver of a school bus for a public,
24 **charter**, or nonpublic school that is accredited by the state board shall
25 have in the school bus driver's possession, while transporting
26 passengers, a certificate that states the school bus driver has:

27 (1) enrolled in or completed a course in school bus driver safety
28 education as required under sections 9 and 10 of this chapter; or

29 (2) operated a school bus at least thirty (30) days during the three

30 (3) year period preceding the effective date of the school bus
31 driver's employment.

32 (b) A certificate of enrollment in or completion of the course or
33 courses in school bus driver safety education shall be prescribed by the
34 committee and completed by the designated representative of the
35 committee.

36 (c) A driver of a school bus who fails to complete the school bus
37 driver safety education course or courses, as required, shall be reported
38 by the person who conducted the course to the committee and to the
39 school corporation where the school bus driver is employed or under
40 contract.

41 (d) A driver of a school bus who fails to complete the school bus
42 driver safety education course or courses, as required, may not drive a



1 school bus within Indiana while transporting a student.

2 (e) The department may at any time order the revocation of a
3 driver's certificate of completion of the school bus driver safety
4 education training due to:

5 (1) fraudulent completion of the annual safety meeting or
6 workshop required under section 9 of this chapter; or

7 (2) circumstances endangering the safe transportation of students,
8 including the following:

9 (A) Permanent revocation for a:

10 (i) conviction for a felony or for a Class A misdemeanor that
11 endangers the safety or safe transportation of a student; or

12 (ii) positive drug or alcohol test result that does not fall
13 under the return to duty policy of the employing school
14 corporation.

15 (B) A two (2) year revocation for a conviction for a Class B
16 misdemeanor that endangers the safety or safe transportation
17 of a student.

18 (C) A one (1) year revocation for a:

19 (i) conviction for a Class C misdemeanor; or

20 (ii) judgment for a Class A infraction;

21 that endangers the safety or safe transportation of a student.

22 (D) A six (6) month revocation for a judgment for a Class B or
23 Class C infraction that endangers the safety or safe
24 transportation of a student.

25 SECTION 33. IC 20-27-9-1, AS AMENDED BY P.L.99-2007,
26 SECTION 170, IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) This section does not apply
28 to the use of school buses owned and operated by:

29 (1) a nonpublic school; ~~or~~

30 **(2) a charter school; or**

31 ~~(2)~~ **(3)** a nonprofit agency with primary responsibility for the
32 habilitation or rehabilitation of individuals with a developmental
33 or physical disability.

34 (b) Except as provided under sections 2 through 15 of this chapter,
35 a person may not operate or permit the operation of a school bus on a
36 highway in Indiana for a private purpose or a purpose other than
37 transportation of eligible students to and from school.

38 SECTION 34. IC 20-27-9-5, AS AMENDED BY P.L.168-2022,
39 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2026]: Sec. 5. (a) A special purpose bus or an appropriate
41 vehicle may be used:

42 (1) by a school corporation to provide regular transportation of a



1 student between one (1) school and another school or between the
 2 student's residence and the school;

3 (2) to transport students and their supervisors, including coaches,
 4 managers, and sponsors to athletic or other extracurricular school
 5 activities and field trips;

6 (3) by a school corporation to provide transportation between an
 7 individual's residence and the school for an individual enrolled in
 8 a special program for the habilitation or rehabilitation of persons
 9 with a developmental or physical disability, and, if applicable, the
 10 individual's sibling;

11 (4) to transport homeless students under IC 20-27-12;

12 (5) by a school corporation to provide regular transportation of an
 13 individual described in section 4 or 7 of this chapter between the
 14 individual's residence and the school; and

15 (6) to transport students to career and technical education
 16 programs under IC 20-27-12.1.

17 (b) The mileage limitation of section 3 of this chapter does not apply
 18 to special purpose buses.

19 (c) The operator of a special purpose bus or appropriate vehicle
 20 must be at least twenty-one (21) years of age, be authorized by the
 21 school corporation, pass an expanded criminal history check and
 22 expanded child protection index check as provided under
 23 IC 20-26-5-10, and meet the following requirements:

24 (1) Except as provided in subdivision (2)(B) and in addition to the
 25 license required under this subdivision, if the special purpose bus
 26 has a capacity of less than sixteen (16) passengers, the operator
 27 must hold a valid:

28 (A) operator's;

29 (B) chauffeur's;

30 (C) public passenger chauffeur's; or

31 (D) commercial driver's;

32 license.

33 (2) If the special purpose bus:

34 (A) has a capacity of more than fifteen (15) passengers; or

35 (B) is used to provide transportation to an individual described
 36 in subsection (a)(3) or (a)(5);

37 the operator must meet the requirements for a school bus driver
 38 set out in IC 20-27-8.

39 (d) A special purpose bus is not required to be constructed,
 40 equipped, or painted as specified for school buses under this article or
 41 by the rules of the committee.

42 (e) An owner or operator of a special purpose bus, other than a



1 special purpose bus owned or operated by a school corporation, a
 2 **charter school**, or a nonpublic school, is subject to IC 8-2.1.

3 SECTION 35. IC 20-28-5-8, AS AMENDED BY P.L.186-2025,
 4 SECTION 117, IS AMENDED TO READ AS FOLLOWS
 5 [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) This section applies when a
 6 prosecuting attorney knows that a licensed employee of a public school,
 7 **a charter school**, or a nonpublic school has been convicted of an
 8 offense listed in subsection (c). The prosecuting attorney shall
 9 immediately give written notice of the conviction to the following:

10 (1) The secretary of education.

11 (2) Except as provided in subdivision (3), the:

12 (A) superintendent of the school corporation; ~~that employs the~~
 13 ~~licensed employee or the~~

14 (B) equivalent authority if a ~~nonpublic school employs the~~
 15 ~~licensed employee. of a charter school or nonpublic school;~~
 16 **that employs the licensed employee.**

17 (3) The presiding officer of the governing body of the school
 18 corporation that employs the licensed employee, if the convicted
 19 licensed employee is the superintendent of the school corporation.

20 (b) The superintendent of a school corporation, presiding officer of
 21 the governing body, **equivalent authority of a charter school**, or
 22 equivalent authority for a nonpublic school shall immediately notify the
 23 secretary of education when the individual knows that a current or
 24 former licensed employee of the public school, **charter school**, or
 25 nonpublic school has been convicted of an offense listed in subsection
 26 (c), or when the governing body or equivalent authority for a **charter**
 27 **school or** nonpublic school takes any final action in relation to an
 28 employee who engaged in any offense listed in subsection (c).

29 (c) Except as provided in section 8.5 of this chapter, the department
 30 shall permanently revoke the license of a person who is known by the
 31 department to have been convicted of any of the following:

32 (1) The following felonies:

33 (A) A sex crime under IC 35-42-4 (including criminal deviate
 34 conduct (IC 35-42-4-2) (before its repeal)).

35 (B) Kidnapping (IC 35-42-3-2).

36 (C) Criminal confinement (IC 35-42-3-3).

37 (D) Incest (IC 35-46-1-3).

38 (E) Dealing in or manufacturing cocaine or a narcotic drug (IC
 39 35-48-4-1).

40 (F) Dealing in methamphetamine (IC 35-48-4-1.1).

41 (G) Manufacturing methamphetamine (IC 35-48-4-1.2).

42 (H) Dealing in a schedule I, II, or III controlled substance (IC



- 1 35-48-4-2).
- 2 (I) Dealing in a schedule IV controlled substance (IC
- 3 35-48-4-3).
- 4 (J) Dealing in a schedule V controlled substance (IC
- 5 35-48-4-4).
- 6 (K) Dealing in a counterfeit substance (IC 35-48-4-5).
- 7 (L) Dealing in marijuana, hash oil, hashish, or salvia as a
- 8 felony (IC 35-48-4-10).
- 9 (M) An offense under IC 35-48-4 involving the manufacture
- 10 or sale of a synthetic drug (as defined in IC 35-31.5-2-321), a
- 11 synthetic drug lookalike substance (as defined in
- 12 IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under
- 13 IC 35-48-4-10.5 (before its repeal on July 1, 2019), a
- 14 controlled substance analog (as defined in IC 35-48-1.1-8), or
- 15 a substance represented to be a controlled substance (as
- 16 described in IC 35-48-4-4.6).
- 17 (N) Homicide (IC 35-42-1).
- 18 (O) Voluntary manslaughter (IC 35-42-1-3).
- 19 (P) Reckless homicide (IC 35-42-1-5).
- 20 (Q) Battery as any of the following:
- 21 (i) A Class A felony (for a crime committed before July 1,
- 22 2014) or a Level 2 felony (for a crime committed after June
- 23 30, 2014).
- 24 (ii) A Class B felony (for a crime committed before July 1,
- 25 2014) or a Level 3 felony (for a crime committed after June
- 26 30, 2014).
- 27 (iii) A Class C felony (for a crime committed before July 1,
- 28 2014) or a Level 5 felony (for a crime committed after June
- 29 30, 2014).
- 30 (R) Aggravated battery (IC 35-42-2-1.5).
- 31 (S) Robbery (IC 35-42-5-1).
- 32 (T) Carjacking (IC 35-42-5-2) (before its repeal).
- 33 (U) Arson as a Class A felony or Class B felony (for a crime
- 34 committed before July 1, 2014) or as a Level 2, Level 3, or
- 35 Level 4 felony (for a crime committed after June 30, 2014) (IC
- 36 35-43-1-1(a)).
- 37 (V) Burglary as a Class A felony or Class B felony (for a crime
- 38 committed before July 1, 2014) or as a Level 1, Level 2, Level
- 39 3, or Level 4 felony (for a crime committed after June 30,
- 40 2014) (IC 35-43-2-1).
- 41 (W) Human trafficking (IC 35-42-3.5).
- 42 (X) Dealing in a controlled substance resulting in death (IC



- 1 35-42-1-1.5).
- 2 (Y) Attempt under IC 35-41-5-1 to commit an offense listed in
- 3 this subsection.
- 4 (Z) Conspiracy under IC 35-41-5-2 to commit an offense listed
- 5 in this subsection.
- 6 (2) Public indecency (IC 35-45-4-1) committed:
- 7 (A) after June 30, 2003; or
- 8 (B) before July 1, 2003, if the person committed the offense
- 9 by, in a public place:
- 10 (i) engaging in sexual intercourse or other sexual conduct
- 11 (as defined in IC 35-31.5-2-221.5);
- 12 (ii) appearing in a state of nudity with the intent to arouse
- 13 the sexual desires of the person or another person, or being
- 14 at least eighteen (18) years of age, with the intent to be seen
- 15 by a child less than sixteen (16) years of age; or
- 16 (iii) fondling the person's genitals or the genitals of another
- 17 person.
- 18 (d) The department shall permanently revoke the license of a person
- 19 who is known by the department to have been convicted of a federal
- 20 offense or an offense in another state that is comparable to a felony or
- 21 misdemeanor listed in subsection (c).
- 22 (e) A license may be suspended by the secretary of education as
- 23 specified in IC 20-28-7.5.
- 24 (f) The department shall develop a data base of information on
- 25 school corporation **and charter school** employees who have been
- 26 reported to the department under this section.
- 27 (g) Upon receipt of information from the office of judicial
- 28 administration in accordance with IC 33-24-6-3 concerning persons
- 29 convicted of an offense listed in subsection (c), the department shall:
- 30 (1) cross check the information received from the office of
- 31 judicial administration with information concerning licensed
- 32 teachers (as defined in IC 20-18-2-22(b)) maintained by the
- 33 department; and
- 34 (2) if a licensed teacher (as defined in IC 20-18-2-22(b)) has been
- 35 convicted of an offense described in subsection (c), revoke the
- 36 licensed teacher's license.
- 37 SECTION 36. IC 20-29-2-6, AS AMENDED BY P.L.75-2025,
- 38 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 39 JULY 1, 2026]: Sec. 6. "Deficit financing" for a budget year:
- 40 (1) means, except as provided in subdivision (2), actual
- 41 expenditures exceeding the employer's current year actual
- 42 education fund revenue and, for a school employer for which the



voters have passed an operating referendum tax levy under IC 20-46-1 or a school safety referendum tax levy under IC 20-46-9, the amount of revenue certified by the department of local government finance, excluding money **required to be distributed to a charter school under as a result of compliance with IC 20-46-1-21 (before its expiration) or IC 20-46-9-22 (before its expiration);** or

(2) means, in the case of any distressed school corporation, the Gary Community School Corporation, or the Muncie Community school corporation, actual expenditures plus additional payments against any outstanding debt obligations exceeding the employer's current year actual education fund revenue, and, for a school employer for which the voters have passed an operating referendum tax levy under IC 20-46-1 or a school safety referendum tax levy under IC 20-46-9, excluding money **required to be distributed to a charter school under as a result of compliance with IC 20-46-1-21 (before its expiration) or IC 20-46-9-22 (before its expiration),** the amount of revenue certified by the department of local government finance.

Except as provided in IC 20-29-6-3(c), revenue does not include money estimated to be or actually transferred from the school corporation's operations fund to its education fund. Revenue does not include money allocated for supplemental payments in a resolution passed under IC 20-29-6-3(d).

SECTION 37. IC 20-29-8-7, AS AMENDED BY P.L.189-2023, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) When a factfinder is requested or required under IC 20-29-6, the board shall appoint a factfinder.

(b) The factfinder shall make an investigation and hold hearings as the factfinder considers necessary in connection with a dispute.

(c) The factfinder:

- (1) may restrict the factfinder's findings to those issues that the factfinder determines significant;
- (2) must restrict the findings to the items listed in IC 20-29-6-4; and
- (3) may not impose terms beyond those proposed by the parties in their last, best offers.

(d) The factfinder may use evidence furnished to the factfinder by:

- (1) the parties;
- (2) the board;
- (3) the board's staff; or
- (4) any other state agency.



(e) The factfinder shall conduct the factfinding hearing in public in a room or facility owned by the county or local unit of government located in the county in which the school employer is located, or if the school employer is located in more than one (1) county, in the county in which the greatest number of students who attend the school employer's schools reside. The public hearing may begin not earlier than November 15 in the first year of the state budget biennium and must be concluded by February 15 of the calendar year after the start of formal collective bargaining.

(f) The factfinding process may not exceed thirty (30) days from beginning to end, and not more than two (2) of those days may be used for public testimony, which may be taken at the discretion of the factfinder. During the public hearing, each party shall present fully its last, best offer, including the fiscal rationale for the offer. Only education fund revenue and, for a school employer for which the voters have passed an operating referendum tax levy under IC 20-46-1 or a school safety referendum tax levy under IC 20-46-9, the amount of revenue certified by the department of local government finance, excluding **any** money **required to be** distributed to a charter school **under as a result of compliance with IC 20-46-1-21 (before its expiration)** or IC 20-46-9-22 **(before its expiration)**, may be considered a source of the funding for items. Money estimated to be or actually transferred from the school corporation's operations fund to its education fund may not be considered a source of funding for items.

(g) The factfinder shall make a recommendation as to the settlement of the disputes over which the factfinder has jurisdiction.

(h) The factfinder shall:

- (1) make the investigation, hearing, and findings as expeditiously as the circumstances permit; and
- (2) deliver the findings to the parties and to the board.

(i) The board, after receiving the findings and recommendations, may make additional findings and recommendations to the parties based on information in:

- (1) the report; or
- (2) the board's own possession.

The board may not make any recommendations to the parties related to any items not specifically identified in IC 20-29-6-4.

(j) At any time within five (5) days after the findings and recommendations are delivered to the board, the board may make the findings and recommendations of the factfinder and the board's additional findings and recommendations, if any, available to the public through news media and other means the board considers



effective.

(k) The board shall make the findings and recommendations described in subsection (j) available to the public not later than ten (10) days after the findings and recommendations are delivered to the board.

SECTION 38. IC 20-30-1-1, AS AMENDED BY P.L.92-2020, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. This article applies only to the following:

(1) Public schools, **including charter schools.**

(2) State accredited nonpublic schools.

SECTION 39. IC 20-33-9-10.5, AS AMENDED BY P.L.92-2020, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10.5. (a) This section does not apply to ~~a charter school~~ or a state accredited nonpublic school.

(b) A school employee shall report any incidence of suspected criminal organization activity, criminal organization intimidation, or criminal organization recruitment to the principal and the school safety specialist, **as applicable.**

(c) The principal and the school safety specialist may take appropriate action to maintain a safe and secure school environment, including providing appropriate intervention services.

SECTION 40. IC 20-40-2-2, AS AMENDED BY P.L.68-2025, SECTION 210, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) The governing body of each school corporation shall establish an education fund for the payment of expenses that are allocated to student instruction and learning under IC 20-42.5.

(b) The governing body of a charter school that receives a distribution of revenue received from a tax levy under IC 20-46-8-11.2 ~~or IC 20-46-8-12~~ **(before its repeal)** shall establish an education fund for the payment of expenses that are allocated to student instruction and learning under IC 20-42.5.

SECTION 41. IC 20-40-3-5, AS AMENDED BY P.L.68-2025, SECTION 211, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. **(a)** Money in the fund may be used for any lawful school expenses, including making a transfer to the school corporation's education fund (IC 20-40-2) or operations fund (IC 20-40-18).

(b) A school corporation may distribute proceeds of a tax levy collected under IC 20-46-1 that is transferred to the school corporation's education fund to a charter school, excluding a virtual charter school and adult high school, that is located within the attendance area of the school corporation.



SECTION 42. IC 20-40-18-1, AS AMENDED BY P.L.68-2025, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) The governing body of each school corporation shall create an operations fund to be used by the school corporation after December 31, 2018.

(b) The governing body of each charter school that receives a distribution of revenue received from a tax levy under IC 20-46-8-11.2 ~~or IC 20-46-8-12 (before its repeal)~~ shall create an operations fund to be used by the charter school after December 31, 2024.

SECTION 43. IC 20-40-18-2, AS AMENDED BY P.L.68-2025, SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. ~~(a)~~ The operations fund shall be used to deposit the following after December 31, 2018, in the case of a school corporation:

(1) Revenue from the school corporation's operations fund property tax levy under IC 20-46-8.

(2) The sum of the following excise tax revenue received for deposit in the fund in the calendar year in which the school year begins:

(A) Financial institutions excise tax (IC 6-5.5).

(B) Motor vehicle excise taxes (IC 6-6-5).

(C) Commercial vehicle excise taxes (IC 6-6-5.5).

(D) Boat excise tax (IC 6-6-11).

(E) Aircraft license excise tax (IC 6-6-6.5).

(3) Transfers from the education fund (IC 20-40-2) or the operating referendum tax levy fund (IC 20-40-3), if any.

(4) Allocations of local income taxes to the school corporation under IC 6-3.6-6, if any.

~~(b) In the case of a charter school, the operations fund shall be used to deposit amounts distributed to the charter school under IC 20-46-8-11.2 or IC 20-46-8-12 after December 31, 2024.~~

SECTION 44. IC 20-40-18-10.5, AS AMENDED BY P.L.68-2025, SECTION 214, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10.5. (a) This section applies only to eligible charter schools that receive amounts distributed under IC 20-46-8-11.2 ~~or IC 20-46-8-12 (before its repeal)~~.

(b) For purposes of this section, "charter board" means the governing body of the organizer (as defined in IC 20-24-1-7) of an eligible charter school.

(c) The operations fund may be used only to do the following:

(1) Carry out a capital projects plan under the following conditions:



(A) The plan must include all proposed expenditures that exceed ten thousand dollars (\$10,000) and are for:

(i) capital assets; or

(ii) projects that are considered capital in nature, including technology related projects.

(B) If a charter school wants to use money in the operations fund during the year to pay for any items listed in clause (E) that are considered capital in nature, the charter board must approve a plan following a public hearing. The charter school shall post the proposed plan or proposed amended plan on the charter school's website before the hearing. The charter school shall submit the proposed capital projects plan to the department of local government finance's computer gateway at least ten (10) days before the public hearing. The department of local government finance shall make the proposed plan available at least ten (10) days before the hearing, through the department's computer gateway. If an amendment to a capital projects plan is proposed, the charter board must declare the nature of and need for the amendment in the plan amendment.

(C) If a charter board adopts a plan under clause (B), the charter school must then submit the plan to the department of local government finance for inclusion on the department's computer gateway not later than thirty (30) days after adoption of the plan. The department of local government finance shall immediately make the proposed plan available through the gateway website.

(D) This clause applies to an amendment to a plan that is required because of an emergency that results in costs that exceed the amount accumulated in the fund for repair, replacement, or site acquisition that is necessitated by an emergency. The charter board is not required to comply with clause (C). If the charter board determines that an emergency exists, the governing body may adopt an amendment to the plan. An amendment to a plan is not subject to the deadline and procedures for adoption of a plan described in this subdivision.

(E) This clause sets forth an exclusive list of the expenditures that may be made from the operations fund under clause (B), as set forth in the charter board's plan or amended plan. Subject to the expenditures that are identified in the charter school's plan or amended plan, the operations fund shall be



used for the following:

(i) Site acquisition.

(ii) Site development.

(iii) Building acquisition, construction, replacement, renovation, remodeling, improvement, and maintenance, including building materials and employment services.

(iv) Rental of real estate, buildings, facilities, and equipment.

(v) To repair and replace buildings and to repair and replace building fixtures that are owned or leased by the charter school and of a type constituting loss capable of being covered by casualty insurance.

(vi) Purchase, lease, repair, or maintenance of equipment, including maintenance vehicles to be used by the charter school. However, the fund may not be used to pay for the purchase, lease, repair, or maintenance of vehicles that are not maintenance vehicles, or equipment to be used primarily for interscholastic or extracurricular activities.

(vii) Service contracts for janitorial and custodial services, maintenance services, snow and ice removal services, trash removal services, mowing and lawn care services, pest control services, and any other routine services normally required in the maintenance or upkeep of charter school facilities.

(viii) Repair, replacement, or site acquisition that is necessitated by an emergency.

(ix) Construction, repair, replacement, remodeling, or maintenance of a school sports facility.

(x) Utilities.

(xi) Property and casualty insurance.

(xii) Purchase, lease, upgrade, maintenance, or repair technology that will not be allocated to student instruction and learning, to include computer hardware, computer software, wiring and computer networks, and communication access systems used to connect with computer networks or electronic gateways; services of full-time or part-time computer maintenance employees; conducting nonrecurring inservice technology training of school employees; implementing the technology preparation curriculum; participating in a program to provide educational technologies, including computers in the homes of students (commonly referred to as "the buddy system



project") under IC 20-20-13-6, the 4R's technology program, or any other program under the educational technology program described in IC 20-20-13; and obtaining any combination of equipment or services in the preceding two (2) categories of this item.

(xiii) Services of charter school employees who perform services considered to be a skilled trade by the United States Department of Labor, Employment and Training Administration. For purposes of this item, skilled trade services do not include janitorial or comparable routine services normally provided in the daily operation of school facilities or equipment. Payment may be made for employee services only if the employees perform construction of, renovation of, remodeling of, repair of, or maintenance on the facilities and equipment of the charter school.

(2) Pay transportation costs under the following conditions:

(A) A charter school shall use the operations fund to pay the transportation costs attributable to transportation of school children as specified in clause (B).

(B) Only the following costs are payable from the fund:

(i) Salaries paid to bus drivers, transportation supervisors, mechanics and garage employees, clerks, and other transportation related employees.

(ii) Contracted transportation services.

(iii) Wages of independent contractors.

(iv) Contracts with common carriers.

(v) Student fares.

(vi) Transportation related insurance.

(vii) Other expenses of operating the school corporation's transportation service, including gasoline, lubricants, tires, repairs, contracted repairs, parts, supplies, equipment, and other related expenses.

(C) Percentages or parts of salaries of teaching personnel or principals are not attributable to transportation. However, parts of salaries of instructional aides who are assigned to assist with the school transportation program are attributable to transportation. The costs described in this clause (other than instructional aide costs) may not be budgeted for payment or paid from the fund.

(D) Costs for a calendar year are those costs attributable to transportation for students during the school year ending in the calendar year.



(3) Carry out a school bus replacement plan approved by the charter school board under the following conditions:

(A) Before a charter school may use money in the operations fund for replacing school buses, a resolution approving the school bus replacement plan or amended plan must be submitted to the department of local government finance.

(B) The department of local government finance shall prescribe the format of the plan. A plan must apply to at least the five (5) budget years immediately following the year the plan is adopted and include at least an estimate for each year to which it applies of the nature and amount of proposed expenditures from the fund, and if the school corporation is seeking to acquire or contract for transportation services that will provide additional school buses or school buses with a larger seating capacity as compared with the number and type of school buses from the prior school year, evidence of a demand for increased transportation services within the school corporation. However, the evidence requirement regarding a contract for transportation services does not apply if contracted transportation services are not paid from the fund.

(C) If the charter school is seeking to require a contractor to replace a school bus, evidence that the need exists for the replacement of the school bus. This clause does not apply if contracted transportation services are not paid from the operations fund.

(D) Evidence that the charter school that seeks to acquire additional school buses under this subdivision is acquiring or contracting for the school buses only for the purposes specified in clause (B) or for replacement purposes.

(E) If a charter school wants to use money in the operations fund during the year to pay for school bus replacement, the governing body must adopt a resolution approving the bus replacement plan or amended plan. The charter school shall post the proposed plan or proposed amended plan on the charter school's website before the hearing. The governing body must hold a hearing on the adoption of the plan. The charter school shall submit the proposed school bus replacement plan or amended plan to the department of local government finance's computer gateway at least ten (10) days before the hearing on the adoption of the plan. The department of local government finance shall make the proposed plan available to taxpayers, at least ten (10) days before the hearing,



through the department's computer gateway. If an amendment to a bus replacement plan is being proposed, the charter school must declare the nature of and the need for the amendment in the resolution to adopt the amendment to the plan.

(4) Pay expenses that are allocated to overhead and operational expenditures.

(5) Establish, maintain, and equip a public playground.

SECTION 45. IC 20-40-20-6, AS AMENDED BY P.L.189-2023, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) Subject to subsections (c) and (d), money in the fund may be used only for the following purposes:

(1) To employ or compensate a school resource officer or school resource officers.

(2) To establish or fund a school safety office.

(3) To conduct a threat assessment of a school building.

(4) To create or update a school safety plan.

(5) To develop or update school emergency response systems.

(6) To purchase equipment to improve the safety of a school building, school grounds, or school buses.

(7) To pay capital expenses to improve the safety of a school building.

(8) To establish and administer programs to address youth specific mental illness, addiction, anger management, bullying, and school violence.

(9) To develop and administer professional development programs for teachers, administrators, and other school employees designed to improve school safety and reduce violence.

(b) Except as provided in IC 20-46-9-22 (**before its expiration**), a school corporation may distribute, with the approval of the majority of members of the governing body, a portion of the proceeds of a tax levy collected under IC 20-46-9 that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation, to be used by the charter school for the purposes described in subsection (a).

(c) Expenditures paid using money collected from the levy shall be included in a school's safety plan.

(d) Local law enforcement shall participate in:

(1) development of a school safety plan;

(2) development or updates to school emergency response systems; and

(3) determination of capital expenses that would improve the safety of a school building.



(e) Money in the fund may be transferred to the school corporation's education fund (IC 20-40-2), operations fund (IC 20-40-18), or school safety referendum debt service fund (IC 20-40-21), as applicable, to pay for expenditures listed in subsection (a).

SECTION 46. IC 20-46-1-8, AS AMENDED BY P.L.68-2025, SECTION 215, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) Subject to subsections ~~(b)~~, ~~(c)~~, ~~(e)~~, and ~~(f)~~ **(c), (e), and (f)** and this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for any of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.

(2) The governing body of the school corporation determines that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.

(3) The governing body makes the determination required under subdivision (1) or (2) and determines to share a portion of the referendum proceeds with a charter school, excluding a virtual charter school and adult high school, in the manner prescribed in subsection (d).

~~(b)~~ A resolution for a referendum described in:

~~(1) section 21 of this chapter; or~~

~~(2) section 22 of this chapter;~~

~~shall specify that a portion of the proceeds collected from the proposed levy will be distributed to applicable charter schools in the manner described under this chapter.~~

~~(c)~~ **(b)** The governing body of the school corporation shall certify a copy of the resolution to place a referendum on the ballot to the following:

(1) The department of local government finance, including:

(A) the language for the question required by section 10 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance after March 15, 2016, section 10.1 of this chapter; and

(B) a copy of the revenue spending plan adopted under subsection (f).

The governing body of the school corporation shall also provide the county auditor's certification described in section 10(e) or 10.1(f) of this chapter, as applicable. The department of local



government finance shall post the values certified by the county auditor to the department's website. The department shall review the language for compliance with section 10 or 10.1 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

~~(d)~~ (c) If a school safety referendum tax levy under IC 20-46-9 has been approved by the voters in a school corporation at any time in the previous three (3) years, the school corporation may not:

(1) adopt a resolution to place a referendum under this chapter on the ballot; or

(2) otherwise place a referendum under this chapter on the ballot.

~~(e)~~ (d) This subsection applies to a resolution described in section 21 or 22 of this chapter. Not later than sixty (60) days before the resolution is voted on by the governing body, the school corporation shall contact the department to determine the following:

~~(1) In the case of a resolution described in section 22 of this chapter, whether the school corporation is exempt from revenue sharing requirements under section 22(a)(2) of this chapter. If the school corporation is determined to be exempt, the department shall notify the school corporation, and the school corporation is not required to contact charter schools concerning participation under subsection (h); shall exclude distributions to charter schools under section 22 of this chapter; and shall exclude charter schools from the projection described in this subsection.~~

~~(2) If the school corporation is not determined to be exempt from revenue sharing requirements under subdivision (1), the number of students in kindergarten through grade 12 who:~~

~~(A) (1) have legal settlement in the school corporation but attend a charter school, excluding virtual charter schools or adult high schools; and~~

~~(B) (2) receive not more than fifty percent (50%) virtual instruction.~~

Not later than ten (10) days after receiving the request, the department



1 shall provide the school corporation with the requested information,
 2 which shall be disaggregated for each particular charter school. Subject
 3 to subsection (h), the resolution shall include a projection of the
 4 amount that the school corporation expects, based on the information
 5 provided by the department under this subsection, to be distributed to
 6 a particular charter school under section 21 ~~or 22~~ of this chapter. **This**
 7 **subsection expires December 31, 2036.**

8 (e) **The resolution described in subsection (a) must indicate**
 9 **whether proceeds in the school corporation's education fund**
 10 **collected from a tax levy under this chapter will be used to provide**
 11 **a distribution to a charter school or charter schools, excluding a**
 12 **virtual charter school and adult high school, under IC 20-40-3-5 as**
 13 **well as the amount that will be distributed to the particular charter**
 14 **school or charter schools. A school corporation may request from**
 15 **the designated charter school or charter schools any financial**
 16 **documentation necessary to demonstrate the financial need of the**
 17 **charter school or charter schools.**

18 (f) As part of the resolution described in subsection (a), the
 19 governing body of the school corporation shall adopt a revenue
 20 spending plan for the proposed referendum tax levy that includes:

- 21 (1) an estimate of the amount of annual revenue expected to be
- 22 collected if a levy is imposed under this chapter;
- 23 (2) the specific purposes for which the revenue collected from a
- 24 levy imposed under this chapter will be used;
- 25 (3) an estimate of the annual dollar amounts that will be expended
- 26 for each purpose described in subdivision (2); and
- 27 (4) for a resolution for a referendum that is described in section
- 28 21 ~~or 22~~ of this chapter, the projected revenue that shall be
- 29 distributed to charter schools. The revenue spending plan shall
- 30 also take into consideration deviations in the proposed revenue
- 31 spending plan if the actual charter school distributions exceed or
- 32 are lower than the projected charter school distributions described
- 33 in subsection ~~(e)~~ **(d)**. The resolution shall include for each charter
- 34 school that elects to participate under subsection (h) information
- 35 described in subdivisions (1) through (3). **This subdivision**
 36 **expires December 31, 2036.**

37 (g) A school corporation shall specify in its proposed budget the
 38 school corporation's revenue spending plan adopted under subsection
 39 (f) and annually present the revenue spending plan at its public hearing
 40 on the proposed budget under IC 6-1.1-17-3.

41 (h) This subsection applies to a resolution described in section 21
 42 ~~or 22~~ of this chapter. ~~Except as provided in subsection (e);~~ Not later



than forty-five (45) days before the resolution is voted on by the governing body, the school corporation shall contact each charter school disclosed by the department to the school corporation under subsection ~~(e)~~ (d) to determine whether the charter school will

(1) in the case of a resolution described in section 21 of this chapter, elect to participate or

(2) in the case of a resolution described in section 22 of this chapter, elect to not participate;

in the referendum. The notice must include the total amount of the school corporation's expected need, the corresponding estimate for that amount divided by the number of students enrolled in the school corporation, and the date on which the governing body of the school corporation will vote on the resolution. Not later than thirty (30) days prior to the date that the resolution is to be voted on by the governing body, the charter school must respond in writing to the school corporation and to the department, which may be by electronic mail, and, in the case of the school corporation, addressed to the superintendent of the school corporation. A charter school that elects to not participate in the referendum may not subsequently change that election during the term of the referendum. **This subsection expires December 31, 2036.**

(i) If a charter school will not participate in the referendum, the school corporation shall exclude distributions to the charter school under this chapter and from the projection described in subsection ~~(e)~~:
(d). If a charter school will participate in the referendum, the charter school:

(1) must be included in the projection described in subsection ~~(e)~~:
(d); and

(2) shall contribute a proportionate share of the cost to conduct the referendum based on the total combined ADM of the school corporation and any participating charter schools.

(j) This subsection applies to a resolution described in section 21 ~~or~~ 22 of this chapter. At least thirty (30) days before the referendum submitted to the voters under this chapter is voted on by the public in a general election, the school corporation that is pursuing the referendum and any charter school that will participate under subsection (h) shall post a referendum disclosure statement on each school's respective website that contains the following information:

(1) The salaries by position within the school corporation or charter school listed from highest salary to lowest salary and a link to Gateway Indiana for access to individual salaries.

(2) An acknowledgment that the school corporation or charter



1 school is not committing any crime described in IC 35-44.1-1.

2 (3) A link to the school corporation's or charter school's most
3 recent state board of accounts audit on the state board of accounts'
4 website.

5 (4) The current enrollment of the school corporation or charter
6 school disaggregated by student group and race.

7 (5) The school corporation's or charter school's high school
8 graduation rate.

9 (6) The school corporation's or charter school's annual retention
10 rate for teachers for the previous five (5) years.

11 **This subsection expires December 31, 2036.**

12 ~~(k) Not later than July 15, 2025, the department of education shall~~
13 ~~prescribe the manner in which a projection described in subsection (c)~~
14 ~~shall be calculated.~~

15 ~~(†) (k)~~ A charter school that begins operations after a resolution
16 under this section or section 8.5 of this chapter is voted on by the
17 governing body for a particular referendum may not receive an option
18 to elect to participate in that referendum during the term of that
19 referendum. **This subsection expires December 31, 2036.**

20 SECTION 47. IC 20-46-1-8.5, AS AMENDED BY P.L.68-2025,
21 SECTION 216, IS AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2026]: Sec. 8.5. ~~(a)~~ A resolution to extend a
23 referendum levy must be:

24 (1) adopted by the governing body of a school corporation; and

25 (2) approved in a referendum under this chapter;

26 before December 31 of the final calendar year in which the school
27 corporation's previously approved referendum levy is imposed under
28 this chapter.

29 ~~(b) For a resolution described in section 21 or 22 of this chapter that~~
30 ~~is adopted under this section, the resolution must include the projected~~
31 ~~charter school distributions described in section 8(c) of this chapter and~~
32 ~~indicate the distributions to applicable charter schools in accordance~~
33 ~~with this chapter.~~

34 SECTION 48. IC 20-46-1-19.5, AS AMENDED BY P.L.189-2023,
35 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JULY 1, 2026]: Sec. 19.5. (a) Subject to section ~~8(d)~~ **8(c)** of this
37 chapter, if a referendum is approved by the voters in a school
38 corporation under this chapter in a calendar year, another referendum
39 may not be placed on the ballot in the school corporation under this
40 chapter in the following calendar year.

41 (b) Notwithstanding any other provision of this chapter and in
42 addition to the restriction specified in subsection (a), if a school



1 corporation imposes in a calendar year a referendum levy approved in
 2 a referendum under this chapter, the school corporation may not
 3 simultaneously impose in that calendar year more than one (1)
 4 additional referendum levy approved in a subsequent referendum under
 5 this chapter.

6 SECTION 49. IC 20-46-1-21, AS AMENDED BY P.L.68-2025,
 7 SECTION 221, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2026]: Sec. 21. (a) This section

9 ~~(1) except as provided in subdivision (2);~~ applies to revenue
 10 received from a resolution that is approved **before July 1, 2026**,
 11 by the governing body to impose a referendum levy under section
 12 8 or 8.5 of this chapter after May 10, 2023, for a school
 13 corporation located in:

- 14 ~~(A) (1)~~ Lake County;
- 15 ~~(B) (2)~~ Marion County;
- 16 ~~(C) (3)~~ St. Joseph County; or
- 17 ~~(D) (4)~~ Vanderburgh County;

18 through the full term of the referendum levy. ~~and~~

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

- 20 ~~(A) the governing body of the school corporation approves the~~
 21 ~~referendum levy in a resolution adopted under section 8 or 8.5~~
 22 ~~of this chapter; and~~
- 23 ~~(B) the referendum levy is imposed for the first time with~~
 24 ~~property taxes first due and payable in a calendar year~~
 25 ~~beginning after December 31, 2027.~~

26 (b) Subject to subsections (f) and (h), the county auditor in the
 27 county in which the school corporation is located shall distribute an
 28 amount of revenue as provided under subsection (e) from the revenue
 29 collected from a tax levy imposed under this chapter by a school
 30 corporation that is attributable to the territory of the school corporation
 31 that is located within the boundaries of a county listed in subsection
 32 ~~(a)(1) (a)~~ to each charter school, excluding virtual charter schools or
 33 adult high schools, that a student who resides within the attendance
 34 area of the school corporation attends if the charter school elects to
 35 participate in the referendum under section 8(h) of this chapter.

36 (c) The department shall provide the county auditor with data and
 37 information necessary for the county auditor to determine:

- 38 (1) which charter schools are eligible to receive a distribution
 39 under this section; and
- 40 (2) the number of students who:
 41 (A) reside within the attendance area of the school corporation
 42 who are included in the ADM for each charter school,



- 1 excluding virtual charter schools or adult high schools,
- 2 described in subdivision (1); and
- 3 (B) receive not more than fifty percent (50%) virtual
- 4 instruction.
- 5 (d) The following schools are not eligible to receive a distribution
- 6 under this section:
- 7 (1) A virtual charter school.
- 8 (2) An adult high school.
- 9 (e) For the purposes of the calculations made in this subsection,
- 10 each eligible school that has entered into an agreement with a school
- 11 corporation to participate as a participating innovation network charter
- 12 school under IC 20-25.7-5 is considered to have an ADM that is
- 13 separate from the school corporation. The amount that the county
- 14 auditor shall distribute to a charter school, excluding virtual charter
- 15 schools or adult high schools, under this section is the amount
- 16 determined in the last STEP of the following STEPS:
- 17 STEP ONE: Determine, for each charter school, excluding virtual
- 18 charter schools or adult high schools, that is eligible to receive a
- 19 distribution under this section, the number of students who reside
- 20 within the attendance area of the school corporation who are
- 21 currently included in the ADM of the charter school and receive
- 22 not more than fifty percent (50%) virtual instruction.
- 23 STEP TWO: Determine the sum of:
- 24 (A) the current ADM count for the school corporation; plus
- 25 (B) total number of all students who reside within the
- 26 attendance area of the school corporation who are currently
- 27 included in the ADM of a charter school, and receive not more
- 28 than fifty percent (50%) virtual instruction, excluding virtual
- 29 charter schools or adult high schools.
- 30 STEP THREE: Determine the result of:
- 31 (A) the STEP ONE amount; divided by
- 32 (B) the STEP TWO amount.
- 33 STEP FOUR: Determine the result of:
- 34 (A) the sum of:
- 35 (i) the STEP THREE amount; plus
- 36 (ii) any amount withheld in the previous year under
- 37 subsection (i); multiplied by
- 38 (B) the amount collected by the county auditor during the most
- 39 recent installment period that is attributable to the territory of
- 40 the school corporation that is located within the boundaries of
- 41 a county listed in subsection (a).
- 42 (f) A charter school is not eligible for a distribution under this



section from property tax revenue collected from a particular referendum levy if the charter school does not have a certified fall ADM count in the calendar year immediately preceding the calendar year in which the public question for the referendum appears on the ballot.

(g) ~~Not later than August 15, 2025, and~~ Not later than August 15 of each calendar year, ~~thereafter,~~ the department shall provide to each school corporation and eligible charter school an estimate of the amount of property tax levy revenue the school corporation and charter school are expected to receive under this section in the subsequent calendar year based on the most recent fall ADM count.

(h) This subsection applies beginning with distributions of property tax revenue under this section in 2026 and thereafter. In order to receive a distribution under this section, the governing body of a charter school shall, not later than ~~October 15, 2025, and not later than~~ October 15 of each calendar year, ~~thereafter,~~ adopt a budget for the current school year. Not later than ten (10) days before its adoption, the budget must be fixed and presented to the charter board in a public meeting in the county in which the charter school is incorporated. ~~Not later than November 1, 2025, and~~ Not later than November 1 of each calendar year, ~~thereafter,~~ the governing body of the charter school shall submit:

- (1) the budget that is adopted under this subsection;
- (2) the dates on which each requirement under this subsection were met; and
- (3) a statement from the governing body of the charter school attesting that the dates provided in subdivision (2) are true and accurate and that the budget was properly adopted under this subsection;

to the charter authorizer for review and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3.

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



(1) added to the property tax revenue collections as described in STEP TWO of subsection (e); and
 (2) distributed among the school corporation and remaining charter schools according to subsection (e);
 in the calendar year that immediately follows the calendar year in which the distribution amount was withheld.

(j) A resolution to extend a referendum levy to which this section applies may not be:

(1) adopted by the governing body of a school corporation; or
(2) approved in a referendum under this chapter;
after June 30, 2026.

(k) This section expires December 31, 2036.

SECTION 50. IC 20-46-1-22 IS REPEALED [EFFECTIVE JULY 1, 2026]. See: 22- (a) This section applies to revenue received from a referendum levy if both of the following apply:

(1) The:

(A) governing body of the school corporation approves the referendum levy in a resolution adopted under section 8 or 8.5 of this chapter; and

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

(2) The number of students who have legal settlement in the school corporation but attend a charter school; excluding virtual charter schools and adult high schools; and receive not more than fifty percent (50%) virtual instruction is at least the greater of:

(A) one hundred (100) students; or

(B) two percent (2%) of the school corporation's spring ADM count; excluding students who receive more than fifty percent (50%) virtual instruction.

(b) As used in this section, "eligible charter school" means a charter school attended by a student who:

(1) has legal settlement in a school corporation that imposes a referendum levy under this chapter; and

(2) receives not more than fifty percent (50%) virtual instruction.

However, the term does not include a virtual charter school or an adult high school.

(c) The following schools are not eligible to receive; and may not be considered in a calculation made for purposes of; a distribution under this section:

(1) A virtual charter school.

(2) An adult high school.



(d) Subject to subsections (j) and (l), the county auditor in the county in which the school corporation is located shall distribute to each eligible charter school, in the manner provided under this section, an amount of revenue received from a tax levy imposed by a school corporation under this chapter unless the charter school elects to not participate in the referendum under section 8(h) of this chapter.

(e) For the purposes of the calculations made in this section, each eligible charter school that has entered into an agreement with a school corporation to participate as a participating innovation network charter school under IC 20-25.7-5 is considered to have an ADM that is separate from the school corporation.

(f) Not later than January 1, 2028, and not later than January 1 of each year thereafter, the department, in consultation with the department of local government finance, shall determine, for each school corporation, the corresponding percentages of revenue received from the tax levy that must be distributed among the school corporation and each eligible charter school according to the following formula:

STEP ONE: Determine, for each eligible charter school, the number of students who:

- (A) have legal settlement within the school corporation;
- (B) are currently included in the fall ADM count for the charter school; and
- (C) receive not more than fifty percent (50%) virtual instruction.

STEP TWO: Determine the sum of:

- (A) the aggregate of the STEP ONE results for all eligible charter schools with respect to the school corporation; plus
- (B) the fall ADM count for the school corporation for students receiving not more than fifty percent (50%) virtual instruction.

STEP THREE: For each eligible charter school, determine the result of:

- (A) the applicable STEP ONE amount, divided by
- (B) the STEP TWO amount;

expressed as a percentage.

STEP FOUR: Determine the sum of all the amounts computed under STEP THREE and subtract the result from one hundred percent (100%).

(g) The department shall provide to the county auditor, immediately after calculation under subsection (g):

- (1) each eligible charter school and the eligible charter school's corresponding percentage calculated under STEP THREE of subsection (f); and



(2) the percentage calculated under STEP FOUR of subsection (f) for the school corporation:

(h) Subject to subsections (k) and (m), when the county auditor distributes property tax revenue, the county auditor shall distribute to the school corporation and each eligible charter school the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine the amount collected in the most recent installment period by the school corporation from the school corporation's referendum levy imposed under this chapter.

STEP TWO: To determine the distribution for the school corporation and each eligible charter school, determine the result of:

(A) the sum of:

(i) the STEP ONE result; plus

(ii) any amount withheld in the previous year under subsection (k); multiplied by

(B) the following percentage:

(i) In the case of an eligible charter school, the charter school's percentage under STEP THREE of subsection (f):

(ii) In the case of the school corporation, the school corporation's percentage under STEP FOUR of subsection (f):

(i) Not later than August 15, 2027, and not later than August 15 of each calendar year thereafter, the department shall provide to each school corporation and each eligible charter school an estimate of the amount of property tax levy revenue the school corporation and eligible charter school are expected to receive under this section in the subsequent calendar year based on the most recent fall ADM count.

(j) This subsection applies beginning with distributions of property tax revenue under this section in 2028 and thereafter. In order to receive a distribution under this section, the governing body of an eligible charter school shall, not later than October 15, 2027, and not later than October 15 of each calendar year thereafter, adopt a budget for the current school year. Not later than ten (10) days before its adoption, the budget must be fixed and presented to the charter board in a public meeting in the county in which the eligible charter school is incorporated. Not later than November 1, 2027, and not later than November 1 of each calendar year thereafter, the governing body of the charter school shall submit:

(1) the budget that is adopted under this subsection;

(2) the dates on which each requirement under this subsection were met; and



(3) a statement from the governing body of the charter school attesting that the dates provided in subdivision (2) are true and accurate and that the budget was properly adopted under this subsection;

to the charter authorizer for review and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3.

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

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

(2) distributed among the school corporation and eligible charter schools according to subsection (h);

in the calendar year that immediately follows the calendar year in which the distribution amount was withheld.

(l) A charter school is not eligible for a distribution under this section from property tax revenue collected from a particular referendum levy if the charter school does not have a certified fall ADM count in the calendar year immediately preceding the calendar year in which the public question for the referendum appears on the ballot.

SECTION 51. IC 20-46-8-11.2 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 11.2: (a) This section applies only to revenue collected after June 30, 2024, and before January 1, 2028, from a tax levy imposed under this chapter by a school corporation located in:

(1) Lake County;

(2) Marion County;

(3) St. Joseph County; or

(4) Vanderburgh County.

However, this section does not apply to, and distributions are not required for, a school corporation that is designated as a distressed political subdivision under IC 6-1.1-20.3.

(b) For distributions made in:



- (1) calendar year 2025; and subject to subsection (c); and
 (2) calendar years 2026 and 2027; and subject to subsections (c);
 (h); and (i);

the county auditor shall distribute to each charter school that is eligible for a distribution under subsection (d); and as provided under subsection (f); an amount of revenue received from a tax levy imposed by a school corporation under this chapter that is attributable to the territory of the school corporation that is located within the boundaries of a county listed in subsection (a):

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

- (1) A virtual charter school:
 (2) An adult high school:

(d) Not later than March 1, 2025; January 1, 2026; and January 1, 2027; the department; in consultation with the department of local government finance; shall determine the corresponding percentages of revenue received from the tax levy that are attributable to the territory of the school corporation that is located within the boundaries of a county listed in subsection (a) and must be distributed among the school corporation and each eligible charter school according to the following formula:

STEP ONE: Determine each charter school that:

- (A) is located in the same county as the school corporation;
 and
 (B) provides not more than fifty percent (50%) virtual instruction for its students:

STEP TWO: Determine, for each charter school described in STEP ONE; the number of students who:

- (A) have legal settlement within the school corporation;
 (B) are currently included in the fall ADM for the charter school; and
 (C) receive not more than fifty percent (50%) virtual instruction:

STEP THREE: Determine the sum of:

- (A) the aggregate of the STEP TWO results for all applicable charter schools; plus
 (B) the fall ADM count for the school corporation for students receiving not more than fifty percent (50%) virtual instruction:

STEP FOUR: For each charter school described in STEP ONE; determine the result of:

- (A) the applicable STEP TWO amount; divided by
 (B) the STEP THREE amount;



expressed as a percentage:

STEP FIVE: Determine the sum of all the amounts computed under STEP FOUR and subtract the result from one hundred percent (100%):

(e) The department shall provide to the county auditor, immediately after calculation under subsection (d):

(1) each charter school determined under STEP ONE of subsection (d) and the charter school's corresponding percentage calculated under STEP FOUR of subsection (d); and

(2) the percentage calculated under STEP FIVE of subsection (d) for the school corporation:

(f) Subject to subsection (i), the county auditor shall distribute to the school corporation and each applicable charter school the amount determined, for each settlement period described in IC 6-1.1-27-1, in the last STEP of the following STEPS:

STEP ONE: For each school corporation, determine a base property tax levy amount calculated as:

(A) the sum of the school corporation's operations fund property tax levies that are attributable to the territory of the school corporation that is located within the boundaries of a county listed in subsection (a) and collected under this chapter for the applicable settlement period as described in IC 6-1.1-27-1 in calendar years 2021, 2022, and 2023; divided by

(B) three (3):

STEP TWO: For each school corporation, determine an incremental property tax levy amount calculated as:

(A) the school corporation's operations fund property tax levy collections that are attributable to the territory of the school corporation that is located within the boundaries of a county listed in subsection (a) for the applicable settlement period as described in IC 6-1.1-27-1 in the current calendar year; minus

(B) the school corporation's base property tax levy collections determined for the applicable settlement period as described in IC 6-1.1-27-1 under STEP ONE:

STEP THREE: For the school corporation and each applicable charter school, determine the result of:

(A) the sum of:

(i) the incremental amount determined under STEP TWO; plus

(ii) any distribution amount withheld under subsection (i); multiplied by



(B) the following percentage:

(i) In the case of an applicable charter school, the charter school's percentage under STEP FOUR of subsection (d):

(ii) In the case of the school corporation, the school corporation's percentage under STEP FIVE of subsection (d):

(g) Before August 15, 2025, and August 15, 2026, the department shall provide to each school corporation and each eligible charter school an estimate of the amount of property tax levy revenue the school corporation and charter school are expected to receive under this section based on the most recent fall ADM count:

(h) This subsection applies to distributions of property tax revenue under this section in 2026 and 2027. In order to receive a distribution under this section in 2026 and 2027, the governing body of an eligible charter school shall, before October 15, 2025, and October 15, 2026, adopt a budget for the current school year. Not later than ten (10) days before its adoption, the budget must be fixed and presented to the charter board in a public meeting in the county in which the charter school is incorporated. A budget that is adopted under this subsection must be submitted to the charter authorizer for review and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3 not later than:

(1) to receive distributions in 2026, November 1, 2025; and

(2) to receive distributions in 2027, November 1, 2026.

In addition to the adopted budget, the governing body of the charter school shall also submit to the charter authorizer, and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3, the dates on which each requirement under this subsection was met and a statement from the governing body of the charter school attesting that those dates are true and accurate and that the budget was properly adopted under this subsection:

(i) This subsection applies to distributions of property tax revenue under this section in 2026 and 2027. If an eligible charter school does not satisfy the requirements of subsection (h) to receive distributions under this section during a calendar year, as determined by the department of local government finance, the charter school may not receive a distribution of property tax revenue in that calendar year and the county auditor shall withhold the charter school's distribution amount. The department of local government finance's determination of compliance consists only of a confirmation that the adopted budget and attestation statement are submitted not later than the applicable date under subsection (h). Any distribution amount that must be



withheld from distribution to any particular charter school under this subsection in:

(1) calendar year 2026 shall be added to the incremental amount as described in STEP TWO of subsection (f) and distributed among the school corporation and remaining charter schools according to subsection (f) in calendar year 2027; and

(2) calendar year 2027 shall be added to the incremental amount as described in STEP TWO of subsection (f) and distributed among the school corporation and remaining charter schools according to subsection (f) in calendar year 2027.

SECTION 52. IC 20-46-8-12 IS REPEALED [EFFECTIVE JULY 1, 2026]. Sec. 42: (a) This section applies to revenue collected after December 31, 2027, from a tax levy imposed under this chapter only if the number of students who have legal settlement in a school corporation but attend a charter school; excluding virtual charter schools and adult high schools; and receive not more than fifty percent (50%) virtual instruction; is at least the greater of:

(1) one hundred (100) students; or

(2) two percent (2%) of the school corporation's spring ADM count; excluding students who receive more than fifty percent (50%) virtual instruction.

(b) As used in this section, "eligible charter school" means a charter school attended by a student who:

(1) has legal settlement in a school corporation that imposes a tax levy under this chapter; and

(2) receives not more than fifty percent (50%) virtual instruction.

However, the term does not include a virtual charter school or an adult high school.

(c) The following schools are not eligible to receive; and may not be considered in a calculation made for purposes of; a distribution under this section:

(1) A virtual charter school.

(2) An adult high school.

(d) Beginning in calendar year 2028, and in each calendar year thereafter, and subject to subsection (j), the county auditor shall distribute to each eligible charter school in the manner provided under this section an amount of revenue received from a tax levy imposed by a school corporation under this chapter.

(e) For the purposes of the calculations made in this section, each eligible charter school that has entered into an agreement with a school corporation to participate as a participating innovation network charter school under IC 20-25.7-5 is considered to have an ADM that is



1 separate from the school corporation:

2 (f) Not later than January 1, 2028, and not later than January 1 of
3 each year thereafter, the department, in consultation with the
4 department of local government finance, shall determine, for each
5 school corporation, the corresponding percentages of revenue received
6 from the tax levy that must be distributed among the school corporation
7 and each eligible charter school according to the following formula:

8 STEP ONE: Determine, for each eligible charter school, the
9 number of students who:

10 (A) have legal settlement within the school corporation;

11 (B) are currently included in the fall ADM count for the
12 charter school; and

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

15 STEP TWO: Determine the sum of:

16 (A) the aggregate of the STEP ONE results for all eligible
17 charter schools with respect to the school corporation; plus

18 (B) the fall ADM count for the school corporation for students
19 receiving not more than fifty percent (50%) virtual instruction.

20 STEP THREE: For each eligible charter school, determine the
21 result of:

22 (A) the applicable STEP ONE amount; divided by

23 (B) the STEP TWO amount;

24 expressed as a percentage.

25 STEP FOUR: Determine the sum of all the amounts computed
26 under STEP THREE and subtract the result from one hundred
27 percent (100%).

28 (g) The department shall provide to the county auditor, immediately
29 after calculation under subsection (f):

30 (1) each eligible charter school and the eligible charter school's
31 corresponding percentage calculated under STEP THREE of
32 subsection (f); and

33 (2) the percentage calculated under STEP FOUR of subsection (f)
34 for the school corporation.

35 (h) Subject to subsections (j) and (i), the county auditor shall
36 distribute to the school corporation and each eligible charter school the
37 amount determined in the last STEP of the following STEPS:

38 STEP ONE: Determine the amount collected in the most recent
39 installment period by the school corporation from the school
40 corporation's operations fund levy imposed under this chapter.

41 STEP TWO: To determine the distribution for the school
42 corporation and each eligible charter school, determine the result



of:

(A) the sum of:

(i) the STEP ONE result; plus

(ii) any amount withheld in the previous year under subsection (k); multiplied by

(B) the following percentage:

(i) In the case of an eligible charter school; the charter school's percentage under STEP THREE of subsection (f);

(ii) In the case of the school corporation; the school corporation's percentage under STEP FOUR of subsection (f);

(i) Not later than August 15, 2027, and not later than August 15 of each calendar year thereafter; the department shall provide to each school corporation and each eligible charter school an estimate of the amount of property tax levy revenue the school corporation and eligible charter school are expected to receive under this section in the subsequent calendar year based on the most recent fall ADM count.

(j) Beginning with distributions of property tax revenue under this section in 2028 and thereafter; in order to receive a distribution under this section; the governing body of an eligible charter school shall; not later than October 15, 2027, and not later than October 15 of each calendar year thereafter; adopt a budget for the current school year. Not later than ten (10) days before its adoption; the budget must be fixed and presented to the charter board in a public meeting in the county in which the eligible charter school is incorporated. Not later than November 1, 2027, and not later than November 1 of each calendar year thereafter; the governing body of the charter school shall submit:

(1) the budget that is adopted under this subsection;

(2) the dates on which each requirement under this subsection was met; and

(3) a statement from the governing body of the charter school attesting that the dates provided in subdivision (2) are true and accurate and that the budget was properly adopted under this subsection;

to the charter authorizer for review and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3.

(k) If an eligible charter school does not satisfy the requirements of subsection (j) to receive distributions under this section during a calendar year; as determined by the department of local government finance; the eligible charter school may not receive a distribution of property tax revenue in that calendar year and the county auditor shall



1 withhold the eligible charter school's distribution amount. The
 2 department of local government finance's determination of compliance
 3 consists only of a confirmation that the adopted budget and attestation
 4 statement are submitted not later than the applicable date under
 5 subsection (j). Any distribution amount withheld under this subsection
 6 shall be:

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

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

13 (i) This subsection applies only to distributions under subsection (h)
 14 in calendar years 2028, 2029, and 2030 to an eligible charter school.
 15 Instead of the amount determined under subsection (h) for a
 16 distribution to a particular eligible charter school from the revenue
 17 collected from the tax levy imposed under this chapter by a particular
 18 school corporation, the county auditor shall make distributions
 19 according to the following:

20 (1) For a distribution in 2028, the county auditor shall distribute
 21 an amount for a particular eligible charter school equal to:

22 (A) the applicable result of STEP TWO of subsection (h) for
 23 the eligible charter school; multiplied by

24 (B) twenty-five hundredths (0.25);

25 (2) For a distribution in 2029, the county auditor shall distribute
 26 an amount for a particular eligible charter school equal to:

27 (A) the applicable result of STEP TWO of subsection (h) for
 28 the eligible charter school; multiplied by

29 (B) five-tenths (0.5);

30 (3) For a distribution in 2030, the county auditor shall distribute
 31 an amount for a particular eligible charter school equal to:

32 (A) the applicable result of STEP TWO of subsection (h) for
 33 the eligible charter school; multiplied by

34 (B) seventy-five hundredths (0.75);

35 Any amount of property tax revenue collected from the tax levy
 36 imposed under this chapter by a particular school corporation that
 37 remains after making the distributions according to this subsection
 38 shall be distributed to the school corporation and are in addition to the
 39 amount distributed to the school corporation under subsection (h) for
 40 the applicable year. This subsection expires July 1, 2032.

41 SECTION 53. IC 20-46-9-6, AS AMENDED BY P.L.68-2025,
 42 SECTION 227, IS AMENDED TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2026]: Sec. 6. (a) Subject to this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot if the governing body of the school corporation determines that a referendum levy should be imposed for measures to improve school safety as described in IC 20-40-20-6(a) or IC 20-40-20-6(b).

(b) Except as provided in section 22 of this chapter **(before its expiration)**, a school corporation may, with the approval of the majority of members of the governing body, distribute a portion of the proceeds of a tax levy collected under this chapter that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation, to be used by the charter school for the purposes described in IC 20-40-20-6(a).

(c) This subsection applies to a resolution described in subsection (a) that is adopted after May 10, 2023, **and before July 1, 2026**, in a county described in section 22(a) of this chapter. A resolution shall specify that a portion of the proceeds of the proposed levy will be distributed to applicable charter schools in the manner described under section 22 of this chapter if the charter school voluntarily elects to participate in the referendum in the manner described in subsection (i).

This subsection expires December 31, 2036.

(d) This subsection applies to a resolution described in subsection (a) that is adopted after May 10, 2023, **and before July 1, 2026**, in a county described in section 22(a) of this chapter. The resolution described in subsection (a) shall include a projection of the amount that the school corporation expects to be distributed to a particular charter school, excluding virtual charter schools or adult high schools, under section 22 of this chapter that elects to participate in the referendum under subsection (i). At least sixty (60) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact the department to determine the number of students in kindergarten through grade 12 who have legal settlement in the school corporation but attend a charter school, excluding virtual charter schools or adult high schools, and who receive not more than fifty percent (50%) virtual instruction. The department shall provide the school corporation with the number of students with legal settlement in the school corporation who attend a charter school, which shall be disaggregated for each particular charter school, excluding a virtual charter school or adult high school. The projection may include an expected increase in charter schools during the term the levy is imposed. The department of local government finance shall prescribe the manner in which the projection shall be



1 calculated. The governing body shall take into consideration the
 2 projection when adopting the revenue spending plan under subsection
 3 (g). **This subsection expires December 31, 2036.**

4 (e) The governing body of the school corporation shall certify a
 5 copy of the resolution to the following:

6 (1) The department of local government finance, including:

7 (A) the language for the question required by section 9 of this
 8 chapter, or in the case of a resolution to extend a referendum
 9 levy certified to the department of local government finance,
 10 section 10 of this chapter; and

11 (B) a copy of the revenue spending plan adopted under
 12 subsection (g).

13 The department of local government finance shall post the values
 14 certified by the county auditor to the department's website. The
 15 department shall review the language for compliance with section
 16 9 or 10 of this chapter, whichever is applicable, and either
 17 approve or reject the language. The department shall send its
 18 decision to the governing body of the school corporation not more
 19 than ten (10) days after the resolution is submitted to the
 20 department. If the language is approved, the governing body of
 21 the school corporation shall certify a copy of the resolution,
 22 including the language for the question and the department's
 23 approval.

24 (2) The county fiscal body of each county in which the school
 25 corporation is located (for informational purposes only).

26 (3) The circuit court clerk of each county in which the school
 27 corporation is located.

28 (f) Except as provided in section 22 of this chapter (**before its**
 29 **expiration**), the resolution described in subsection (a) must indicate
 30 whether proceeds in the school corporation's fund collected from a tax
 31 levy under this chapter will be used to provide a distribution to a
 32 charter school or charter schools, excluding a virtual charter school,
 33 under IC 20-40-20-6(b) as well as the amount that will be distributed
 34 to the particular charter school or charter schools. A school corporation
 35 may request from the designated charter school or charter schools any
 36 financial documentation necessary to demonstrate the financial need of
 37 the charter school or charter schools.

38 (g) As part of the resolution described in subsection (a), the
 39 governing body of the school corporation shall adopt a revenue
 40 spending plan for the proposed referendum tax levy that includes:

41 (1) an estimate of the amount of annual revenue expected to be
 42 collected if a levy is imposed under this chapter;



(2) the specific purposes described in IC 20-40-20-6 for which the revenue collected from a levy imposed under this chapter will be used;

(3) an estimate of the annual dollar amounts that will be expended for each purpose described in subdivision (2); and

(4) for a resolution for a referendum that is adopted after May 10, 2023, **and before July 1, 2026**, for a county described in section 22(a) of this chapter, the projected revenue that shall be distributed to charter schools as provided in subsection (d). The revenue spending plan shall also take into consideration deviations in the proposed revenue spending plan if the actual charter school distributions exceed or are lower than the projected charter school distributions described in subsection (d). The resolution shall include for each charter school that elects to participate under subsection (i) information described in subdivisions (1) through (3). **This subdivision expires December 31, 2036.**

(h) A school corporation shall specify in its proposed budget the school corporation's revenue spending plan adopted under subsection (g) and annually present the revenue spending plan at its public hearing on the proposed budget under IC 6-1.1-17-3.

(i) This subsection applies to a resolution described in subsection (a) for a county described in section 22(a) of this chapter that is adopted after May 10, 2023, **and before July 1, 2026**. At least forty-five (45) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact each charter school, excluding virtual charter schools or adult high schools, disclosed by the department to the school corporation under subsection (f) to determine whether the charter school will participate in the referendum. The notice must include the total amount of the school corporation's expected need, the corresponding estimate of that amount divided by the number of students enrolled in the school corporation, and the date on which the governing body of the school corporation will vote on the resolution. The charter school must respond in writing to the school corporation, which may be by electronic mail addressed to the superintendent of the school corporation, at least fifteen (15) days prior to the date that the resolution described in subsection (a) is to be voted on by the governing body. If the charter school elects to not participate in the referendum, the school corporation may exclude distributions to the charter school under section 22 of this chapter and from the projection described in subsection (d). If the charter school elects to participate in



the referendum, the charter school may receive distributions under section 22 of this chapter and must be included in the projection described in subsection (d). In addition, a charter school that elects to participate in the referendum under this subsection shall contribute a proportionate share of the cost to conduct the referendum based on the total combined ADM of the school corporation and any participating charter schools. **This subsection expires December 31, 2036.**

(j) This subsection applies to a resolution described in subsection (a) for a county described in section 22(a) of this chapter that is adopted after May 10, 2023, **and before July 1, 2026**. At least thirty (30) days before the referendum submitted to the voters under this chapter is voted on by the public in a general election, the school corporation that is pursuing the referendum and any charter school that has elected to participate under subsection (i) shall post a referendum disclosure statement on each school's respective website that contains the following information:

(1) The salaries by position within the school corporation or charter school listed from highest salary to lowest salary and a link to Gateway Indiana for access to individual salaries.

(2) An acknowledgment that the school corporation or charter school is not committing any crime described in IC 35-44.1-1.

(3) A link to the school corporation's or charter school's most recent state board of accounts audit on the state board of accounts' website.

(4) The current enrollment of the school corporation or charter school disaggregated by student group and race.

(5) The school corporation's or charter school's high school graduation rate.

(6) The school corporation's or charter school's annual retention rate for teachers for the previous five (5) years.

This subsection expires December 31, 2036.

SECTION 54. IC 20-46-9-7, AS AMENDED BY P.L.189-2023, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. ~~(a)~~ A resolution to extend a referendum levy must be:

(1) adopted by the governing body of a school corporation; and

(2) approved in a referendum under this chapter;

before December 31 of the final calendar year in which the school corporation's previously approved referendum levy is imposed under this chapter.

~~(b) For a resolution adopted under this section after May 10, 2023, for a county described in section 22(a) of this chapter, the resolution~~



1 must include the projected charter school distributions described in
 2 section 6(d) of this chapter and indicate the distributions to applicable
 3 charter schools in accordance with section 22 of this chapter.

4 SECTION 55. IC 20-46-9-22, AS AMENDED BY P.L.68-2025,
 5 SECTION 232, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) This section

7 ~~(1)~~ applies to revenue received from a resolution that is approved
 8 by the governing body to impose a referendum levy under section
 9 6 or 7 of this chapter after May 10, 2023, **and before July 1,**
 10 **2026,** for a school corporation located in:

11 ~~(A)~~ **(1)** Lake County;

12 ~~(B)~~ **(2)** Marion County;

13 ~~(C)~~ **(3)** St. Joseph County; or

14 ~~(D)~~ **(4)** Vanderburgh County;

15 through the full term of the referendum levy. **and**

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

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

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

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

31 (1) which charter schools, excluding virtual charter schools or
 32 adult high schools, are eligible to receive a distribution under this
 33 section; and

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

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

40 (1) A virtual charter school.

41 (2) An adult high school.

42 (d) For the purposes of the calculations made in this subsection,



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

STEP ONE: Determine, for each charter school, excluding virtual charter schools or adult high schools, that is eligible to receive a distribution under this section, the number of students who reside within the attendance area of the school corporation who are currently included in the ADM of the charter school.

STEP TWO: Determine the sum of:

- (A) the current ADM count for the school corporation; plus
- (B) the total number of students who reside within the attendance area of the school corporation who are currently included in the ADM of a charter school, excluding virtual charter schools or adult high schools.

STEP THREE: Determine the result of:

- (A) the STEP ONE amount; divided by
- (B) the STEP TWO amount.

STEP FOUR: Determine the result of:

- (A) the STEP THREE amount; multiplied by
- (B) the amount collected by the county auditor during the most recent installment period.

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

(f) A resolution to extend a referendum levy to which this section applies may not be:

- (1) adopted by the governing body of a school corporation; or**
- (2) approved in a referendum under this chapter;**

after June 30, 2026.

(g) This section expires December 31, 2036.

SECTION 56. [EFFECTIVE JULY 1, 2026] (a) Beginning July 1, 2026, the county auditor:

- (1) shall distribute money that is received after June 30, 2026, as part of a tax levy collected under IC 20-46-8 to the applicable school corporations; and**
- (2) may not distribute money that is received after June 30, 2026, as part of the tax levy collected under IC 20-46-8 to charter schools as provided in IC 20-46-8-11.2, as repealed by**



1 **this act.**
2 **(b) This SECTION expires January 1, 2027.**

