



February 18, 2026

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**ENGROSSED  
SENATE BILL No. 239**

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DIGEST OF SB 239 (Updated February 18, 2026 10:53 am - DI 110)

**Citations Affected:** IC 4-21.5; IC 6-1.1; IC 20-19; IC 20-24; IC 20-25.7; IC 20-26; IC 20-32.

**Synopsis:** Various education matters. Requires the department of education (department) to: (1) compile a list of business and industry partners that provide guaranteed incentives to high school students who earn the honors employment plus seal; and (2) publish the list on the department's website. Provides that, in addition to conditions established in current law to convert an existing public elementary or  
(Continued next page)

**Effective:** Upon passage; July 1, 2026.

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**Rogers, Raatz, Donato, Buchanan,  
Doriot**

(HOUSE SPONSORS — TESHKA, BEHNING, MCGUIRE)

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January 8, 2026, read first time and referred to Committee on Education and Career Development.

January 15, 2026, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

January 22, 2026, amended, reported favorably — Do Pass.

January 26, 2026, read second time, amended, ordered engrossed.

January 27, 2026, engrossed.

January 28, 2026, read third time, passed. Yeas 30, nays 18.

**HOUSE ACTION**

February 2, 2026, read first time and referred to Committee on Education.

February 18, 2026, amended, reported — Do Pass.

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ES 239—LS 7049/DI 152



## Digest Continued

secondary school, an existing public elementary or secondary school may be converted into a charter school if certain other conditions apply. Allows, if the conditions are met, the governing body of a school corporation to: (1) convert more than one existing public elementary or secondary school within the school corporation; and (2) operate two or more conversion charter schools under a single charter. Amends provisions regarding participating innovation network charter schools to allow an organizer to enter into an agreement with more than one school corporation. Amends requirements regarding the location of a participating innovation network charter school and terms of an agreement. Amends the duties of the department with regard to participating innovation network charter schools. Amends certain requirements and procedures that apply to the closure and transfer of covered school buildings. Provides that a lease or sale of a covered school building to a charter school or state educational institution includes certain assets. Requires parental notification if a school determines a student is at risk of not achieving grade level proficiency in mathematics. Repeals a provision that requires the county executive of a county to appoint a member of a charter school board.

**ES 239—LS 7049/DI 152**



February 18, 2026

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.

## ENGROSSED SENATE BILL No. 239

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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 4-21.5-2-4, AS AMENDED BY P.L.132-2019,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 4. (a) This article does not apply to any of the  
4 following agencies:  
5 (1) The governor.  
6 (2) The state board of accounts.  
7 (3) The state educational institutions.  
8 (4) The department of workforce development.  
9 (5) The unemployment insurance review board of the department  
10 of workforce development.  
11 (6) The worker's compensation board of Indiana.  
12 (7) The military officers or boards.  
13 (8) The Indiana utility regulatory commission.  
14 (9) The department of state revenue (excluding an agency action  
15 related to the licensure of private employment agencies).

ES 239—LS 7049/DI 152



- 1 (10) The department of local government finance.  
 2 (11) The Indiana board of tax review.  
 3 (12) The Indiana department of veterans' affairs.  
 4 (13) The Indiana veterans' affairs commission.  
 5 **(14) The state board of education when issuing a final**  
 6 **determination described in IC 20-26-7.1-4.**  
 7 (b) This article does not apply to action related to railroad rate and  
 8 tariff regulation by the Indiana department of transportation.  
 9 SECTION 2. IC 6-1.1-17-3.1, AS AMENDED BY P.L.136-2024,  
 10 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2026]: Sec. 3.1. (a) This section:  
 12 (1) applies only to an operating referendum tax levy under  
 13 IC 20-46-1 approved by the voters before January 1, 2023, that is  
 14 imposed by a school corporation for taxes first due and payable in  
 15 2024 and 2025;  
 16 (2) does not apply to an operating referendum tax levy under  
 17 IC 20-46-1:  
 18 (A) approved by the voters during a time that the school  
 19 corporation imposing the levy was designated as a distressed  
 20 political subdivision; or  
 21 (B) approved by the voters after December 31, 2022, and  
 22 before January 1, 2025, that is imposed by a school  
 23 corporation for taxes first due and payable in 2024 or 2025;  
 24 and  
 25 (3) does not apply to any other tax year.  
 26 (b) As used in this section, "ADM" refers to the school corporation's  
 27 average daily membership used to determine the state tuition support  
 28 distribution under IC 20-43. In the case of a school corporation that has  
 29 entered into an agreement with one (1) or more charter schools to  
 30 participate as an innovation network charter school under IC 20-25.7-5,  
 31 the term includes the average daily membership of **students described**  
 32 **in IC 20-25.7-5-2(b)(2)** of any innovation network charter school that  
 33 is treated as a school operated by the school corporation **with regard**  
 34 **to students described in IC 20-25.7-5-2(b)(2)** when calculating the  
 35 total amount of state tuition support to be distributed to the school  
 36 corporation.  
 37 (c) Notwithstanding any increase in the assessed value of property  
 38 from the previous assessment date, for taxes first due and payable in  
 39 2024, the total amount of operating referendum tax that may be levied  
 40 by a school corporation may not exceed the lesser of:  
 41 (1) the maximum operating referendum tax that could have been  
 42 levied by the school corporation if the maximum referendum rate



1           was imposed for taxes first due and payable in 2023 multiplied by  
 2           one and three-hundredths (1.03); or  
 3           (2) the maximum operating referendum tax that could otherwise  
 4           be levied by the school corporation for taxes first due and payable  
 5           in 2024.

6           The tax rate for an operating referendum tax levy shall be decreased,  
 7           if necessary, to comply with this limitation.

8           (d) Notwithstanding any increase in the assessed value of property  
 9           from the previous assessment date, for taxes first due and payable in  
 10          2025, the total amount of operating referendum tax that may be levied  
 11          by a school corporation may not exceed the lesser of the following:

12          (1) The maximum operating referendum tax that could have been  
 13          levied by the school corporation if the maximum referendum rate  
 14          was imposed for taxes first due and payable in the immediately  
 15          preceding calendar year, as adjusted by this section, multiplied by  
 16          the result determined under STEP SEVEN of the following  
 17          formula:

18          STEP ONE: Subtract:  
 19                  (i) the school corporation's spring count of ADM made in  
 20                  the calendar year preceding by five (5) years the calendar  
 21                  year in which the property taxes are first due and payable;  
 22                  from

23                  (ii) the school corporation's spring count of ADM made in  
 24                  the immediately preceding calendar year.

25          STEP TWO: Divide the STEP ONE result by four (4).

26          STEP THREE: Divide the STEP TWO result by the school  
 27          corporation's spring count of ADM made in the calendar year  
 28          preceding by five (5) years the calendar year in which the  
 29          property taxes are first due and payable.

30          STEP FOUR: Multiply the STEP THREE amount by one and  
 31          five-tenths (1.5).

32          STEP FIVE: Add the STEP FOUR result and one and  
 33          six-hundredths (1.06).

34          STEP SIX: Determine the greater of the STEP FIVE result or  
 35          one and six-hundredths (1.06).

36          STEP SEVEN: Determine the lesser of the STEP SIX result or  
 37          one and twelve-hundredths (1.12).

38          (2) The maximum operating referendum tax that could otherwise  
 39          be levied by the school corporation for taxes first due and payable  
 40          in the current calendar year.

41          The tax rate for an operating referendum tax levy shall be decreased,  
 42          if necessary, to comply with this limitation.



1 (e) The department of education shall provide to the department of  
 2 local government finance each school corporation's applicable ADM  
 3 counts as needed to make the determinations under this section.

4 SECTION 3. IC 20-19-3-45.5 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2026]: **Sec. 45.5. Not later than July 1, 2027,  
 7 and not later than each July 1 thereafter, the department shall:**

8 **(1) compile a list of business and industry partners that**  
 9 **provide guaranteed incentives to high school students who**  
 10 **earn the honors employment plus seal; and**

11 **(2) publish the list described in subdivision (1) on the**  
 12 **department's website.**

13 SECTION 4. IC 20-24-3-19 IS REPEALED [EFFECTIVE JULY 1,  
 14 2026]. ~~Sec. 19. (a) This section applies to a charter school that receives~~  
 15 ~~property tax revenue under any statute referred to in IC 20-24-7-6.1 or~~  
 16 ~~IC 20-24-7-6.2.~~

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

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

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

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

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

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

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

34 SECTION 5. IC 20-24-4-1, AS AMENDED BY P.L.214-2025,  
 35 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2026]: Sec. 1. A charter must meet the following  
 37 requirements:

38 (1) Be a written instrument.

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

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

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



- 1 (5) Subject to subdivision (6)(E), be granted for:  
 2 (A) not more than fifteen (15) years; and  
 3 (B) a fixed number of years agreed to by the authorizer and the  
 4 organizer.  
 5 (6) Provide for the following:  
 6 (A) A review by the authorizer of the charter school's  
 7 performance, including the progress of the charter school in  
 8 achieving the academic goals set forth in the charter, at least  
 9 one (1) time in each five (5) year period while the charter is in  
 10 effect.  
 11 (B) Renewal, if the authorizer and the organizer agree to renew  
 12 the charter.  
 13 (C) The renewal application must include guidance from the  
 14 authorizer, and the guidance must include the performance  
 15 criteria that will guide the authorizer's renewal decisions.  
 16 (D) The renewal application process must, at a minimum,  
 17 provide an opportunity for the charter school to:  
 18 (i) present additional evidence, beyond the data contained in  
 19 the performance report, supporting its case for charter  
 20 renewal;  
 21 (ii) describe improvements undertaken or planned for the  
 22 charter school; and  
 23 (iii) detail the charter school's plans for the next charter  
 24 term.  
 25 (E) Not later than the end of the calendar year in which the  
 26 charter school seeks renewal of a charter, the governing board  
 27 of a charter school seeking renewal shall submit a renewal  
 28 application to the charter authorizer under the renewal  
 29 application guidance issued by the authorizer. The authorizer  
 30 shall make a final ruling on the renewal application not later  
 31 than April 1 after the filing of the renewal application.  
 32 (7) Specify the grounds for the authorizer to:  
 33 (A) revoke the charter before the end of the term for which the  
 34 charter is granted; or  
 35 (B) not renew a charter.  
 36 (8) Set forth the methods by which the charter school will be held  
 37 accountable for achieving the educational mission and goals of  
 38 the charter school, including the following:  
 39 (A) Evidence of improvement in:  
 40 (i) assessment measures, including the statewide assessment  
 41 program measures;  
 42 (ii) attendance rates;



- 1 (iii) graduation rates (if appropriate);  
 2 (iv) increased numbers of Indiana diplomas with a Core 40  
 3 designation or increased numbers of Indiana diploma  
 4 designations established under IC 20-19-2-21 and other  
 5 college and career ready indicators including advanced  
 6 placement participation and passage, dual credit  
 7 participation and passage, and International Baccalaureate  
 8 participation and passage (if appropriate);  
 9 (v) increased numbers of Indiana diplomas with Core 40  
 10 with academic honors and technical honors designations (if  
 11 appropriate);  
 12 (vi) student academic growth;  
 13 (vii) financial performance and stability; and  
 14 (viii) governing board performance and stewardship,  
 15 including compliance with applicable laws, rules and  
 16 regulations, and charter terms.  
 17 (B) Evidence of progress toward reaching the educational  
 18 goals set by the organizer.  
 19 (9) Describe the method to be used to monitor the charter  
 20 school's:  
 21 (A) compliance with applicable law; and  
 22 (B) performance in meeting targeted educational performance.  
 23 (10) Specify that the authorizer and the organizer may amend the  
 24 charter during the term of the charter by mutual consent and  
 25 describe the process for amending the charter.  
 26 (11) Describe specific operating requirements, including all the  
 27 matters set forth in the application for the charter.  
 28 (12) Specify a date when the charter school will:  
 29 (A) begin school operations; and  
 30 (B) have students attending the charter school.  
 31 (13) Specify that records of a charter school relating to the  
 32 school's operation and charter are subject to inspection and  
 33 copying to the same extent that records of a public school are  
 34 subject to inspection and copying under IC 5-14-3.  
 35 (14) Specify that records provided by the charter school to the  
 36 department or authorizer that relate to compliance by the  
 37 organizer with the terms of the charter or applicable state or  
 38 federal laws are subject to inspection and copying in accordance  
 39 with IC 5-14-3.  
 40 (15) Specify that the charter school is subject to the requirements  
 41 of IC 5-14-1.5.  
 42 (16) In the case of a charter school that is subject to



- 1 IC 20-24-3-19; the charter must confirm that at least one (1)  
 2 member of the governing board of the charter school will be  
 3 appointed in accordance with IC 20-24-3-19.
- 4 SECTION 6. IC 20-24-11-5 IS ADDED TO THE INDIANA CODE  
 5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 6 1, 2026]: **Sec. 5. (a) An existing public elementary or secondary  
 7 school may be converted into a charter school if the governing  
 8 body of the school corporation:**
- 9 (1) votes to convert the school within the school corporation;  
 10 and  
 11 (2) submits to an authorizer a proposal described in  
 12 IC 20-24-3-4 to convert the school within the school  
 13 corporation to a charter school.
- 14 (b) The governing body of the school corporation described in  
 15 subsection (a) may not serve as the authorizer of the charter school  
 16 converted in accordance with this section.
- 17 (c) The organizer of a conversion charter school described in  
 18 this section may be:
- 19 (1) the school corporation; or  
 20 (2) a nonprofit corporation that:
- 21 (A) is established by the school corporation;  
 22 (B) is incorporated or registered in Indiana;  
 23 (C) has been recognized by the Internal Revenue Service to  
 24 be tax exempt and maintains such tax exempt status; and  
 25 (D) has an independent board whose members have been  
 26 elected or selected under the organizer's application and  
 27 that has entered into a contract under this article to  
 28 operate a charter school.
- 29 (d) The governing body of a school corporation may convert  
 30 more than one (1) existing public elementary or secondary school  
 31 within the school corporation under this section. The school  
 32 corporation or an organizer that is a nonprofit corporation  
 33 established by the school corporation under subsection (c)(2) may:
- 34 (1) submit a separate proposal for each school to an  
 35 authorizer; or  
 36 (2) with the approval of the authorizer, operate two (2) or  
 37 more schools under a single charter, provided that each  
 38 school site:
- 39 (A) is identified in the charter application and charter; and  
 40 (B) is subject to the performance conditions, accountability  
 41 measures, and renewal determinations established in the  
 42 charter.



1 (e) A conversion charter school described in this section shall  
2 comply with the following:

3 (1) All legal requirements described in section 1(d) of this  
4 chapter.

5 (2) Except as provided in this section, all requirements for  
6 charter schools under this article.

7 SECTION 7. IC 20-25.7-5-2, AS AMENDED BY P.L.213-2025,  
8 SECTION 169, IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) ~~The A~~ board may enter into  
10 an agreement with an organizer to:

11 (1) reconstitute an eligible school as a participating innovation  
12 network charter school; or ~~to~~

13 (2) establish a participating innovation network charter school at  
14 a location:

15 (A) selected by the board; ~~within the boundary of the school~~  
16 ~~corporation; or~~

17 (B) **within the geographic boundaries of any school**  
18 **corporation with which the organizer enters into an**  
19 **agreement under this chapter.**

20 Notwithstanding IC 20-26-7.1, a participating innovation network  
21 charter school may be established within a vacant school building.

22 (b) The terms of the agreement entered into between ~~the a~~ board of  
23 **a school corporation** and an organizer must specify the following:

24 (1) A statement that the organizer authorizes the department to  
25 include the charter school's performance assessment results under  
26 IC 20-31-8 **for students who reside within the geographic**  
27 **boundaries of the school corporation** when calculating the  
28 school corporation's performance assessment under rules adopted  
29 by the state board.

30 (2) Subject to an administrative fee as described in subsection (g),  
31 a statement that the school corporation will distribute at least one  
32 hundred percent (100%) of state tuition support dollars that the  
33 school corporation receives ~~from student enrollment~~ **for students**  
34 **who:**

35 (A) **reside within the geographic boundaries of the school**  
36 **corporation; and**

37 (B) **are enrolled** in the participating innovation network  
38 charter school;

39 in accordance with the school funding formula to the participating  
40 innovation network charter school (if the participating innovation  
41 network charter school is, **with regard to students described in**  
42 **this subsection**, treated in the same manner as a school operated



- 1 by the school corporation under subsection (d)(2)).
- 2 (3) The performance goals and accountability metrics agreed
- 3 upon for the charter school in the charter agreement between the
- 4 organizer and the authorizer and a statement that the school
- 5 corporation is prohibited from setting additional performance
- 6 goals or accountability metrics.
- 7 (4) For an agreement entered into or renewed after June 30, 2023,
- 8 the process the board is required to follow in determining whether
- 9 to renew the agreement.
- 10 (5) The amount of money levied as property taxes that will be
- 11 distributed by the school corporation to the organizer.
- 12 (6) Subject to section 5 of this chapter, the participating
- 13 innovation network charter school's enrollment and discipline
- 14 policies, including defined attendance areas and enrollment
- 15 zones.
- 16 (7) A statement that the innovation agreement shall not create an
- 17 obligation that would cause the organizer to be in violation of its
- 18 charter agreement (as described in IC 20-24-1-3).
- 19 (c) If an organizer and ~~the a~~ board enter into an agreement under
- 20 subsection (a), the organizer and the board shall notify the department
- 21 that the agreement has been made under this section within thirty (30)
- 22 days after the agreement is entered into.
- 23 (d) Upon receipt of the notification under subsection (c), for school
- 24 years starting after the date of the agreement:
- 25 (1) the department shall include the participating innovation
- 26 network charter school's performance assessment results under
- 27 IC 20-31-8 **for students who reside within the geographic**
- 28 **boundaries of the school corporation** when calculating the
- 29 school corporation's performance assessment under rules adopted
- 30 by the state board; **and**
- 31 (2) the department shall:
- 32 (A) treat the participating innovation network charter school
- 33 in the same manner as a school operated by the school
- 34 corporation **with regard to students residing within the**
- 35 **geographic boundaries of the school corporation** when
- 36 calculating the total amount of state funding to be distributed
- 37 to the school corporation unless subsection (e) applies; and
- 38 (B) **in determining the school corporation's enrollment,**
- 39 **include only eligible pupils enrolled in the participating**
- 40 **innovation network charter school who reside within the**
- 41 **geographic boundaries of the school corporation.**
- 42 (3) if requested by a participating innovation network charter



1 school that reconstitutes an eligible school; the department may  
 2 use student growth as the state board's exclusive means to  
 3 determine the innovation network charter school's category or  
 4 designation of school improvement under 511 IAC 6.2-10-10 for  
 5 a period of three (3) years. Beginning with the 2019-2020 school  
 6 year, the department may not use student growth as the state  
 7 board's exclusive means to determine an innovation network  
 8 charter school's category or designation of school improvement.  
 9 This subdivision expires July 1, 2023.

10 (e) If a participating innovation network school was established  
 11 before January 1, 2016, and for the current school year has a  
 12 complexity index that is greater than the complexity index for the  
 13 school corporation that the innovation network school has contracted  
 14 with, the innovation network school shall be treated as a charter school  
 15 for purposes of determining tuition support. This subsection expires  
 16 June 30, 2027.

17 (f) If the board or organizer fails to follow the process described in  
 18 subsection (b)(4), the board or organizer may appeal to the state board.  
 19 The state board shall hear the appeal in a public meeting and ensure  
 20 that the board or organizer follows the renewal process specified in the  
 21 agreement. The board may not terminate an agreement until the board  
 22 has provided evidence to the state board that the board has complied  
 23 with the renewal process specified in the agreement. The state board  
 24 shall issue a decision on an appeal under this subsection not later than  
 25 sixty (60) days after the date the board or organizer submitted the  
 26 appeal to the state board.

27 (g) If an administrative fee is included in an agreement entered into  
 28 or renewed **under this chapter** after June 30, ~~2023~~, **2026**, under this  
 29 section, ~~the fee may not exceed one percent (1%) of the total amount~~  
 30 ~~of state tuition support that is distributed to the school corporation~~  
 31 ~~based on the participating innovation network charter school's student~~  
 32 ~~enrollment. each school corporation with which an organizer of a~~  
 33 **participating innovation network charter school has entered into**  
 34 **an agreement may assess an administrative fee of not more than**  
 35 **one percent (1%) of the tuition support dollars that the school**  
 36 **corporation receives for students who:**

- 37 (1) **reside within the geographic boundaries of the school**  
 38 **corporation; and**  
 39 (2) **are enrolled in the participating innovation network**  
 40 **charter school.**

41 (h) An agreement entered into between the board and an organizer  
 42 under this section may not be altered without written approval from the



1 organizer.

2 SECTION 8. IC 20-25.7-5-2.5 IS ADDED TO THE INDIANA  
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2026]: **Sec. 2.5. In addition to any state**  
5 **tuition support dollars a participating innovation network charter**  
6 **school receives from a school corporation under this chapter, the**  
7 **department shall treat the participating innovation network**  
8 **charter school as a charter school when calculating the tuition**  
9 **support to be distributed to the innovation network charter school**  
10 **for students of the innovation network charter school who do not**  
11 **reside within the geographic boundaries of a school corporation**  
12 **with which the innovation network charter school has an**  
13 **agreement under this chapter.**

14 SECTION 9. IC 20-25.7-5-5, AS AMENDED BY P.L.220-2021,  
15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JULY 1, 2026]: Sec. 5. (a) IC 20-24-5-5 (with the exception of  
17 IC 20-24-5-5(g)) does not apply to a participating innovation network  
18 charter school that enters into an agreement with the board to  
19 reconstitute or establish an eligible school.

20 (b) Except as provided in subsections (c) and (d), a participating  
21 innovation network charter school must enroll any eligible student who  
22 submits a timely application for enrollment.

23 (c) A participating innovation network charter school that  
24 reconstitutes or establishes an eligible school may limit new  
25 admissions to the participating innovation network charter school to:

- 26 (1) ensure that any student with legal settlement in the attendance  
27 area, or in ~~the school corporation~~ **any school corporation with**  
28 **which the participating innovation network charter school has**  
29 **entered into an agreement under this chapter** if the school does  
30 not have a defined attendance area, may attend the charter school;  
31 (2) ensure that a student who attends the participating innovation  
32 network charter school during a school year may continue to  
33 attend the charter school in subsequent years;  
34 (3) allow the siblings of a student alumnus or a current student  
35 who attends the participating innovation network charter school  
36 to attend the charter school;  
37 (4) allow preschool students who attend a Level 3 or Level 4  
38 Paths to QUALITY program preschool to attend kindergarten at  
39 the participating innovation network charter school if the  
40 participating innovation network charter school and the school  
41 corporation or preschool provider have entered into an agreement  
42 to share services or facilities;



1 (5) allow each student who qualifies for free or reduced price  
 2 lunch under the national school lunch program to receive  
 3 preference for admission to the participating innovation network  
 4 charter school if the preference is specifically provided for in the  
 5 charter and is approved by the authorizer; and

6 (6) allow each student who attended a turnaround academy or  
 7 attends a school that is located in the same school building as the  
 8 participating innovation network charter school to receive  
 9 preference for admission to the participating innovation network  
 10 charter school if the preference is specifically provided for in the  
 11 participating innovation network charter school's charter and is  
 12 approved by the authorizer of the participating innovation  
 13 network charter school.

14 (d) A participating innovation network charter school with a  
 15 curriculum that includes study in a foreign country may deny admission  
 16 to a student if:

17 (1) the student:

18 (A) has completed fewer than twenty-two (22) academic  
 19 credits required for graduation; and

20 (B) will be in the grade 11 cohort during the school year in  
 21 which the student seeks to enroll in the participating  
 22 innovation network charter school; or

23 (2) the student has been suspended (as defined in IC 20-33-8-7)  
 24 or expelled (as defined in IC 20-33-8-3) during the twelve (12)  
 25 months immediately preceding the student's application for  
 26 enrollment for:

27 (A) ten (10) or more school days;

28 (B) a violation under IC 20-33-8-16;

29 (C) causing physical injury to a student, a school employee, or  
 30 a visitor to the school; or

31 (D) a violation of a school corporation's drug or alcohol rules.

32 For purposes of subdivision (2)(A), student discipline received under  
 33 IC 20-33-8-25(b)(7) for a violation described in subdivision (2)(B)  
 34 through (2)(D) must be included in the calculation of the number of  
 35 school days that a student has been suspended.

36 (e) A participating innovation network charter school may give  
 37 enrollment preferences to children of the participating innovation  
 38 network charter school's founders, governing board members, and  
 39 participating innovation network charter school employees, as long as  
 40 the enrollment preference under this subsection is not given to more  
 41 than ten percent (10%) of the participating innovation charter school's  
 42 total population and there is sufficient capacity for a program, class,



1 grade level, or building to ensure that any student with legal settlement  
2 in the attendance area may attend the school.

3 (f) This subsection applies to an existing charter school that enters  
4 into an innovation network agreement with ~~the~~ a board. During the  
5 charter school's first year of operation as a participating innovation  
6 network charter school, the charter school may limit admission to:

7 (1) those students who were enrolled in the charter school on the  
8 date it entered into the innovation network agreement; and

9 (2) siblings of students described in subdivision (1).

10 (g) This subsection applies if the number of applications for a  
11 program, class, grade level, or building exceeds the capacity of the  
12 program, class, grade level, or building. If a participating innovation  
13 network charter school receives a greater number of applications than  
14 there are spaces for students, each timely applicant must be given an  
15 equal chance of admission. The participating innovation network  
16 charter school that is not in a county containing a consolidated city  
17 must determine which of the applicants will be admitted to the  
18 participating innovation network charter school or the program, class,  
19 grade level, or building by random drawing in a public meeting with  
20 each timely applicant limited to one (1) entry in the drawing. However,  
21 the participating innovation network charter school located in a county  
22 with a consolidated city shall determine which of the applicants will be  
23 admitted to the participating innovation network charter school or the  
24 program, class, grade level, or building by using a publicly verifiable  
25 random selection process.

26 SECTION 10. IC 20-25.7-5-6, AS ADDED BY P.L.162-2024,  
27 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2026]: Sec. 6. (a) Subject to an administrative fee as described  
29 in section 2(g) of this chapter, a school corporation that enters into an  
30 agreement with an organizer under this chapter shall distribute at least  
31 one hundred percent (100%) of state tuition support dollars that the  
32 school corporation receives from ~~student enrollment~~ **students who:**

33 **(1) reside in the geographic boundaries of the school**  
34 **corporation; and**

35 **(2) are enrolled** in the participating innovation network charter  
36 school;

37 in accordance with the school funding formula to the participating  
38 innovation network charter school.

39 (b) Unless an agreement entered into before July 1, 2024, between  
40 a board and an organizer provides otherwise, all participating  
41 innovation network charter schools operating under existing  
42 agreements with boards as of July 1, 2024, will receive funds as



1 required under subsection (a).

2 SECTION 11. IC 20-26-7-47, AS AMENDED BY P.L.36-2024,  
3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 UPON PASSAGE]: Sec. 47. (a) The following definitions apply  
5 throughout this section:

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

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

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

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

15 (B) With regard to a school corporation, students counted in a  
16 school corporation's fall count of ADM minus all students  
17 counted in the fall count of ADM who are enrolled in eligible  
18 schools that:

19 (i) have entered into an agreement with the school  
20 corporation to participate as a participating innovation  
21 network charter school under IC 20-25.7-5; and

22 (ii) are included in the school corporation's fall ADM count.

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

25 (b) This section applies to a school corporation only if:

26 (1) the total student enrollment for in-person instruction in the  
27 school corporation in the current school year is at least ten percent  
28 (10%) less than the student enrollment for in-person instruction  
29 in the school corporation in a school year that precedes the  
30 current school year by five (5); and

31 (2) the school corporation in the current school year has more  
32 than one (1) school building serving the same grade level as the  
33 school building subject to closure under this section.

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

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

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

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



- 1 immediately preceding the current school year the school building  
 2 was underutilized for classroom instruction purposes or other  
 3 allowable uses specified by this section;
- 4 (3) as of the end of the school year before the school building is  
 5 required to be closed under this section, the school corporation  
 6 was not subject to a transitional plan adopted by the governing  
 7 body and approved by the department to use the school building  
 8 for an allowable use not later than the next school year after the  
 9 school building is otherwise required to be closed under this  
 10 section;
- 11 (4) in the case of a school building that was used in any part in the  
 12 current school year for instructional purposes, the school  
 13 corporation has another school building **or other school**  
 14 **buildings:**
- 15 (A) with sufficient capacity to take the students using the  
 16 school building being considered for closure; and
- 17 (B) that does not require more than twenty (20) minutes of  
 18 travel time by car or bus from the school building being  
 19 considered for closure; and
- 20 (5) the school building is not a school building described in  
 21 IC 20-26-7.1-1, IC 20-26-7.1-3(b), IC 20-26-7.1-3(c), or  
 22 IC 20-26-7.1-3(d).
- 23 (e) For purposes of this section, a school building is underutilized  
 24 in a school year if the school building is not used for any of the  
 25 following allowable uses:
- 26 (1) The number of full-time equivalent students enrolled for  
 27 in-person instruction in the school building on instructional days  
 28 (as determined under IC 20-30-2) for instructional purposes,  
 29 averaged over the current school year and the two (2) school years  
 30 immediately preceding the current school year, is at least fifty  
 31 percent (50%) of:
- 32 (A) the known classroom design capacity of the school  
 33 building; or
- 34 (B) if the design capacity is not known, the average maximum  
 35 full-time equivalent enrollment in any of the last twenty-five  
 36 (25) years, as validated by records created or maintained by  
 37 the department.
- 38 (2) The school corporation demonstrates through facts included  
 39 in a resolution that the school building is being used and that it is  
 40 financially prudent to continue to use the school building,  
 41 considering all community resources, for a distinct student  
 42 population that reasonably cannot be served through integration



1 with the general school population, such as students attending an  
2 alternative education program (as defined in IC 20-30-8-1).  
3 However, to be an allowable use under this subdivision, the  
4 average number of full-time equivalent students using the school  
5 building in a school year for instructional purposes must be at  
6 least thirty percent (30%) of:

7 (A) the known classroom design capacity of the school  
8 building; or

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

13 (if multiple school buildings are used for the same purposes)  
14 combining the student populations into fewer school buildings is  
15 not reasonably feasible.

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

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

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



1 the school building must be used for a combination of office  
2 space and storage and:

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

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

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

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

17 (2) jointly owned in the same manner by two (2) or more school  
18 corporations;

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

20 (g) Before filing a petition under subsection (h), a charter school or  
21 state educational institution that is interested in a school corporation's  
22 school building must give written notice to the school corporation to  
23 determine whether an agreement can be reached regarding the school  
24 corporation making the school building available for lease or purchase  
25 under IC 20-26-7.1.

26 (h) If an agreement is not reached within forty-five (45) days after  
27 the date that the school corporation receives the notice under  
28 subsection (g), the charter school or state educational institution may  
29 petition the department to initiate or the department on its own may  
30 initiate a proceeding for a determination as to whether a school  
31 building meets the criteria for closure under this section or a covered  
32 school building that is no longer used for classroom instruction by a  
33 school corporation should be made available under IC 20-26-7.1. If a  
34 charter school or state educational institution petitions the department  
35 under this subsection, the charter school or state educational institution  
36 must provide a copy of the petition to the applicable school  
37 corporation.

38 (i) An interested person that is not otherwise a party to the  
39 proceeding may intervene in the proceeding under subsection (h) as a  
40 party. The school corporation has the burden of going forward with the  
41 evidence and the burden of proof to demonstrate that the school  
42 building does not meet the criteria for closure or the covered school



1 building is not required to be made available under IC 20-26-7.1.

2 (j) Not more than ~~sixty (60)~~ **thirty (30)** days after receiving notice  
3 of a petition under subsection (h), the school corporation must:

4 (1) file a response to the petition that notifies the department that  
5 the school corporation:

6 (A) is not contesting the petition; or

7 (B) is contesting the petition and states the facts upon which  
8 the school corporation relies in contesting the petition; and

9 (2) provide a copy of the response to the petitioner and any  
10 intervening party.

11 (k) If the school corporation:

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

14 (2) fails to submit a timely response under subsection (j);

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

17 (l) If a school corporation contests a petition under subsection (j),  
18 a party to the proceeding has not more than ~~sixty (60)~~ **thirty (30)** days  
19 after the date that the school corporation files a response under  
20 subsection (j) to submit a reply to the school corporation's response.

21 **The petition shall be resolved in accordance with IC 20-26-7.1-4(g)**  
22 **through IC 20-26-7.1-4(v).**

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

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

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

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

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

38 SECTION 12. IC 20-26-7-48, AS ADDED BY P.L.189-2023,  
39 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 UPON PASSAGE]: Sec. 48. (a) The following definitions apply  
41 throughout this section:

42 (1) "Current school year" refers to a year in which the governing



- 1 body is required to conduct a review of school building usage  
 2 under section 47(c) of this chapter.  
 3 (2) "Enrollment" has the meaning set forth in section 47(a)(3) of  
 4 this chapter.  
 5 (b) This section applies to a school corporation only if:  
 6 (1) the total student enrollment for in-person instruction in the  
 7 school corporation in the current school year is at least ten percent  
 8 (10%) less than the student enrollment for in-person instruction  
 9 in the school corporation in a school year that precedes the  
 10 current school year by five (5); and  
 11 (2) the school corporation in the current school year has more  
 12 than one (1) school building serving the same grade level as a  
 13 school building subject to closure under section 47 of this chapter.  
 14 (c) **Beginning July 1, 2027**, each school corporation shall annually  
 15 report to the department, in the form and on the schedule specified by  
 16 the department, the following information:  
 17 (1) A listing of all buildings owned or leased by the school  
 18 corporation that were originally designed as a school building.  
 19 (2) The following information for each building listed in  
 20 subdivision (1):  
 21 (A) Designed occupancy, regardless of current use.  
 22 (B) Current use (and percentage of use) for classroom  
 23 instruction, as special use classrooms, as office space, or as  
 24 storage or alternatively the building's status as transitioning  
 25 from one (1) use or combination of uses to another.  
 26 (C) The following information:  
 27 (i) Current average full-time equivalent student enrollment  
 28 for in-person instruction in the school building on  
 29 instructional days (as determined under IC 20-30-2) in a  
 30 school year.  
 31 (ii) Percentage of instructional use.  
 32 (iii) Percentage of use for other purposes.  
 33 (D) Self-evaluation of whether the building qualifies for  
 34 closure under section 47 of this chapter or the school board  
 35 otherwise intends to close the building and the date closure  
 36 will occur (if applicable).  
 37 SECTION 13. IC 20-26-7.1-4, AS AMENDED BY P.L.1-2025,  
 38 SECTION 188, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Not later than thirty (30)  
 40 days after the date a governing body of a school corporation determines  
 41 at a public meeting to cease using a covered school building for  
 42 classroom instruction on student instructional days (as described in



1 IC 20-30-2-2) for a school year as required under IC 20-30-2-3, a  
2 school corporation shall provide written notice to the department  
3 regarding the date that the covered school building has ceased or will  
4 cease being used for classroom instruction as described in this  
5 subsection.

6 (b) If the school corporation does not intend to make a covered  
7 school building available for lease or purchase in accordance with this  
8 chapter, the school corporation shall state in the notice required under  
9 subsection (a) the factual and legal basis for the school corporation's  
10 contention that the covered school building is not required to be made  
11 available under this chapter. **The school corporation has the burden**  
12 **of going forward with the evidence and the burden of proof to**  
13 **demonstrate that the covered school building is not required to be**  
14 **made available under this chapter.** Any claim for exclusion from a  
15 requirement to make the covered school building available under this  
16 chapter which is not stated in the notice under this subsection is  
17 waived.

18 (c) If a school corporation does not provide notice to the department  
19 under subsection (a), any claim for exclusion from a requirement to  
20 make the covered school building available under this chapter is  
21 waived.

22 (d) Not later than fifteen (15) days after the date that the department  
23 receives a notice from a school corporation under subsection (a), the  
24 department shall provide written notice to all interested persons  
25 regarding the notice from the school corporation submitted under  
26 subsection (a).

27 (e) If a notice from a school corporation under subsection (a)  
28 acknowledges that the covered school building will be made available  
29 in accordance with this chapter, the department's notice to interested  
30 persons shall provide that any notice of interest by an interested person  
31 for the covered school building must be submitted to the department  
32 not later than sixty (60) days after the date the interested person  
33 receives the department's notice under subsection (d).

34 (f) If a notice from a school corporation under subsection (a)  
35 includes a claim that the covered school building will not be made  
36 available under this chapter, an interested person may submit to the  
37 department, not later than thirty (30) days after the date the interested  
38 person receives the notice from the department under subsection (d),  
39 a rebuttal to the factual and legal basis for the school corporation's  
40 contention that the covered school building is not required to be made  
41 available under this chapter.

42 (g) The department shall, not later than sixty (60) days after the date



1 that a **response is filed under IC 20-26-7-47(l) or** a rebuttal is ~~due~~  
 2 **submitted** under subsection (f), issue a determination to the ~~school~~  
 3 ~~corporation and interested persons~~ **parties to the proceeding** as to  
 4 whether the covered school building must be made available under this  
 5 chapter. The department shall publish a copy of the ~~department's~~  
 6 determination on the department's website.

7 (h) Not later than ~~thirty (30)~~ **sixty (60)** days after the date that the  
 8 department issues a determination under subsection (g), a ~~school~~  
 9 ~~corporation or interested person~~ **party to the proceeding** may appeal  
 10 the determination to **file with the state board a petition requesting**  
 11 **review of the department's determination.** An appeal to the state  
 12 board shall be subject to the procedure described in IC 20-26-11-15(b).

13 (i) Not later than ~~fifteen (15)~~ days after:

14 (1) the time expires for an appeal to the state board of a  
 15 department determination under subsection (g) or IC 20-26-7-47  
 16 that a covered school building be made available; or

17 (2) a determination by the state board that a covered school  
 18 building is to be made available is issued;

19 the governing body shall take the actions specified by subsection (j). If  
 20 the governing body fails to take the actions, the department shall  
 21 request that the attorney general enforce the order under section 9(a)  
 22 of this chapter.

23 (i) The state board shall issue a final determination on an appeal  
 24 filed under subsection (h) not later than forty-five (45) days after  
 25 the date on which an appeal is filed.

26 (j) If a petition requesting review under subsection (h) has not  
 27 been concluded by a final determination by the state board under  
 28 subsection (i) within two (2) years after the initial notice of interest  
 29 in acquiring the covered school building was submitted by a party  
 30 to the proceeding, a party to the proceeding may request that the  
 31 department determine whether a school building:

32 (1) is not required to be made available for lease or purchase  
 33 to a party to the proceeding under this chapter; or

34 (2) is required to be conveyed to a party to the proceeding in  
 35 accordance with this chapter.

36 The department shall make a determination on a request submitted  
 37 under this subsection not later than thirty (30) days after the date  
 38 the department receives the request. After the department issues  
 39 an order under this subsection, the pending petition requesting  
 40 review shall be deemed resolved by final order and there shall be  
 41 no administrative or judicial review of the order.

42 (k) If a party to the proceeding chooses to appeal a final



1 determination issued by the state board under subsection (i), the  
 2 appeal may only be filed in the court of appeals and must be filed  
 3 not later than thirty (30) days after the date the final determination  
 4 is issued by the state board. A school corporation that files an  
 5 appeal of the state board's final determination and is determined  
 6 to be the nonprevailing party by the court of appeals shall be  
 7 responsible for the reasonable attorney's fees incurred by the  
 8 prevailing party.

9 ~~(j)~~ **(l)** Not later than fifteen (15) days after the department  
 10 provides notice to interested parties under subsection (d) that a  
 11 covered school building is to be ~~made available~~, **closed**, the governing  
 12 body shall do the following:

13 (1) Make the covered school building available for inspection by  
 14 a charter school or state educational institution that notifies the  
 15 department that it is interested in leasing or purchasing the  
 16 covered school building.

17 (2) Make the following information available to a charter school  
 18 or state educational institution described in subdivision (1):

19 (A) Estimates of the operating expenses for the covered school  
 20 building for the past three (3) years.

21 (B) Written information regarding the condition of the covered  
 22 school building, including the age of the roof and the HVAC  
 23 system, and any known conditions which, in the governing  
 24 body's opinion, require prompt repair or replacement.

25 (C) A legal description of the property.

26 ~~(k)~~ **(m)** If the governing body fails to take the actions required under  
 27 subsection ~~(j)~~, **(l)**, a charter school having notified the school  
 28 corporation of its interest in the covered school building is entitled to  
 29 an injunction requiring the governing body to take the actions under  
 30 subsection ~~(j)~~: **(l)**.

31 ~~(h)~~ **(n)** The school corporation shall lease the covered school  
 32 building to a charter school or state educational institution for one  
 33 dollar (\$1) per year for as long as the state educational institution uses  
 34 the covered school building for an academic purpose or the charter  
 35 school uses the covered school building for classroom instruction, for  
 36 a term at the state educational institution's or charter school's  
 37 discretion, or sell the covered school building for one dollar (\$1), if the  
 38 charter school or state educational institution does the following:

39 (1) Within ninety (90) days of receiving the department's notice  
 40 under subsection (d), a charter school or state educational  
 41 institution must submit a preliminary request to purchase or lease  
 42 the covered school building.



1 (2) Subject to subsection ~~(m)~~; **(o)**, within ninety (90) days of  
 2 receiving the department's notice under subsection (d), a charter  
 3 school or state educational institution must submit to the school  
 4 corporation the following information:

5 (A) The name of the charter school or state educational  
 6 institution that is interested in leasing or purchasing the  
 7 covered school building.

8 (B) A time frame, which may not exceed three (3) years from  
 9 the date that the covered school building is to be closed, no  
 10 longer used, or no longer occupied, in which the:

11 (i) charter school intends to begin providing classroom  
 12 instruction in the covered school building; or

13 (ii) state educational institution intends to begin using the  
 14 covered school building for an academic purpose.

15 (C) A resolution, adopted by the board of the charter school or  
 16 state educational institution stating that the board of the  
 17 charter school or state educational institution has determined  
 18 that, after the charter school or state educational institution has  
 19 made any necessary repairs or modifications, the covered  
 20 school building will be sufficient to meet the charter school's  
 21 or state educational institution's needs and can be operated  
 22 within the charter school's or state educational institution's  
 23 budget.

24 ~~(m)~~ **(o)** If the department does not receive any preliminary requests  
 25 to purchase or lease a covered school building within the time frame  
 26 described in subsection ~~(t)~~**(1)**, **(n)****(1)**, the department shall send  
 27 notification to the school corporation that the department has not  
 28 received any preliminary requests to purchase or lease the covered  
 29 school building. Upon receipt of the notification under this subsection,  
 30 the school corporation may **sell or lease the covered school building**  
 31 **to the county or municipal government in which the school**  
 32 **corporation is located for a mutually agreed upon price. If the**  
 33 **county or municipal government does not purchase or lease the**  
 34 **covered school building, the school corporation may sell or**  
 35 otherwise dispose of the covered school building in accordance with  
 36 IC 36-1-11, IC 20-25-4-14, and IC 20-26-5-4(a)(7).

37 ~~(m)~~ **(p)** If only one (1) charter school submits a preliminary request  
 38 to purchase or lease the covered school building, the department shall  
 39 notify the school corporation of the identity of the charter school and  
 40 direct the school corporation to complete a sale or lease to the charter  
 41 school in accordance with subsection ~~(t)~~: **(t)**. In the event that two (2)  
 42 or more charter schools submit a preliminary request to purchase or



1 lease a covered school building within the time frame described in  
 2 subsection ~~(t)~~(1), **(n)(1)**, the department shall send notification to each  
 3 interested person and the school corporation that the department has  
 4 received two (2) or more preliminary requests under this section. An  
 5 authorizer committee shall be established, with each statewide  
 6 authorizer that has authorized one (1) or more charter schools  
 7 appointing a representative, and the committee shall establish the  
 8 chairperson and procedures for the committee. Within sixty (60) days  
 9 of receiving notice under this subsection, the committee shall select  
 10 which charter school may proceed under subsection ~~(t)~~ **(t)** to purchase  
 11 or lease the covered school building or determine if two (2) or more  
 12 charter schools should co-locate within the covered school building.  
 13 The committee shall base the committee's decision on the following  
 14 criteria:

15 (1) Preference shall be given to existing charter schools that have  
 16 a proven track record of student academic performance.

17 (2) If two (2) or more charter schools of proven academic  
 18 performance are competing and only one (1) charter school is  
 19 operating in the county in which the covered school building is  
 20 located, the charter school in the same county as the covered  
 21 school building shall be given preference.

22 In the event that the committee determines that two (2) or more charter  
 23 schools should co-locate in the covered school building, the charter  
 24 schools have sixty (60) days to submit a memorandum of  
 25 understanding stating that the charter schools shall be jointly and  
 26 severally liable for the obligations related to the sale or lease of the  
 27 covered school building, and specifying how the charter schools will  
 28 utilize the covered school building and share responsibility for  
 29 operational, maintenance, and renovation expenses. If the charter  
 30 schools are unable to agree, the charter schools shall be deemed to have  
 31 revoked their prior request regarding the lease or sale of the covered  
 32 school building. The committee shall give notice of the committee's  
 33 decision to the school corporation and each interested person. A charter  
 34 school that is not selected by the committee may appeal the decision to  
 35 the state board not more than thirty (30) days after receipt of the  
 36 committee's decision. The state board shall issue a final order in the  
 37 appeal not more than sixty (60) days after receipt of a properly filed  
 38 appeal. Notice of the appeal and the final order in the appeal must be  
 39 given to the school corporation.

40 ~~(t)~~ **(q)** If a charter school does not submit a preliminary request to  
 41 purchase or lease the covered school building and only one (1) state  
 42 educational institution submits a preliminary request to purchase or



- 1 lease the covered school building, the department shall:
- 2 (1) notify the school corporation of the identity of the state
- 3 educational institution; and
- 4 (2) direct the school corporation to complete a sale or lease to the
- 5 state educational institution in accordance with subsection ~~(r)~~: ~~(t)~~.
- 6 ~~(p)~~ **(r)** If one (1) or more state educational institutions submit
- 7 preliminary requests to purchase or lease a covered school building, a
- 8 selection committee shall be established consisting of one (1) member
- 9 appointed by the executive of the largest city or town in the county in
- 10 which the covered school building is located, one (1) member
- 11 appointed by the city or town council of the largest city or town in the
- 12 county in which the covered school building is located, one (1) member
- 13 appointed by the county commissioners of the county in which the
- 14 covered school building is located, one (1) member appointed by the
- 15 county council of the county in which the covered school building is
- 16 located, and one (1) member appointed by the chamber of commerce
- 17 of the county in which the covered school building is located.
- 18 ~~(q)~~ **(s)** Not later than sixty (60) days after the date that a member is
- 19 appointed under subsection ~~(p)~~; ~~(r)~~, the committee shall:
- 20 (1) select which state educational institution may proceed to
- 21 purchase or lease the covered school building; or
- 22 (2) determine whether more than one (1) state educational
- 23 institution should co-locate within the covered school building.
- 24 In making the committee's determination, the committee shall give
- 25 preference to a state educational institution whose proposed use of the
- 26 covered school building is assessed as having the greatest educational
- 27 benefit for prekindergarten through grade 12 education. A committee
- 28 determination under this subsection may not be appealed.
- 29 ~~(r)~~ **(t)** A school corporation shall lease the covered school building
- 30 for one dollar (\$1) per year to the charter school or state educational
- 31 institution for as long as the:
- 32 (1) charter school uses the covered school building for classroom
- 33 instruction for any combination of kindergarten through grade 12;
- 34 or
- 35 (2) state educational institution uses the covered school building
- 36 for an academic purpose.
- 37 The term of the lease shall be established at the charter school's or state
- 38 educational institution's discretion and include an option for the state
- 39 educational institution or charter school to purchase the covered school
- 40 building for one dollar (\$1). Alternatively, the school corporation shall
- 41 sell the covered school building to the charter school or state
- 42 educational institution for one dollar (\$1), if the charter school or state



1 educational institution has met the requirements set forth in subsection  
 2 ~~(t)~~ **(n)** and uses the covered school building in the manner prescribed  
 3 by this subsection. If the charter school or state educational institution  
 4 selected to lease or purchase the covered school building has met the  
 5 requirements under subsection ~~(t)~~; **(n)**, the school corporation has not  
 6 more than ~~ninety (90)~~ **thirty (30)** days after the date notice of a final  
 7 unappealable decision is received by the school corporation to  
 8 complete the lease or sale of the covered school building to the charter  
 9 school or state educational institution. If the transaction is not  
 10 completed within ~~ninety (90)~~ **thirty (30)** days, the department or the  
 11 selected charter school or state educational institution may, under  
 12 section 9 of this chapter, request that the attorney general enforce the  
 13 sale or lease or may file suit to enforce the sale or lease. If a charter  
 14 school or state educational institution has not met the requirements  
 15 under subsection ~~(t)~~; **(n)**, the school corporation may sell or otherwise  
 16 dispose of the covered school building in accordance with IC 36-1-11,  
 17 IC 20-25-4-14, and IC 20-26-5-4(a)(7).

18 **(u) In addition to a request that the attorney general enforce the**  
 19 **sale or lease or file suit to enforce the sale or lease of a covered**  
 20 **school building under subsection (t), if the transaction described in**  
 21 **subsection (t) is not completed within thirty (30) days after the date**  
 22 **the notice of a final unappealable decision is received by the school**  
 23 **corporation, the charter school or state educational institution may**  
 24 **bring a civil action against the school corporation. The court may**  
 25 **award to a charter school or state educational institution that**  
 26 **prevails in an action under this subsection the following:**

27 **(1) Injunctive relief.**

28 **(2) Liquidated damages computed at a rate of ten thousand**  
 29 **dollars (\$10,000) per day for each day that exceeds the thirty**

30 **(30) day time frame described in subsection (t).**

31 **(v) A lease or sale of a covered school building to a charter**  
 32 **school or a state educational institution under this section includes**  
 33 **transfer of:**

34 **(1) those assets that are fixtures of the covered school**  
 35 **building; and**

36 **(2) adjacent parking lots and playgrounds.**

37 SECTION 14. IC 20-26-7.1-5, AS AMENDED BY P.L.135-2025,  
 38 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 UPON PASSAGE]: Sec. 5. (a) If:

40 (1) a covered school building is sold to a charter school or state  
 41 educational institution under section 4 of this chapter; and

42 (2) the charter school or state educational institution described in



- 1 subdivision (1) no longer intends to use the covered school  
 2 building for the purposes described in section ~~4(t)~~ **4(n)** of this  
 3 chapter;
- 4 the charter school or state educational institution shall offer to transfer  
 5 the covered school building back to the school corporation that initially  
 6 sold the covered school building to the charter school or state  
 7 educational institution.
- 8 (b) If a school corporation described in subsection (a) declines the  
 9 offer to transfer a covered school building back to the school  
 10 corporation, the charter school or state educational institution may sell  
 11 or transfer the covered school building to a third party. If a charter  
 12 school or state educational institution sells or transfers a covered  
 13 school building to a third party under this subsection, the charter school  
 14 or state educational institution must transfer an amount equal to the  
 15 gain in the property minus the adjusted basis (including costs of  
 16 improvements to the covered school building) to the school corporation  
 17 that initially sold the covered school building to the charter school or  
 18 state educational institution. Gain and adjusted basis shall be  
 19 determined in the manner prescribed by the Internal Revenue Code and  
 20 the applicable Internal Revenue Service regulations and guidelines.
- 21 (c) A charter school or state educational institution that purchases  
 22 a covered school building assumes total control of the covered school  
 23 building and must maintain the covered school building, including  
 24 utilities, insurance, maintenance, and repairs. Except as provided in  
 25 subsection (d), in the event a:
- 26 (1) charter school does not use the covered school building for  
 27 classroom instruction; or
- 28 (2) state educational institution does not use the covered school  
 29 building for an academic purpose;
- 30 within ~~two (2)~~ **three (3)** years after acquiring the covered school  
 31 building, the covered school building shall revert to the school  
 32 corporation, which may sell or otherwise dispose of the covered school  
 33 building under IC 36-1-11.
- 34 (d) In the event a:
- 35 (1) charter school does not use the covered school building for  
 36 classroom instruction; or
- 37 (2) state educational institution does not use the covered school  
 38 building for an academic purpose;
- 39 as a result of being engaged in ongoing renovations for an acquired  
 40 covered school building, within ~~two (2)~~ **three (3)** years after acquiring  
 41 an occupancy permit for the covered school building, the covered  
 42 school building shall revert to the school corporation, which may sell



1 or otherwise dispose of the covered school building under IC 36-1-11.

2 SECTION 15. IC 20-26-7.1-5.3, AS AMENDED BY P.L.36-2024,  
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 UPON PASSAGE]: Sec. 5.3. (a) This section applies to a covered  
5 school building to which the following apply:

6 (1) The covered school building was purchased or leased by a  
7 charter school under this chapter.

8 (2) The total student enrollment for in-person instruction in the  
9 school building in the current school year is at least ten percent  
10 (10%) less than the student enrollment for in-person instruction  
11 in the school building in a school year that precedes the current  
12 school year by five (5).

13 (b) A school corporation may not petition the department under  
14 subsection (c) within the first five (5) years after a charter school  
15 purchased or initially leased a covered school building under this  
16 chapter.

17 (c) Subject to subsection (f), if:

18 (A) the number of full-time equivalent students enrolled for  
19 in-person instruction in a school building on instructional days (as  
20 determined under IC 20-30-2) for instructional purposes for a  
21 school year is not at least fifty percent (50%) of the classroom  
22 design capacity of the school building; **and**

23 **(B) it is consistent with the needs of the school corporation's**  
24 **strategic plan;**

25 the school corporation that leased or sold the school building to the  
26 charter school may file a petition with the department requesting that  
27 the charter school transfer the school building back to the school  
28 corporation.

29 (d) Before filing a petition under subsection (c), the school  
30 corporation must give written notice to the charter school to determine  
31 whether an agreement can be reached regarding transferring the school  
32 building to the school corporation.

33 (e) A petition filed under this section is subject to the same  
34 procedures under IC 20-26-7-47 as a petition filed under  
35 IC 20-26-7-47(h).

36 (f) For purposes of determining classroom design capacity under  
37 subsection (c), if a charter school reconfigures a school building after  
38 the charter school leases or purchases the school building, the  
39 classroom design capacity must be determined based on the  
40 reconfigured school building and not the classroom design capacity of  
41 the school building at the time of the lease or purchase.

42 **(g) As a condition precedent for a school corporation to receive**



1 a school building back from a charter school, the school  
 2 corporation shall pay the charter school the cost of capital  
 3 improvements the charter school made to the school building  
 4 minus depreciation.

5 SECTION 16. IC 20-32-6.5-3, AS ADDED BY P.L.180-2025,  
 6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2026]: Sec. 3. (a) Beginning with the 2026-2027 school year,  
 8 if a school determines that a student in kindergarten through grade 8 is  
 9 at risk of not achieving grade level proficiency in mathematics as  
 10 determined by an analysis of the student's data from:

- 11 (1) a grade level screener approved by the department; or
- 12 (2) a through-year statewide assessment;

13 the school must provide intervention that meets the requirements under  
 14 subsection (b).

15 (b) A school shall provide intervention to a student described in  
 16 subsection (a) that meets the following conditions:

- 17 (1) The intervention includes a multitiered system of support that  
 18 progresses from less to more intensive support based on the  
 19 student's individual needs.
- 20 (2) The intervention is aligned to daily Tier I instruction and  
 21 standard level learning progressions.
- 22 (3) The intervention is:  
 23 (A) targeted;  
 24 (B) differentiated; and  
 25 (C) supplemental to Tier I instruction.
- 26 (4) The intervention:  
 27 (A) is aligned with evidence based instructional strategies to  
 28 promote conceptual understanding, procedural fluency, and  
 29 real world problem solving; and  
 30 (B) allows a student opportunities to interact, show progress,  
 31 and demonstrate understanding through rigorous grade level  
 32 content.
- 33 (5) The intervention includes continual assessment and in depth  
 34 analysis of each student's data to inform the flexible movement in  
 35 and out of Tiers II and III.

36 (c) **Not later than fifteen (15) days after a school makes a**  
 37 **determination under subsection (a) that a student is at risk, the**  
 38 **school shall provide notice to a parent of the student regarding the**  
 39 **determination. The notification may contain the following:**

- 40 (1) **Specific information about how the student is performing.**
- 41 (2) **Information about the intervention the student will receive**  
 42 **from the school.**



1           **(3) A list or description of any recommended resources**  
2           **available for use at home to support the student's academic**  
3           **growth in mathematics.**

4           ~~(c)~~ **(d)** The department shall provide guidance on the multitiered  
5 system that a school is required to provide under subsection (b).

6           **SECTION 17. An emergency is declared for this act.**



## COMMITTEE REPORT

Mr. President: The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 239, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- Page 31, delete lines 10 through 42.
- Delete pages 32 through 37.
- Page 38, delete lines 1 through 35.
- Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 239 as introduced.)

RAATZ, Chairperson

Committee Vote: Yeas 9, Nays 4.

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 COMMITTEE REPORT

Mr. President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 239, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 16, line 8, delete "ten (10)" and insert "**thirty (30)**".

Page 16, line 10, delete "shall" and insert "**may**".

Page 16, delete lines 17 through 26, begin a new paragraph and insert:

**"(q) A lease or sale of a covered school building to a charter school or a state educational institution under this section includes transfer of:**

- (1) those assets that are fixtures of the covered school building; and**
- (2) property that is directly adjacent to the covered school building and owned by the school corporation, including property used for school activities, athletics, recreational facilities, and parking."**

Page 17, line 27, after "department" insert "**when requested by the department and**".

ES 239—LS 7049/DI 152



Page 17, delete lines 33 through 42.

Delete page 18.

Page 19, delete lines 1 through 25, begin a new paragraph and insert:

"SECTION 12. IC 20-26-7.1-4, AS AMENDED BY P.L.1-2025, SECTION 188, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) Not later than thirty (30) days after the date a governing body of a school corporation determines at a public meeting to cease using a covered school building for classroom instruction on student instructional days (as described in IC 20-30-2-2) for a school year as required under IC 20-30-2-3, a school corporation shall provide written notice to the department regarding the date that the covered school building has ceased or will cease being used for classroom instruction as described in this subsection."

Page 21, delete lines 34 through 42, begin a new paragraph and insert:

"(n) The school corporation shall lease the covered school building to a charter school or state educational institution for one dollar (\$1) per year for as long as the state educational institution uses the covered school building for an academic purpose or the charter school uses the covered school building for classroom instruction, for a term at the state educational institution's or charter school's discretion, or sell the covered school building for one dollar (\$1), if the charter school or state educational institution does the following:"

Page 22, delete lines 15 through 17, begin a new line triple block indented and insert:

"(i) charter school intends to begin providing classroom instruction in the covered school building; or"

Page 25, delete lines 36 through 42.

Page 26, delete lines 1 through 3, begin a new paragraph and insert:

**"(v) A lease or sale of a covered school building to a charter school or a state educational institution under this section includes transfer of:**

- (1) those assets that are fixtures of the covered school building; and**
- (2) property that is directly adjacent to the covered school building and owned by the school corporation, including property used for school activities, athletics, recreational facilities, and parking."**

Page 26, delete lines 35 through 36, begin a new line block indented and insert:



"(1) charter school does not use the covered school building for classroom instruction; or".

Page 27, delete lines 2 through 3, begin a new line block indented and insert:

"(1) charter school does not use the covered school building for classroom instruction; or".

Page 29, delete lines 14 through 42.

Delete pages 30 through 33.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 239 as printed January 16, 2026.)

GARTEN, Chairperson

Committee Vote: Yeas 9, Nays 4.

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SENATE MOTION

Mr. President: I move that Senate Bill 239 be amended to read as follows:

Page 16, line 3, delete "ten (10)" and insert "**thirty (30)**".

Page 16, delete lines 22 through 25, begin a new line single block indented and insert:

**"(2) adjacent parking lots and playgrounds."**

Page 17, line 32, after "subsection." insert "**The department shall issue the recovered state tuition within fifteen (15) days of receiving the report.**".

Page 23, line 27, delete "ten (10)" and insert "**thirty (30)**".

Page 23, line 31, delete "ten (10)" and insert "**thirty (30)**".

Page 23, line 42, delete "ten (10)" and insert "**thirty (30)**".

Page 24, line 3, delete "shall" and insert "**may**".

Page 24, delete lines 15 through 18, begin a new line single block indented and insert:

**"(2) adjacent parking lots and playgrounds."**

(Reference is to SB 239 as printed January 23, 2026.)

ROGERS



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 239, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Replace the effective date in SECTION 1 with "[EFFECTIVE UPON PASSAGE]".

Replace the effective dates in SECTIONS 9 through 10 with "[EFFECTIVE UPON PASSAGE]".

Replace the effective dates in SECTIONS 12 through 13 with "[EFFECTIVE UPON PASSAGE]".

Page 4, line 6, delete "Beginning" and insert "**Not later than**".

Page 4, line 6, after "and" insert "**not later than**".

Page 4, between lines 12 and 13, begin a new paragraph and insert: "SECTION 4. IC 20-24-3-19 IS REPEALED [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 (e).

SECTION 5. IC 20-24-4-1, AS AMENDED BY P.L.214-2025, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. A charter must meet the following requirements:

(1) Be a written instrument.

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

ES 239—LS 7049/DI 152



- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.
- (4) Confirm the status of a charter school as a public school.
- (5) Subject to subdivision (6)(E), be granted for:
  - (A) not more than fifteen (15) years; and
  - (B) a fixed number of years agreed to by the authorizer and the organizer.
- (6) Provide for the following:
  - (A) A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect.
  - (B) Renewal, if the authorizer and the organizer agree to renew the charter.
  - (C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.
  - (D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:
    - (i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;
    - (ii) describe improvements undertaken or planned for the charter school; and
    - (iii) detail the charter school's plans for the next charter term.
  - (E) Not later than the end of the calendar year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer. The authorizer shall make a final ruling on the renewal application not later than April 1 after the filing of the renewal application.
- (7) Specify the grounds for the authorizer to:
  - (A) revoke the charter before the end of the term for which the charter is granted; or
  - (B) not renew a charter.
- (8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:
  - (A) Evidence of improvement in:



- (i) assessment measures, including the statewide assessment program measures;
- (ii) attendance rates;
- (iii) graduation rates (if appropriate);
- (iv) increased numbers of Indiana diplomas with a Core 40 designation or increased numbers of Indiana diploma designations established under IC 20-19-2-21 and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);
- (v) increased numbers of Indiana diplomas with Core 40 with academic honors and technical honors designations (if appropriate);
- (vi) student academic growth;
- (vii) financial performance and stability; and
- (viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.

(B) Evidence of progress toward reaching the educational goals set by the organizer.

(9) Describe the method to be used to monitor the charter school's:

(A) compliance with applicable law; and

(B) performance in meeting targeted educational performance.

(10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.

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

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

(A) begin school operations; and

(B) have students attending the charter school.

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

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



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

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

Page 12, line 22, delete "building:" and insert "building or other school buildings:".

Page 15, line 28, after "response." insert "The petition shall be resolved in accordance with IC 20-26-7.1-4(g) through IC 20-26-7.1-4(v)."

Page 15, delete lines 29 through 42, begin a new paragraph and insert:

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

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

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

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

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

Page 16, delete lines 1 through 23.

Page 16, line 42, delete "Each" and insert "**Beginning July 1, 2027**, each".

Page 17, delete lines 23 through 42, begin a new paragraph and insert:

"SECTION 13. IC 20-26-7.1-4, AS AMENDED BY P.L.1-2025, SECTION 188, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Not later than thirty (30) days after the date a governing body of a school corporation determines at a public meeting to cease using a covered school building for classroom instruction on student instructional days (as described in IC 20-30-2-2) for a school year as required under IC 20-30-2-3, a school corporation shall provide written notice to the department regarding the date that the covered school building has ceased or will



cease being used for classroom instruction as described in this subsection.

(b) If the school corporation does not intend to make a covered school building available for lease or purchase in accordance with this chapter, the school corporation shall state in the notice required under subsection (a) the factual and legal basis for the school corporation's contention that the covered school building is not required to be made available under this chapter. **The school corporation has the burden of going forward with the evidence and the burden of proof to demonstrate that the covered school building is not required to be made available under this chapter.** Any claim for exclusion from a requirement to make the covered school building available under this chapter which is not stated in the notice under this subsection is waived.

(c) If a school corporation does not provide notice to the department under subsection (a), any claim for exclusion from a requirement to make the covered school building available under this chapter is waived.

(d) Not later than fifteen (15) days after the date that the department receives a notice from a school corporation under subsection (a), the department shall provide written notice to all interested persons regarding the notice from the school corporation submitted under subsection (a).

(e) If a notice from a school corporation under subsection (a) acknowledges that the covered school building will be made available in accordance with this chapter, the department's notice to interested persons shall provide that any notice of interest by an interested person for the covered school building must be submitted to the department not later than sixty (60) days after the date the interested person receives the department's notice under subsection (d).

(f) If a notice from a school corporation under subsection (a) includes a claim that the covered school building will not be made available under this chapter, an interested person may submit to the department, not later than thirty (30) days after the date the interested person receives the notice from the department under subsection (d), a rebuttal to the factual and legal basis for the school corporation's contention that the covered school building is not required to be made available under this chapter.

(g) The department shall, not later than sixty (60) days after the date that **a response is filed under IC 20-26-7-47(I) or** a rebuttal is ~~due~~ **submitted** under subsection (f), issue a determination to the ~~school corporation and interested persons~~ **parties to the proceeding** as to



whether the covered school building must be made available under this chapter. The department shall publish a copy of the ~~department's~~ determination on the department's website.

(h) Not later than ~~thirty (30)~~ **sixty (60)** days after the date that the department issues a determination under subsection (g), a ~~school corporation or interested person party to the proceeding~~ may appeal the determination to **file with the state board a petition requesting review of the department's determination.** An appeal to the state board shall be subject to the procedure described in IC 20-26-11-15(b).

(i) Not later than fifteen (15) days after:

(1) the time expires for an appeal to the state board of a department determination under subsection (g) or IC 20-26-7-47 that a covered school building be made available; or

(2) a determination by the state board that a covered school building is to be made available is issued;

the governing body shall take the actions specified by subsection (j). If the governing body fails to take the actions, the department shall request that the attorney general enforce the order under section 9(a) of this chapter.

(i) **The state board shall issue a final determination on an appeal filed under subsection (h) not later than forty-five (45) days after the date on which an appeal is filed.**

(j) **If a petition requesting review under subsection (h) has not been concluded by a final determination by the state board under subsection (i) within two (2) years after the initial notice of interest in acquiring the covered school building was submitted by a party to the proceeding, a party to the proceeding may request that the department determine whether a school building:**

(1) is not required to be made available for lease or purchase to a party to the proceeding under this chapter; or

(2) is required to be conveyed to a party to the proceeding in accordance with this chapter.

**The department shall make a determination on a request submitted under this subsection not later than thirty (30) days after the date the department receives the request. After the department issues an order under this subsection, the pending petition requesting review shall be deemed resolved by final order and there shall be no administrative or judicial review of the order.**

(k) **If a party to the proceeding chooses to appeal a final determination issued by the state board under subsection (i), the appeal may only be filed in the court of appeals and must be filed not later than thirty (30) days after the date the final determination**



is issued by the state board. A school corporation that files an appeal of the state board's final determination and is determined to be the nonprevailing party by the court of appeals shall be responsible for the reasonable attorney's fees incurred by the prevailing party.

~~(j)~~ **(l)** Not later than fifteen (15) days after the department provides notice to interested parties under subsection (d) that a covered school building is to be made available, ~~closed~~, the governing body shall do the following:

- (1) Make the covered school building available for inspection by a charter school or state educational institution that notifies the department that it is interested in leasing or purchasing the covered school building.
- (2) Make the following information available to a charter school or state educational institution described in subdivision (1):
  - (A) Estimates of the operating expenses for the covered school building for the past three (3) years.
  - (B) Written information regarding the condition of the covered school building, including the age of the roof and the HVAC system, and any known conditions which, in the governing body's opinion, require prompt repair or replacement.
  - (C) A legal description of the property.

~~(k)~~ **(m)** If the governing body fails to take the actions required under subsection ~~(j)~~, **(l)**, a charter school having notified the school corporation of its interest in the covered school building is entitled to an injunction requiring the governing body to take the actions under subsection ~~(j)~~, **(l)**.

~~(l)~~ **(n)** The school corporation shall lease the covered school building to a charter school or state educational institution for one dollar (\$1) per year for as long as the state educational institution uses the covered school building for an academic purpose or the charter school uses the covered school building for classroom instruction, for a term at the state educational institution's or charter school's discretion, or sell the covered school building for one dollar (\$1), if the charter school or state educational institution does the following:

- (1) Within ninety (90) days of receiving the department's notice under subsection (d), a charter school or state educational institution must submit a preliminary request to purchase or lease the covered school building.
- (2) Subject to subsection ~~(m)~~, **(o)**, within ninety (90) days of receiving the department's notice under subsection (d), a charter school or state educational institution must submit to the school



corporation the following information:

(A) The name of the charter school or state educational institution that is interested in leasing or purchasing the covered school building.

(B) A time frame, which may not exceed three (3) years from the date that the covered school building is to be closed, no longer used, or no longer occupied, in which the:

- (i) charter school intends to begin providing classroom instruction in the covered school building; or
- (ii) state educational institution intends to begin using the covered school building for an academic purpose.

(C) A resolution, adopted by the board of the charter school or state educational institution stating that the board of the charter school or state educational institution has determined that, after the charter school or state educational institution has made any necessary repairs or modifications, the covered school building will be sufficient to meet the charter school's or state educational institution's needs and can be operated within the charter school's or state educational institution's budget.

~~(m)~~ **(o)** If the department does not receive any preliminary requests to purchase or lease a covered school building within the time frame described in subsection ~~(f)(1)~~; **(n)(1)**, the department shall send notification to the school corporation that the department has not received any preliminary requests to purchase or lease the covered school building. Upon receipt of the notification under this subsection, the school corporation may **sell or lease the covered school building to the county or municipal government in which the school corporation is located for a mutually agreed upon price. If the county or municipal government does not purchase or lease the covered school building, the school corporation may sell or** otherwise dispose of the covered school building in accordance with IC 36-1-11, IC 20-25-4-14, and IC 20-26-5-4(a)(7).

~~(n)~~ **(p)** If only one (1) charter school submits a preliminary request to purchase or lease the covered school building, the department shall notify the school corporation of the identity of the charter school and direct the school corporation to complete a sale or lease to the charter school in accordance with subsection ~~(f)~~; **(t)**. In the event that two (2) or more charter schools submit a preliminary request to purchase or lease a covered school building within the time frame described in subsection ~~(f)(1)~~; **(n)(1)**, the department shall send notification to each interested person and the school corporation that the department has



received two (2) or more preliminary requests under this section. An authorizer committee shall be established, with each statewide authorizer that has authorized one (1) or more charter schools appointing a representative, and the committee shall establish the chairperson and procedures for the committee. Within sixty (60) days of receiving notice under this subsection, the committee shall select which charter school may proceed under subsection ~~(r)~~ (t) to purchase or lease the covered school building or determine if two (2) or more charter schools should co-locate within the covered school building. The committee shall base the committee's decision on the following criteria:

- (1) Preference shall be given to existing charter schools that have a proven track record of student academic performance.
- (2) If two (2) or more charter schools of proven academic performance are competing and only one (1) charter school is operating in the county in which the covered school building is located, the charter school in the same county as the covered school building shall be given preference.

In the event that the committee determines that two (2) or more charter schools should co-locate in the covered school building, the charter schools have sixty (60) days to submit a memorandum of understanding stating that the charter schools shall be jointly and severally liable for the obligations related to the sale or lease of the covered school building, and specifying how the charter schools will utilize the covered school building and share responsibility for operational, maintenance, and renovation expenses. If the charter schools are unable to agree, the charter schools shall be deemed to have revoked their prior request regarding the lease or sale of the covered school building. The committee shall give notice of the committee's decision to the school corporation and each interested person. A charter school that is not selected by the committee may appeal the decision to the state board not more than thirty (30) days after receipt of the committee's decision. The state board shall issue a final order in the appeal not more than sixty (60) days after receipt of a properly filed appeal. Notice of the appeal and the final order in the appeal must be given to the school corporation.

~~(r)~~ (q) If a charter school does not submit a preliminary request to purchase or lease the covered school building and only one (1) state educational institution submits a preliminary request to purchase or lease the covered school building, the department shall:

- (1) notify the school corporation of the identity of the state educational institution; and



(2) direct the school corporation to complete a sale or lease to the state educational institution in accordance with subsection ~~(p)~~; **(t)**.

~~(p)~~ **(r)** If one (1) or more state educational institutions submit preliminary requests to purchase or lease a covered school building, a selection committee shall be established consisting of one (1) member appointed by the executive of the largest city or town in the county in which the covered school building is located, one (1) member appointed by the city or town council of the largest city or town in the county in which the covered school building is located, one (1) member appointed by the county commissioners of the county in which the covered school building is located, one (1) member appointed by the county council of the county in which the covered school building is located, and one (1) member appointed by the chamber of commerce of the county in which the covered school building is located.

~~(q)~~ **(s)** Not later than sixty (60) days after the date that a member is appointed under subsection ~~(p)~~; **(r)**, the committee shall:

- (1) select which state educational institution may proceed to purchase or lease the covered school building; or
- (2) determine whether more than one (1) state educational institution should co-locate within the covered school building.

In making the committee's determination, the committee shall give preference to a state educational institution whose proposed use of the covered school building is assessed as having the greatest educational benefit for prekindergarten through grade 12 education. A committee determination under this subsection may not be appealed.

~~(r)~~ **(t)** A school corporation shall lease the covered school building for one dollar (\$1) per year to the charter school or state educational institution for as long as the:

- (1) charter school uses the covered school building for classroom instruction for any combination of kindergarten through grade 12; or
- (2) state educational institution uses the covered school building for an academic purpose.

The term of the lease shall be established at the charter school's or state educational institution's discretion and include an option for the state educational institution or charter school to purchase the covered school building for one dollar (\$1). Alternatively, the school corporation shall sell the covered school building to the charter school or state educational institution for one dollar (\$1), if the charter school or state educational institution has met the requirements set forth in subsection ~~(r)~~ **(n)** and uses the covered school building in the manner prescribed by this subsection. If the charter school or state educational institution



selected to lease or purchase the covered school building has met the requirements under subsection ~~(t)~~; **(n)**, the school corporation has not more than ~~ninety (90)~~ **thirty (30)** days after the date notice of a final unappealable decision is received by the school corporation to complete the lease or sale of the covered school building to the charter school or state educational institution. If the transaction is not completed within ~~ninety (90)~~ **thirty (30)** days, the department or the selected charter school or state educational institution may, under section 9 of this chapter, request that the attorney general enforce the sale or lease or may file suit to enforce the sale or lease. If a charter school or state educational institution has not met the requirements under subsection ~~(t)~~; **(n)**, the school corporation may sell or otherwise dispose of the covered school building in accordance with IC 36-1-11, IC 20-25-4-14, and IC 20-26-5-4(a)(7).

**(u) In addition to a request that the attorney general enforce the sale or lease or file suit to enforce the sale or lease of a covered school building under subsection (t), if the transaction described in subsection (t) is not completed within thirty (30) days after the date the notice of a final unappealable decision is received by the school corporation, the charter school or state educational institution may bring a civil action against the school corporation. The court may award to a charter school or state educational institution that prevails in an action under this subsection the following:**

- (1) Injunctive relief.**
- (2) Liquidated damages computed at a rate of ten thousand dollars (\$10,000) per day for each day that exceeds the thirty (30) day time frame described in subsection (t).**

**(v) A lease or sale of a covered school building to a charter school or a state educational institution under this section includes transfer of:**

- (1) those assets that are fixtures of the covered school building; and**
- (2) adjacent parking lots and playgrounds."**

Delete pages 18 through 23.

Page 24, delete lines 1 through 15.

Page 26, delete lines 21 through 24, begin a new paragraph and insert:

**"(g) As a condition precedent for a school corporation to receive a school building back from a charter school, the school corporation shall pay the charter school the cost of capital improvements the charter school made to the school building minus depreciation."**



Page 27, after line 25, begin a new paragraph and insert:  
"SECTION 17. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 239 as reprinted January 27, 2026.)

BEHNING

Committee Vote: yeas 7, nays 4.

