



PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 239 be amended to read as follows:

- 1 Page 1, delete lines 1 through 15.
- 2 Page 2, delete lines 1 through 8.
- 3 Page 4, between lines 3 and 4, begin a new paragraph and insert:
- 4 "SECTION 2. IC 20-18-2-16, AS AMENDED BY P.L.211-2019,
- 5 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 UPON PASSAGE]: Sec. 16. (a) "School corporation", for purposes of
- 7 this title (except IC 20-20-33, IC 20-26-1 through IC 20-26-5,
- 8 IC 20-26-7, ~~IC 20-26-7.1~~, IC 20-28-11.5, IC 20-30-8, IC 20-30-16,
- 9 IC 20-43, and IC 20-50), means a public school corporation established
- 10 by Indiana law. The term includes a:
- 11 (1) school city;
- 12 (2) school town;
- 13 (3) consolidated school corporation;
- 14 (4) metropolitan school district;
- 15 (5) township school corporation;
- 16 (6) county school corporation;
- 17 (7) united school corporation; or
- 18 (8) community school corporation.
- 19 (b) "School corporation", for purposes of IC 20-26-1 through
- 20 IC 20-26-5, **and** IC 20-26-7, **and** ~~IC 20-26-7.1~~, has the meaning set
- 21 forth in IC 20-26-2-4.

1 (c) "School corporation", for purposes of IC 20-20-33, IC 20-26.5,
2 IC 20-30-8, and IC 20-50, includes a charter school (as defined in
3 IC 20-24-1-4).

4 (d) "School corporation", for purposes of IC 20-43, has the meaning
5 set forth in IC 20-43-1-23.

6 (e) "School corporation", for purposes of IC 20-28-11.5, has the
7 meaning set forth in IC 20-28-11.5-3.

8 (f) "School corporation", for purposes of IC 20-35, has the meaning
9 set forth in IC 20-35-1-6.

10 (g) "School corporation", for purposes of IC 20-30-16, has the
11 meaning set forth in IC 20-30-16-4."

12 Page 4, between lines 12 and 13, begin a new paragraph and insert:

13 "SECTION 4. IC 20-23-19-4, AS ADDED BY P.L.68-2025,
14 SECTION 200, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) ~~Notwithstanding~~
16 ~~IC 20-26-7.1~~; The governing body of the Union School Corporation,
17 before its dissolution under this chapter, shall offer for sale and sell in
18 the open market any building and real property owned by the Union
19 School Corporation.

20 (b) ~~If the governing body is unable to sell a building described in~~
21 ~~subsection (a); the governing body of the Union School Corporation~~
22 ~~shall make the building available for purchase as provided under~~
23 ~~IC 20-26-7.1.~~

24 (c) ~~(b)~~ If the governing body of the Union School Corporation does
25 not sell a building or any real property described in subsection (a), the
26 governing body shall transfer ownership of the building and any real
27 property to the governing body of the Monroe Central School
28 Corporation.

29 (d) ~~(c)~~ ~~Notwithstanding IC 20-26-7.1~~; The governing body of the
30 Monroe Central School Corporation may offer for sale and sell any
31 building or real property transferred under subsection ~~(c)~~ **(b)** in the
32 open market."

33 Page 7, between lines 3 and 4, begin a new paragraph and insert:

34 "SECTION 13. IC 20-24-7-17, AS ADDED BY P.L.68-2025,
35 SECTION 206, IS AMENDED TO READ AS FOLLOWS
36 [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) This section is in
37 addition to any other requirement imposed on a charter school with
38 respect to the closure of a charter school, including the payment of any
39 outstanding debts.

40 (b) At the time of the closure of a charter school, the charter school
41 shall return any money remaining unexpended from any distribution of
42 property tax revenue received from a levy referred to in sections 6.1
43 and 6.2 of this chapter to the school corporation that made the
44 distribution. A charter school that closes is not entitled to any future
45 distributions of property tax revenue from a levy referred to in sections
46 6.1 and 6.2 of this chapter.

1 (c) If a charter school has outstanding debt at the time of the closure,
2 the charter school must satisfy the outstanding debt in accordance with
3 the following:

4 (1) If the charter school owns the building but did not purchase
5 the building under IC 20-26-7.1 (**before its repeal**), the charter
6 school must first sell the building and apply the proceeds received
7 from the sale to pay off the outstanding debt.

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

11 (d) A charter school that closes must notify the county auditor of the
12 county in which the charter school is located of the closure and provide
13 the county auditor with a copy of the:

- 14 (1) charter school authorizer's decision;
- 15 (2) charter school's governing body's vote determining; or
- 16 (3) minutes of the meeting at which the charter school's governing
17 body made the decision;

18 to close the charter school."

19 Page 8, between lines 6 and 7, begin a new paragraph and insert:

20 "SECTION 9. IC 20-25-4-14, AS AMENDED BY P.L.270-2019,
21 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 UPON PASSAGE]: Sec. 14. (a) ~~Except as provided in IC 20-26-7.1~~, A
23 school city may:

- 24 (1) sell real estate;
- 25 (2) transfer personal property; and
- 26 (3) execute deeds of conveyance and instruments of transfer with
27 or without covenants of warranty;

28 if, in the opinion of the board, the real estate or personal property
29 cannot be advantageously used for school or library purposes and can
30 be sold for its fair cash value.

31 (b) A determination by the board that real estate or personal
32 property cannot be advantageously used under subsection (a) must be
33 entered into the record of the minutes of the school city's board.

34 SECTION 10. IC 20-25.7-4-6, AS AMENDED BY P.L.162-2024,
35 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]: Sec. 6. (a) For as long as an innovation network
37 team operates an innovation network school:

38 (1) the innovation network team may use the school building, the
39 accompanying real property, and the building's contents,
40 equipment, and supplies, as provided in the agreement established
41 under section 5 of this chapter;

- 42 (2) the school corporation may:
 - 43 (A) provide transportation for students attending the
44 innovation network school; and
 - 45 (B) maintain and repair the buildings and grounds consistent
46 with the maintenance and repair to the school corporation's

1 other buildings and grounds;

2 (3) the innovation network team and the school corporation may

3 enter into an agreement to transfer the ownership of a school

4 corporation facility to the innovation network team; and

5 (4) the school corporation may not alter the use of the facility

6 occupied by the innovation network school without agreement

7 from the innovation network team.

8 (b) If an innovation network team contracts with a school

9 corporation for goods or services, the school corporation may not

10 charge the innovation network team more for the goods or services than

11 the school corporation pays for the goods or services. A school

12 corporation may not require an innovation network team to contract for

13 specific goods or services provided by the school corporation or any

14 other entity.

15 (c) A school corporation and an innovation network team may

16 negotiate to require specific services with regard to an innovation

17 network school during the term of an agreement. However, subject to

18 subsection (d), an innovation network team must be able to select the

19 service provider for the services.

20 (d) A school corporation may require an innovation network school

21 to:

22 (1) use the school corporation's student information system; and

23 (2) comply with the school corporation's networking,

24 cybersecurity, and device standards.

25 However, nothing in this subsection may be construed to allow a school

26 corporation to alter an innovation network team's autonomy to

27 determine the academic programming of the innovation network team's

28 school.

29 (e) For as long as an innovation network team operates an

30 innovation network school, the school corporation may distribute

31 money levied as property taxes to the innovation network team.

32 Property taxes distributed to an innovation network team must be used

33 only for a purpose for which the property taxes could have been used

34 by the school corporation. Property taxes distributed under this

35 subsection may supplement services and property provided under

36 subsection (a) or (b). The parties may jointly modify an agreement

37 described in section 5 of this chapter to implement this subsection.

38 ~~(f) An agreement concerning the transfer of ownership of a school~~

39 ~~corporation facility to an innovation network team described in~~

40 ~~subsection (a) is not subject to IC 20-26-7.1."~~

41 Page 8, line 20, strike "Notwithstanding IC 20-26-7.1,".

42 Page 8, line 20, delete "a" and insert "A".

43 Page 11, between lines 13 and 14, begin a new paragraph and insert:

44 "SECTION 7. IC 20-25.7-5-3, AS AMENDED BY P.L.68-2025,

45 SECTION 207, IS AMENDED TO READ AS FOLLOWS

46 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) For as long as a charter

- 1 school remains a participating innovation network charter school:
- 2 (1) the school corporation may provide transportation for students
- 3 attending the participating innovation network charter school;
- 4 (2) the school corporation may maintain and repair the buildings
- 5 and grounds used by the participating innovation network charter
- 6 school consistent with the maintenance and repair to the school
- 7 corporation's other buildings and grounds;
- 8 (3) the school corporation may enter into an agreement to transfer
- 9 the ownership of a school corporation facility to the organizer;
- 10 and
- 11 (4) the school corporation may not alter the use of the facility
- 12 occupied by the participating innovation network charter school
- 13 without written agreement from the organizer.

14 (b) If an organizer contracts with a school corporation for goods or
 15 services, the school corporation may not charge the organizer more for
 16 the goods or services than the school corporation pays for the goods or
 17 services. A school corporation may not require an organizer to contract
 18 for specific goods or services provided by the school corporation or any
 19 other entity.

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

24 (d) For as long as a charter school remains a participating
 25 innovation network charter school, the school corporation may
 26 distribute money levied as property taxes to the charter school. Property
 27 taxes distributed to a charter school must be used only for a purpose for
 28 which the property taxes could have been used by the school
 29 corporation. Property taxes distributed under this subsection may
 30 supplement services and property provided under subsection (a) or (b).
 31 The parties may jointly modify an agreement described in section 2 of
 32 this chapter to implement this subsection.

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

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

42 Page 14, delete lines 2 through 42, begin a new paragraph and
 43 insert:

44 "SECTION 16. IC 20-26-1-1, AS AMENDED BY P.L.270-2019,
 45 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 46 UPON PASSAGE]: Sec. 1. Except as otherwise provided, IC 20-26-1

1 through IC 20-26-5 **and** IC 20-26-7 ~~and IC 20-26-7.1~~ apply to all
2 school corporations.

3 SECTION 17. IC 20-26-2-1, AS AMENDED BY P.L.270-2019,
4 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 1. Notwithstanding IC 20-18-2, the definitions
6 in this chapter apply in IC 20-26-1 through IC 20-26-5 **and** IC 20-26-7.
7 ~~and IC 20-26-7.1.~~

8 SECTION 18. IC 20-26-5-4, AS AMENDED BY P.L.135-2025,
9 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 4. (a) In carrying out the school purposes of
11 a school corporation, the governing body acting on the school
12 corporation's behalf has the following specific powers:

13 (1) In the name of the school corporation, to sue and be sued and
14 to enter into contracts in matters permitted by applicable law.
15 However, a governing body may not use funds received from the
16 state to bring or join in an action against the state, unless the
17 governing body is challenging an adverse decision by a state
18 agency, board, or commission.

19 (2) To take charge of, manage, and conduct the educational affairs
20 of the school corporation and to establish, locate, and provide the
21 necessary schools, school libraries, other libraries where
22 permitted by law, other buildings, facilities, property, and
23 equipment.

24 (3) To appropriate from the school corporation's general fund
25 (before January 1, 2019) or the school corporation's operations
26 fund (after December 31, 2018) an amount, not to exceed the
27 greater of three thousand dollars (\$3,000) per budget year or one
28 dollar (\$1) per pupil, not to exceed twelve thousand five hundred
29 dollars (\$12,500), based on the school corporation's ADM of the
30 previous year (as defined in IC 20-43-1-7) to promote the best
31 interests of the school corporation through:

32 (A) the purchase of meals, decorations, memorabilia, or
33 awards;

34 (B) provision for expenses incurred in interviewing job
35 applicants; or

36 (C) developing relations with other governmental units.

37 (4) To do the following:

38 (A) Acquire, construct, erect, maintain, hold, and contract for
39 construction, erection, or maintenance of real estate, real estate
40 improvements, or an interest in real estate or real estate
41 improvements, as the governing body considers necessary for
42 school purposes, including buildings, parts of buildings,
43 additions to buildings, rooms, gymnasiums, auditoriums,
44 playgrounds, playing and athletic fields, facilities for physical
45 training, buildings for administrative, office, warehouse, repair
46 activities, or housing school owned buses, landscaping, walks,

1 drives, parking areas, roadways, easements and facilities for
 2 power, sewer, water, roadway, access, storm and surface
 3 water, drinking water, gas, electricity, other utilities and
 4 similar purposes, by purchase, either outright for cash (or
 5 under conditional sales or purchase money contracts providing
 6 for a retention of a security interest by the seller until payment
 7 is made or by notes where the contract, security retention, or
 8 note is permitted by applicable law), by exchange, by gift, by
 9 devise, by eminent domain, by lease with or without option to
 10 purchase, or by lease under IC 20-47-2, IC 20-47-3, or
 11 IC 20-47-5.

12 (B) Repair, remodel, remove, or demolish, or to contract for
 13 the repair, remodeling, removal, or demolition of the real
 14 estate, real estate improvements, or interest in the real estate
 15 or real estate improvements, as the governing body considers
 16 necessary for school purposes.

17 (C) Provide for conservation measures through utility
 18 efficiency programs or under a guaranteed savings contract as
 19 described in IC 36-1-12.5.

20 (5) To acquire personal property or an interest in personal
 21 property as the governing body considers necessary for school
 22 purposes, including buses, motor vehicles, equipment, apparatus,
 23 appliances, books, furniture, and supplies, either by cash purchase
 24 or under conditional sales or purchase money contracts providing
 25 for a security interest by the seller until payment is made or by
 26 notes where the contract, security, retention, or note is permitted
 27 by applicable law, by gift, by devise, by loan, or by lease with or
 28 without option to purchase and to repair, remodel, remove,
 29 relocate, and demolish the personal property. All purchases and
 30 contracts specified under the powers authorized under subdivision
 31 (4) and this subdivision are subject solely to applicable law
 32 relating to purchases and contracting by municipal corporations
 33 in general and to the supervisory control of state agencies as
 34 provided in section 6 of this chapter.

35 (6) To sell or exchange real or personal property or interest in real
 36 or personal property that, in the opinion of the governing body, is
 37 not necessary for school purposes, in accordance with IC 20-26-7,
 38 ~~and IC 20-26-7.1~~, to demolish or otherwise dispose of the
 39 property if, in the opinion of the governing body, the property is
 40 not necessary for school purposes and is worthless, and to pay the
 41 expenses for the demolition or disposition.

42 (7) Except as provided under ~~subsections~~ **subsection (c), and (d)**;
 43 to lease any school property for a rental that the governing body
 44 considers reasonable or to permit the free use of school property
 45 for:

46 (A) civic or public purposes; or

1 (B) the operation of a school age child care program for
 2 children who are at least five (5) years of age and less than
 3 fifteen (15) years of age that operates before or after the school
 4 day, or both, and during periods when school is not in session;
 5 if the school property continues to be used primarily for
 6 classroom instruction by the school corporation. ~~is not subject to~~
 7 ~~closure under IC 20-26-7-47, and is not a covered school building~~
 8 ~~that must be made available for lease or purchase under~~
 9 ~~IC 20-26-7.1.~~ Under this subdivision, the governing body may
 10 enter into a lease or use agreement with a nonprofit corporation,
 11 community service organization, or other governmental entity, if
 12 the corporation, organization, or other governmental entity will
 13 use the property to be leased for civic or public purposes or for a
 14 school age child care program. However, if payment for the
 15 property subject to a lease or use agreement is made from money
 16 in the school corporation's debt service fund, all proceeds from
 17 the lease or use agreement must be deposited in the school
 18 corporation's debt service fund so long as payment for the
 19 property has not been made. The governing body may, at the
 20 governing body's option, use the procedure specified in
 21 IC 36-1-11-10 in leasing property under this subdivision. If the
 22 school property is not being used primarily for classroom
 23 instruction, ~~or is subject to closure under IC 20-26-7-47,~~ the
 24 governing body must first comply with IC 20-26-7 ~~and~~
 25 ~~IC 20-26-7.1~~ before leasing the school property under this
 26 subdivision.

27 (8) To do the following:

28 (A) Employ, contract for, and discharge superintendents,
 29 supervisors, principals, teachers, librarians, athletic coaches
 30 (whether or not they are otherwise employed by the school
 31 corporation and whether or not they are licensed under
 32 IC 20-28-5), business managers, superintendents of buildings
 33 and grounds, janitors, engineers, architects, physicians,
 34 dentists, nurses, accountants, teacher aides performing
 35 noninstructional duties, educational and other professional
 36 consultants, data processing and computer service for school
 37 purposes, including the making of schedules, the keeping and
 38 analyzing of grades and other student data, the keeping and
 39 preparing of warrants, payroll, and similar data where
 40 approved by the state board of accounts as provided below,
 41 and other personnel or services as the governing body
 42 considers necessary for school purposes.

43 (B) Fix and pay the salaries and compensation of persons and
 44 services described in this subdivision that are consistent with
 45 IC 20-28-9-1.5.

46 (C) Classify persons or services described in this subdivision

- 1 and to adopt a compensation plan with a salary range that is
- 2 consistent with IC 20-28-9-1.5.
- 3 (D) Determine the number of the persons or the amount of the
- 4 services employed or contracted for as provided in this
- 5 subdivision.
- 6 (E) Determine the nature and extent of the duties of the
- 7 persons described in this subdivision.
- 8 The compensation, terms of employment, and discharge of
- 9 teachers are, however, subject to and governed by the laws
- 10 relating to employment, contracting, compensation, and discharge
- 11 of teachers. The compensation, terms of employment, and
- 12 discharge of bus drivers are subject to and governed by laws
- 13 relating to employment, contracting, compensation, and discharge
- 14 of bus drivers.
- 15 (9) Notwithstanding the appropriation limitation in subdivision
- 16 (3), when the governing body by resolution considers a trip by an
- 17 employee of the school corporation or by a member of the
- 18 governing body to be in the interest of the school corporation,
- 19 including attending meetings, conferences, or examining
- 20 equipment, buildings, and installation in other areas, to permit the
- 21 employee to be absent in connection with the trip without any loss
- 22 in pay and to reimburse the employee or the member the
- 23 employee's or member's reasonable lodging and meal expenses
- 24 and necessary transportation expenses. To pay teaching personnel
- 25 for time spent in sponsoring and working with school related trips
- 26 or activities.
- 27 (10) Subject to IC 20-27-13, to transport children to and from
- 28 school, when in the opinion of the governing body the
- 29 transportation is necessary, including considerations for the safety
- 30 of the children. The transportation must be otherwise in
- 31 accordance with applicable law.
- 32 (11) To provide a lunch program for a part or all of the students
- 33 attending the schools of the school corporation, including the
- 34 establishment of kitchens, kitchen facilities, kitchen equipment,
- 35 lunch rooms, the hiring of the necessary personnel to operate the
- 36 lunch program, and the purchase of material and supplies for the
- 37 lunch program, charging students for the operational costs of the
- 38 lunch program, fixing the price per meal or per food item. To
- 39 operate the lunch program as an extracurricular activity, subject
- 40 to the supervision of the governing body. To participate in a
- 41 surplus commodity or lunch aid program.
- 42 (12) To:
- 43 (A) purchase curricular materials and to furnish curricular
- 44 materials without cost; and
- 45 (B) assess and collect a reasonable fee for lost or significantly
- 46 damaged curricular materials.

- 1 (13) To accept students transferred from other school corporations
- 2 and to transfer students to other school corporations in accordance
- 3 with applicable law.
- 4 (14) To make budgets, to appropriate funds, and to disburse the
- 5 money of the school corporation in accordance with applicable
- 6 law. To borrow money against current tax collections and
- 7 otherwise to borrow money, in accordance with IC 20-48-1.
- 8 (15) To purchase insurance or to establish and maintain a
- 9 program of self-insurance relating to the liability of the school
- 10 corporation or the school corporation's employees in connection
- 11 with motor vehicles or property and for additional coverage to the
- 12 extent permitted and in accordance with IC 34-13-3-20. To
- 13 purchase additional insurance or to establish and maintain a
- 14 program of self-insurance protecting the school corporation and
- 15 members of the governing body, employees, contractors, or agents
- 16 of the school corporation from liability, risk, accident, or loss
- 17 related to school property, school contract, school or school
- 18 related activity, including the purchase of insurance or the
- 19 establishment and maintenance of a self-insurance program
- 20 protecting persons described in this subdivision against false
- 21 imprisonment, false arrest, libel, or slander for acts committed in
- 22 the course of the persons' employment, protecting the school
- 23 corporation for fire and extended coverage and other casualty
- 24 risks to the extent of replacement cost, loss of use, and other
- 25 insurable risks relating to property owned, leased, or held by the
- 26 school corporation. In accordance with IC 20-26-17, to:
- 27 (A) participate in a state employee health plan under
- 28 IC 5-10-8-6.7;
- 29 (B) purchase insurance; or
- 30 (C) establish and maintain a program of self-insurance;
- 31 to benefit school corporation employees, including accident,
- 32 sickness, health, or dental coverage, provided that a plan of
- 33 self-insurance must include an aggregate stop-loss provision.
- 34 (16) To make all applications, to enter into all contracts, and to
- 35 sign all documents necessary for the receipt of aid, money, or
- 36 property from the state, the federal government, or from any other
- 37 source.
- 38 (17) To defend a member of the governing body or any employee
- 39 of the school corporation in any suit arising out of the
- 40 performance of the member's or employee's duties for or
- 41 employment with, the school corporation, if the governing body
- 42 by resolution determined that the action was taken in good faith.
- 43 To save any member or employee harmless from any liability,
- 44 cost, or damage in connection with the performance, including the
- 45 payment of legal fees, except where the liability, cost, or damage
- 46 is predicated on or arises out of the bad faith of the member or

- 1 employee, or is a claim or judgment based on the member's or
- 2 employee's malfeasance in office or employment.
- 3 (18) To prepare, make, enforce, amend, or repeal rules,
- 4 regulations, and procedures:
- 5 (A) for the government and management of the schools,
- 6 property, facilities, and activities of the school corporation, the
- 7 school corporation's agents, employees, and pupils and for the
- 8 operation of the governing body; and
- 9 (B) that may be designated by an appropriate title such as
- 10 "policy handbook", "bylaws", or "rules and regulations".
- 11 (19) To ratify and approve any action taken by a member of the
- 12 governing body, an officer of the governing body, or an employee
- 13 of the school corporation after the action is taken, if the action
- 14 could have been approved in advance, and in connection with the
- 15 action to pay the expense or compensation permitted under
- 16 IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-26-12-1,
- 17 IC 20-40-12, and IC 20-48-1 or any other law.
- 18 (20) To exercise any other power and make any expenditure in
- 19 carrying out the governing body's general powers and purposes
- 20 provided in this chapter or in carrying out the powers delineated
- 21 in this section which is reasonable from a business or educational
- 22 standpoint in carrying out school purposes of the school
- 23 corporation, including the acquisition of property or the
- 24 employment or contracting for services, even though the power or
- 25 expenditure is not specifically set out in this chapter. The specific
- 26 powers set out in this section do not limit the general grant of
- 27 powers provided in this chapter except where a limitation is set
- 28 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12,
- 29 IC 20-40-18 (after December 31, 2018), and IC 20-48-1 by
- 30 specific language or by reference to other law.
- 31 (b) A superintendent hired under subsection (a)(8):
- 32 (1) is not required to hold a teacher's license under IC 20-28-5;
- 33 and
- 34 (2) is preferred to have obtained at least a master's degree from an
- 35 accredited postsecondary institution.
- 36 (c) ~~The governing body acting on the school corporation's behalf~~
- 37 ~~may renew a lease or memorandum of understanding described in~~
- 38 ~~IC 20-26-7.1-3(d) with a nonprofit organization as described in~~
- 39 ~~IC 20-26-7.1-3(d).~~
- 40 (d) (c) The governing body acting on the school corporation's behalf
- 41 may lease any school property for a rental to one (1) or both of the
- 42 following:
- 43 (1) The Indiana School for the Blind and Visually Impaired
- 44 established by IC 20-21-2-1.
- 45 (2) The Indiana School for the Deaf established by IC 20-22-2-1.
- 46 This subsection expires June 30, 2030.

1 SECTION 19. IC 20-26-5-12, AS AMENDED BY P.L.135-2025,
 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 12. Except for IC 20-26-4-1 and IC 20-26-4-5,
 4 the powers given each school corporation in IC 20-26-1 through
 5 IC 20-26-5, IC 20-26-7, IC 20-40-12, and IC 20-48-1 and the
 6 limitations on those powers set out in IC 20-26-1 through IC 20-26-5,
 7 IC 20-26-7, ~~IC 20-26-7.1~~, IC 20-40-12, and IC 20-48-1 may not be
 8 construed to limit the authority of the governing body given by any
 9 other statute or rule.

10 SECTION 20. IC 20-26-7-1, AS AMENDED BY P.L.270-2019,
 11 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 1. (a) ~~Except as otherwise provided in~~
 13 ~~IC 20-26-7.1~~, If a governing body of a school corporation determines
 14 that any real or personal property:

- 15 (1) is no longer needed for school purposes; or
 - 16 (2) should, in the interests of the school corporation, be
 - 17 exchanged for other property;
- 18 the governing body may sell or exchange the property in accordance
 19 with IC 36-1-11.

20 (b) Money derived from the sale or exchange of property under this
 21 section shall be placed in the school corporation's operations fund.

22 (c) A governing body may not enter into a lease agreement or make
 23 a covenant that prohibits the sale of real property to another
 24 educational institution.

25 SECTION 21. IC 20-26-7-5, AS AMENDED BY P.L.189-2023,
 26 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 5. ~~Except as otherwise provided in~~
 28 ~~IC 20-26-7.1~~; A school corporation (as defined in IC 36-1-2-17) may
 29 convey property owned by the school corporation to a civil city or other
 30 political subdivision for civic purposes if:

- 31 (1) the governing body adopts a resolution recommending the
- 32 transfer and conveyance of the school property;
- 33 (2) the civil city or political subdivision agrees to accept the
- 34 school property; and
- 35 (3) the governing body executes a deed for the school property.

36 SECTION 22. IC 20-26-7-39, AS AMENDED BY P.L.189-2023,
 37 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 UPON PASSAGE]: Sec. 39. (a) ~~Except as otherwise provided in~~
 39 ~~IC 20-26-7.1~~; If:

- 40 (1) a school corporation; and
 - 41 (2) the state, either in the name of the state or in the name of the
 - 42 trustees of an agency of the state;
- 43 each own improved or unimproved real estate that lies within the
 44 boundaries of the school corporation and that is not needed or required
 45 for the purpose for which it was acquired, the school corporation and
 46 the state may sell, trade, exchange, or convey to or with each other the

1 unneeded real estate upon such terms and conditions mutually agreed
 2 upon and incorporated in an agreement between the trustees or board
 3 of trustees of the school corporation and the state or, if the real estate
 4 is held in the name of the trustees of an agency of the state, by the
 5 trustees.

6 (b) A value must be assigned to each parcel of real estate involved
 7 in the sale, trade, or exchange in the agreement. The assigned value
 8 must be the fair market value of the real estate as determined by three
 9 (3) appraisers appointed as follows:

10 (1) One (1) to be appointed by the board of trustees of the school
 11 corporation.

12 (2) One (1) to be appointed by the state or, if the real estate is held
 13 in the name of the trustees of an agency of the state, by the
 14 trustees.

15 (3) One (1) to be appointed by the two (2).

16 (c) The agreement must provide for payment by the party owning
 17 the real estate of the smaller value to the other party of the difference
 18 of value of the properties.

19 SECTION 23. IC 20-26-7-47 IS REPEALED [EFFECTIVE UPON
 20 PASSAGE]. Sec. 47: (a) The following definitions apply throughout
 21 this section:

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

24 (2) "Current school year" refers to a year in which the governing
 25 body is required to conduct a review of school building usage
 26 under subsection (c):

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

28 (A) Except as provided in clause (B); students counted in
 29 ADM (as defined in IC 20-43-1-6) in the first count date for a
 30 school year fixed under IC 20-43-4-3:

31 (B) With regard to a school corporation; students counted in a
 32 school corporation's fall count of ADM minus all students
 33 counted in the fall count of ADM who are enrolled in eligible
 34 schools that:

35 (i) have entered into an agreement with the school
 36 corporation to participate as a participating innovation
 37 network charter school under IC 20-25-7-5; and

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

39 (4) "Interested person" has the meaning set forth in
 40 IC 20-26-7-1-2.2.

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

42 (1) the total student enrollment for in-person instruction in the
 43 school corporation in the current school year is at least ten percent
 44 (10%) less than the student enrollment for in-person instruction
 45 in the school corporation in a school year that precedes the
 46 current school year by five (5); and

- 1 (2) the school corporation in the current school year has more
- 2 than one (1) school building serving the same grade level as the
- 3 school building subject to closure under this section.
- 4 (c) Each school year, the governing body of a school corporation
- 5 shall review the usage of school buildings used by the school
- 6 corporation to determine whether any school building should be closed
- 7 for the ensuing school year and subsequent school years.
- 8 (d) A school corporation shall close a school building for the
- 9 ensuing school year (and subsequent school years) if:
- 10 (1) at any time the school building had been used for classroom
- 11 instruction;
- 12 (2) in the current school year and the two (2) school years
- 13 immediately preceding the current school year the school building
- 14 was underutilized for classroom instruction purposes or other
- 15 allowable uses specified by this section;
- 16 (3) as of the end of the school year before the school building is
- 17 required to be closed under this section, the school corporation
- 18 was not subject to a transitional plan adopted by the governing
- 19 body and approved by the department to use the school building
- 20 for an allowable use not later than the next school year after the
- 21 school building is otherwise required to be closed under this
- 22 section;
- 23 (4) in the case of a school building that was used in any part in the
- 24 current school year for instructional purposes, the school
- 25 corporation has another school building:
 - 26 (A) with sufficient capacity to take the students using the
 - 27 school building being considered for closure; and
 - 28 (B) that does not require more than twenty (20) minutes of
 - 29 travel time by car or bus from the school building being
 - 30 considered for closure; and
- 31 (5) the school building is not a school building described in
- 32 IC 20-26-7.1-1, IC 20-26-7.1-3(b), IC 20-26-7.1-3(c); or
- 33 IC 20-26-7.1-3(d).
- 34 (e) For purposes of this section, a school building is underutilized
- 35 in a school year if the school building is not used for any of the
- 36 following allowable uses:
 - 37 (1) The number of full-time equivalent students enrolled for
 - 38 in-person instruction in the school building on instructional days
 - 39 (as determined under IC 20-30-2) for instructional purposes;
 - 40 averaged over the current school year and the two (2) school years
 - 41 immediately preceding the current school year, is at least fifty
 - 42 percent (50%) of:
 - 43 (A) the known classroom design capacity of the school
 - 44 building; or
 - 45 (B) if the design capacity is not known, the average maximum
 - 46 full-time equivalent enrollment in any of the last twenty-five

- 1 (25) years; as validated by records created or maintained by
- 2 the department.
- 3 (2) The school corporation demonstrates through facts included
- 4 in a resolution that the school building is being used and that it is
- 5 financially prudent to continue to use the school building;
- 6 considering all community resources; for a distinct student
- 7 population that reasonably cannot be served through integration
- 8 with the general school population; such as students attending an
- 9 alternative education program (as defined in IC 20-30-8-1).
- 10 However; to be an allowable use under this subdivision; the
- 11 average number of full-time equivalent students using the school
- 12 building in a school year for instructional purposes must be at
- 13 least thirty percent (30%) of:
- 14 (A) the known classroom design capacity of the school
- 15 building; or
- 16 (B) if the design capacity is not known; the average maximum
- 17 full-time equivalent enrollment in any of the last twenty-five
- 18 (25) years; as validated by records created or maintained by
- 19 the department; and
- 20 (if multiple school buildings are used for the same purposes)
- 21 combining the student populations into fewer school buildings is
- 22 not reasonably feasible.
- 23 (3) The school corporation demonstrates through facts included
- 24 in a resolution that the school building is being used and that it is
- 25 financially prudent to continue to use the school building;
- 26 considering all community resources; for administrative or other
- 27 school offices. However; to be an allowable use under this
- 28 subdivision; at least fifty percent (50%) of the square footage of
- 29 the school building must be used for offices; the personnel
- 30 headquartered in the school building must consistently use the
- 31 space for office purposes; and the occupancy cost of using the
- 32 school building cannot be more than comparable office space that
- 33 is available in the school district.
- 34 (4) The school corporation demonstrates through facts included
- 35 in a resolution that the school building is being used and that it is
- 36 financially prudent to continue to use the school building;
- 37 considering all community resources; for storage. However; to be
- 38 an allowable use under this subdivision; at least fifty percent
- 39 (50%) of the square footage of the school building must be used
- 40 for storage; on average the storage space must be used to capacity;
- 41 and the cost of using the school building for storage must be less
- 42 than comparable storage space that is available in the school
- 43 district.
- 44 (5) The school corporation demonstrates through facts included
- 45 in a resolution that the school building is being used and that it is
- 46 financially prudent to continue to use the school building;

1 considering all community resources; for a combination of office
 2 space and storage. However, to be an allowable use under this
 3 subdivision, at least fifty percent (50%) of the square footage of
 4 the school building must be used for a combination of office
 5 space and storage and:

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

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

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

17 (1) owned by the school corporation or any other entity that is
 18 related in any way to, or created by, the school corporation or the
 19 governing body; or

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

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

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

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

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

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

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

5 (A) is not contesting the petition; or

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

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

10 (k) If the school corporation:

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

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

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

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

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

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

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

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

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

35 SECTION 24. IC 20-26-7-48 IS REPEALED [EFFECTIVE UPON
36 PASSAGE]. Sec. 48: (a) The following definitions apply throughout
37 this section:

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

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

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

44 (1) the total student enrollment for in-person instruction in the
45 school corporation in the current school year is at least ten percent
46 (10%) less than the student enrollment for in-person instruction

- 1 in the school corporation in a school year that precedes the
- 2 current school year by five (5); and
- 3 (2) the school corporation in the current school year has more
- 4 than one (1) school building serving the same grade level as a
- 5 school building subject to closure under section 47 of this chapter.
- 6 (c) Each school corporation shall annually report to the department;
- 7 in the form and on the schedule specified by the department; the
- 8 following information:
- 9 (1) A listing of all buildings owned or leased by the school
- 10 corporation that were originally designed as a school building.
- 11 (2) The following information for each building listed in
- 12 subdivision (1):
- 13 (A) Designed occupancy, regardless of current use.
- 14 (B) Current use (and percentage of use) for classroom
- 15 instruction; as special use classrooms; as office space; or as
- 16 storage or alternatively the building's status as transitioning
- 17 from one (1) use or combination of uses to another.
- 18 (C) The following information:
- 19 (i) Current average full-time equivalent student enrollment
- 20 for in-person instruction in the school building on
- 21 instructional days (as determined under IC 20-30-2) in a
- 22 school year.
- 23 (ii) Percentage of instructional use.
- 24 (iii) Percentage of use for other purposes.
- 25 (D) Self-evaluation of whether the building qualifies for
- 26 closure under section 47 of this chapter or the school board
- 27 otherwise intends to close the building and the date closure
- 28 will occur (if applicable).
- 29 SECTION 25. IC 20-26-7.1 IS REPEALED [EFFECTIVE UPON
- 30 PASSAGE]. (Transfers of Vacant School Buildings to Charter
- 31 Schools).".
- 32 Delete pages 15 through 28.
- 33 Page 29, delete lines 1 through 4.
- 34 Renumber all SECTIONS consecutively.
- (Reference is to ESB 239 as printed February 18, 2026.)

Representative DeLaney