
SENATE BILL No. 239

AM023913 has been incorporated into January 27, 2026 printing.

Synopsis: Various education matters.

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SB 239—LS 7049/DI 152



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Reprinted
January 27, 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.

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SENATE BILL No. 239

—
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).

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- 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
- 14 is imposed by a school corporation for taxes first due and
- 15 payable in 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
- 20 distressed 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
- 27 corporation's average daily membership used to determine the state
- 28 tuition support distribution under IC 20-43. In the case of a school
- 29 corporation that has entered into an agreement with one (1) or more
- 30 charter schools to participate as an innovation network charter school
- 31 under IC 20-25.7-5, the term includes the average daily membership of
- 32 **students described in IC 20-25.7-5-2(b)(2) of any innovation network**
- 33 **charter school that is treated as a school operated by the school**
- 34 **corporation with regard to students described in**
- 35 **IC 20-25.7-5-2(b)(2) when calculating the total amount of state tuition**
- 36 **support to be distributed to the school 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

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1 was imposed for taxes first due and payable in 2023 multiplied
 2 by 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
 5 payable 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
 13 been levied by the school corporation if the maximum
 14 referendum rate was imposed for taxes first due and payable in
 15 the immediately preceding calendar year, as adjusted by this
 16 section, multiplied by the result determined under STEP SEVEN
 17 of the following formula:

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

30 STEP FOUR: Multiply the STEP THREE amount by one
 31 and 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
 35 or one and six-hundredths (1.06).

36 STEP SEVEN: Determine the lesser of the STEP SIX result
 37 or 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
 40 payable 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.

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

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

(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 described in subdivision (1) on the department's website.**

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 (c):~~

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.

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

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

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- 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
 4 the 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
 10 in effect.
 11 (B) Renewal, if the authorizer and the organizer agree to
 12 renew 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
 19 contained in the performance report, supporting its
 20 case for charter renewal;
 21 (ii) describe improvements undertaken or planned for
 22 the 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
 27 board of a charter school seeking renewal shall submit a
 28 renewal application to the charter authorizer under the
 29 renewal application guidance issued by the authorizer. The
 30 authorizer shall make a final ruling on the renewal
 31 application not later than April 1 after the filing of the
 32 renewal application.
 33 (7) Specify the grounds for the authorizer to:
 34 (A) revoke the charter before the end of the term for which
 35 the charter is granted; or
 36 (B) not renew a charter.
 37 (8) Set forth the methods by which the charter school will be
 38 held accountable for achieving the educational mission and goals
 39 of the charter school, including the following:
 40 (A) Evidence of improvement in:
 41 (i) assessment measures, including the statewide
 42 assessment program measures;

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

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- 1 (15) Specify that the charter school is subject to the requirements
 2 of IC 5-14-1.5.
- 3 ~~(16) In the case of a charter school that is subject to~~
 4 ~~IC 20-24-3-19, the charter must confirm that at least one (1)~~
 5 ~~member of the governing board of the charter school will be~~
 6 ~~appointed in accordance with IC 20-24-3-19.~~
- 7 SECTION 6. IC 20-24-11-5 IS ADDED TO THE INDIANA
 8 CODE AS A NEW SECTION TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2026]: **Sec. 5. (a) An existing public**
 10 **elementary or secondary school may be converted into a charter**
 11 **school if the governing body of the school corporation:**
- 12 **(1) votes to convert the school within the school corporation;**
 13 **and**
- 14 **(2) submits to an authorizer a proposal described in**
 15 **IC 20-24-3-4 to convert the school within the school**
 16 **corporation to a charter school.**
- 17 **(b) The governing body of the school corporation described in**
 18 **subsection (a) may not serve as the authorizer of the charter school**
 19 **converted in accordance with this section.**
- 20 **(c) The organizer of a conversion charter school described in**
 21 **this section may be:**
- 22 **(1) the school corporation; or**
 23 **(2) a nonprofit corporation that:**
- 24 **(A) is established by the school corporation;**
 25 **(B) is incorporated or registered in Indiana;**
 26 **(C) has been recognized by the Internal Revenue Service**
 27 **to be tax exempt and maintains such tax exempt status;**
 28 **and**
- 29 **(D) has an independent board whose members have**
 30 **been elected or selected under the organizer's**
 31 **application and that has entered into a contract under**
 32 **this article to operate a charter school.**
- 33 **(d) The governing body of a school corporation may convert**
 34 **more than one (1) existing public elementary or secondary school**
 35 **within the school corporation under this section. The school**
 36 **corporation or an organizer that is a nonprofit corporation**
 37 **established by the school corporation under subsection (c)(2) may:**
- 38 **(1) submit a separate proposal for each school to an**
 39 **authorizer; or**
- 40 **(2) with the approval of the authorizer, operate two (2) or**
 41 **more schools under a single charter, provided that each**
 42 **school site:**

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- 1 (A) is identified in the charter application and charter;
- 2 and
- 3 (B) is subject to the performance conditions,
- 4 accountability measures, and renewal determinations
- 5 established in the charter.

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

- 8 (1) All legal requirements described in section 1(d) of this
- 9 chapter.
- 10 (2) Except as provided in this section, all requirements for
- 11 charter schools under this article.

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

- 16 (1) reconstitute an eligible school as a participating innovation
- 17 network charter school; or ~~to~~
- 18 (2) establish a participating innovation network charter school at
- 19 a location:

- 20 (A) selected by the board; ~~within the boundary of the school~~
- 21 corporation; or
- 22 (B) within the geographic boundaries of any school
- 23 corporation with which the organizer enters into an
- 24 agreement under this chapter.

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

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

- 29 (1) A statement that the organizer authorizes the department to
- 30 include the charter school's performance assessment results
- 31 under IC 20-31-8 for students who reside within the
- 32 geographic boundaries of the school corporation when
- 33 calculating the school corporation's performance assessment
- 34 under rules adopted by the state board.
- 35 (2) Subject to an administrative fee as described in subsection
- 36 (g), a statement that the school corporation will distribute at least
- 37 one hundred percent (100%) of state tuition support dollars that
- 38 the school corporation receives from student enrollment for
- 39 students who:
- 40 (A) reside within the geographic boundaries of the
- 41 school corporation; and
- 42 (B) are enrolled in the participating innovation network

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

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1 distributed to the school corporation unless subsection (e)
 2 applies; and
 3 **(B) in determining the school corporation's enrollment,**
 4 **include only eligible pupils enrolled in the participating**
 5 **innovation network charter school who reside within the**
 6 **geographic boundaries of the school corporation.**
 7 ~~(3) if requested by a participating innovation network charter~~
 8 ~~school that reconstitutes an eligible school, the department may~~
 9 ~~use student growth as the state board's exclusive means to~~
 10 ~~determine the innovation network charter school's category or~~
 11 ~~designation of school improvement under 511 IAC 6.2-10-10 for~~
 12 ~~a period of three (3) years. Beginning with the 2019-2020 school~~
 13 ~~year, the department may not use student growth as the state~~
 14 ~~board's exclusive means to determine an innovation network~~
 15 ~~charter school's category or designation of school improvement.~~
 16 ~~This subdivision expires July 1, 2023.~~
 17 (e) If a participating innovation network school was established
 18 before January 1, 2016, and for the current school year has a
 19 complexity index that is greater than the complexity index for the
 20 school corporation that the innovation network school has contracted
 21 with, the innovation network school shall be treated as a charter school
 22 for purposes of determining tuition support. This subsection expires
 23 June 30, 2027.
 24 (f) If the board or organizer fails to follow the process described
 25 in subsection (b)(4), the board or organizer may appeal to the state
 26 board. The state board shall hear the appeal in a public meeting and
 27 ensure that the board or organizer follows the renewal process specified
 28 in the agreement. The board may not terminate an agreement until the
 29 board has provided evidence to the state board that the board has
 30 complied with the renewal process specified in the agreement. The
 31 state board shall issue a decision on an appeal under this subsection not
 32 later than sixty (60) days after the date the board or organizer submitted
 33 the appeal to the state board.
 34 (g) If an administrative fee is included in an agreement entered
 35 into or renewed **under this chapter** after June 30, ~~2023,~~ **2026**, under
 36 this section, ~~the fee may not exceed one percent (1%) of the total~~
 37 ~~amount of state tuition support that is distributed to the school~~
 38 ~~corporation based on the participating innovation network charter~~
 39 ~~school's student enrollment. **each school corporation with which an**~~
 40 **organizer of a participating innovation network charter school has**
 41 **entered into an agreement may assess an administrative fee of not**
 42 **more than one percent (1%) of the tuition support dollars that the**

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- 1 **school corporation receives for students who:**
- 2 **(1) reside within the geographic boundaries of the school**
- 3 **corporation; and**
- 4 **(2) are enrolled in the participating innovation network**
- 5 **charter school.**

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

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

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

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

30 (c) A participating innovation network charter school that
 31 reconstitutes or establishes an eligible school may limit new
 32 admissions to the participating innovation network charter school to:

- 33 (1) ensure that any student with legal settlement in the
- 34 attendance area, or in ~~the school corporation~~ **any school**
 35 **corporation with which the participating innovation network**
 36 **charter school has entered into an agreement under this**
 37 **chapter** if the school does not have a defined attendance area,
 38 may attend the charter school;
- 39 (2) ensure that a student who attends the participating innovation
 40 network charter school during a school year may continue to
 41 attend the charter school in subsequent years;
- 42 (3) allow the siblings of a student alumnus or a current student

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- 1 who attends the participating innovation network charter school
- 2 to attend the charter school;
- 3 (4) allow preschool students who attend a Level 3 or Level 4
- 4 Paths to QUALITY program preschool to attend kindergarten at
- 5 the participating innovation network charter school if the
- 6 participating innovation network charter school and the school
- 7 corporation or preschool provider have entered into an
- 8 agreement to share services or facilities;
- 9 (5) allow each student who qualifies for free or reduced price
- 10 lunch under the national school lunch program to receive
- 11 preference for admission to the participating innovation network
- 12 charter school if the preference is specifically provided for in the
- 13 charter and is approved by the authorizer; and
- 14 (6) allow each student who attended a turnaround academy or
- 15 attends a school that is located in the same school building as the
- 16 participating innovation network charter school to receive
- 17 preference for admission to the participating innovation network
- 18 charter school if the preference is specifically provided for in the
- 19 participating innovation network charter school's charter and is
- 20 approved by the authorizer of the participating innovation
- 21 network charter school.
- 22 (d) A participating innovation network charter school with a
- 23 curriculum that includes study in a foreign country may deny admission
- 24 to a student if:
- 25 (1) the student:
- 26 (A) has completed fewer than twenty-two (22) academic
- 27 credits required for graduation; and
- 28 (B) will be in the grade 11 cohort during the school year in
- 29 which the student seeks to enroll in the participating
- 30 innovation network charter school; or
- 31 (2) the student has been suspended (as defined in IC 20-33-8-7)
- 32 or expelled (as defined in IC 20-33-8-3) during the twelve (12)
- 33 months immediately preceding the student's application for
- 34 enrollment for:
- 35 (A) ten (10) or more school days;
- 36 (B) a violation under IC 20-33-8-16;
- 37 (C) causing physical injury to a student, a school employee,
- 38 or a visitor to the school; or
- 39 (D) a violation of a school corporation's drug or alcohol
- 40 rules.
- 41 For purposes of subdivision (2)(A), student discipline received under
- 42 IC 20-33-8-25(b)(7) for a violation described in subdivision (2)(B)

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1 through (2)(D) must be included in the calculation of the number of
2 school days that a student has been suspended.

3 (e) A participating innovation network charter school may give
4 enrollment preferences to children of the participating innovation
5 network charter school's founders, governing board members, and
6 participating innovation network charter school employees, as long as
7 the enrollment preference under this subsection is not given to more
8 than ten percent (10%) of the participating innovation charter school's
9 total population and there is sufficient capacity for a program, class,
10 grade level, or building to ensure that any student with legal settlement
11 in the attendance area may attend the school.

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

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

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

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

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

42 (1) **reside in the geographic boundaries of the school**

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1 **corporation; and**
 2 **(2) are enrolled** in the participating innovation network charter
 3 school;
 4 in accordance with the school funding formula to the participating
 5 innovation network charter school.
 6 (b) Unless an agreement entered into before July 1, 2024, between
 7 a board and an organizer provides otherwise, all participating
 8 innovation network charter schools operating under existing
 9 agreements with boards as of July 1, 2024, will receive funds as
 10 required under subsection (a).
 11 SECTION 11. IC 20-26-7-47, AS AMENDED BY P.L.36-2024,
 12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 47. (a) The following definitions apply
 14 throughout this section:
 15 (1) "Covered school building" has the meaning set forth in
 16 IC 20-26-7.1-2.1.
 17 (2) "Current school year" refers to a year in which the governing
 18 body is required to conduct a review of school building usage
 19 under subsection (c).
 20 (3) "Enrollment" refers to the following:
 21 (A) Except as provided in clause (B), students counted in
 22 ADM (as defined in IC 20-43-1-6) in the first count date for
 23 a school year fixed under IC 20-43-4-3.
 24 (B) With regard to a school corporation, students counted in
 25 a school corporation's fall count of ADM minus all students
 26 counted in the fall count of ADM who are enrolled in
 27 eligible schools that:
 28 (i) have entered into an agreement with the school
 29 corporation to participate as a participating innovation
 30 network charter school under IC 20-25.7-5; and
 31 (ii) are included in the school corporation's fall ADM
 32 count.
 33 (4) "Interested person" has the meaning set forth in
 34 IC 20-26-7.1-2.2.
 35 (b) This section applies to a school corporation only if:
 36 (1) the total student enrollment for in-person instruction in the
 37 school corporation in the current school year is at least ten
 38 percent (10%) less than the student enrollment for in-person
 39 instruction in the school corporation in a school year that
 40 precedes the current school year by five (5); and
 41 (2) the school corporation in the current school year has more
 42 than one (1) school building serving the same grade level as the

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

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

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1 for storage, on average the storage space must be used to
2 capacity, and the cost of using the school building for storage
3 must be less than comparable storage space that is available in
4 the school district.

5 (5) The school corporation demonstrates through facts included
6 in a resolution that the school building is being used and that it
7 is financially prudent to continue to use the school building,
8 considering all community resources, for a combination of office
9 space and storage. However, to be an allowable use under this
10 subdivision, at least fifty percent (50%) of the square footage of
11 the school building must be used for a combination of office
12 space and storage and:

13 (A) the personnel headquartered in the school building must
14 consistently use the office space for office purposes, and the
15 occupancy cost of using the office space, calculated using
16 the costs of operating the school building, cannot be more
17 than comparable office space that is available in the school
18 district; and

19 (B) on average, the storage space must be used to capacity
20 and the cost of using the school building for storage must be
21 less than comparable storage space that is available in the
22 school district.

23 (f) Closure of a school building that is:
24 (1) owned by the school corporation or any other entity that is
25 related in any way to, or created by, the school corporation or the
26 governing body; or
27 (2) jointly owned in the same manner by two (2) or more school
28 corporations;

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

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

36 (h) If an agreement is not reached within forty-five (45) days after
37 the date that the school corporation receives the notice under
38 subsection (g), the charter school or state educational institution may
39 petition the department to initiate or the department on its own may
40 initiate a proceeding for a determination as to whether a school
41 building meets the criteria for closure under this section or a covered
42 school building that is no longer used for classroom instruction by a

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1 school corporation should be made available under IC 20-26-7.1. If a
 2 charter school or state educational institution petitions the department
 3 under this subsection, the charter school or state educational institution
 4 must provide a copy of the petition to the applicable school
 5 corporation.

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

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

14 (1) file a response to the petition that notifies the department that
 15 the school corporation:

16 (A) is not contesting the petition; or

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

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

21 (k) If the school corporation:

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

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

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

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

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

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

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

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

39 (n) ~~A school corporation or another party to the proceeding may~~
 40 ~~file with the state board a petition requesting review of the department's~~
 41 ~~determination. Upon receipt of a petition under this subsection, the~~
 42 ~~state board shall review the department's determination. An appeal to~~

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1 the state board shall be subject to the procedure described in
 2 IC 20-26-11-15(b).
 3 (o) Upon the issuance of a final unappealable order granting a
 4 petition, the school corporation shall make the school building
 5 available for lease or purchase in accordance with IC 20-26-7.1.
 6 SECTION 12. IC 20-26-7-48, AS ADDED BY P.L.189-2023,
 7 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 48. (a) The following definitions apply
 9 throughout this section:
 10 (1) "Current school year" refers to a year in which the governing
 11 body is required to conduct a review of school building usage
 12 under section 47(c) of this chapter.
 13 (2) "Enrollment" has the meaning set forth in section 47(a)(3) of
 14 this chapter.
 15 (b) This section applies to a school corporation only if:
 16 (1) the total student enrollment for in-person instruction in the
 17 school corporation in the current school year is at least ten
 18 percent (10%) less than the student enrollment for in-person
 19 instruction in the school corporation in a school year that
 20 precedes the current school year by five (5); and
 21 (2) the school corporation in the current school year has more
 22 than one (1) school building serving the same grade level as a
 23 school building subject to closure under section 47 of this
 24 chapter.
 25 (c) **Beginning July 1, 2027**, each school corporation shall
 26 annually report to the department, in the form and on the schedule
 27 specified by the department, the following information:
 28 (1) A listing of all buildings owned or leased by the school
 29 corporation that were originally designed as a school building.
 30 (2) The following information for each building listed in
 31 subdivision (1):
 32 (A) Designed occupancy, regardless of current use.
 33 (B) Current use (and percentage of use) for classroom
 34 instruction, as special use classrooms, as office space, or as
 35 storage or alternatively the building's status as transitioning
 36 from one (1) use or combination of uses to another.
 37 (C) The following information:
 38 (i) Current average full-time equivalent student
 39 enrollment for in-person instruction in the school
 40 building on instructional days (as determined under
 41 IC 20-30-2) in a school year.
 42 (ii) Percentage of instructional use.

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1 (iii) Percentage of use for other purposes.
 2 (D) Self-evaluation of whether the building qualifies for
 3 closure under section 47 of this chapter or the school board
 4 otherwise intends to close the building and the date closure
 5 will occur (if applicable).
 6 SECTION 13. IC 20-26-7.1-4, AS AMENDED BY P.L.1-2025,
 7 SECTION 188, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Not later than thirty (30)
 9 days after the date a governing body of a school corporation determines
 10 at a public meeting to cease using a covered school building for
 11 classroom instruction on student instructional days (as described in
 12 IC 20-30-2-2) for a school year as required under IC 20-30-2-3, a
 13 school corporation shall provide written notice to the department
 14 regarding the date that the covered school building has ceased or will
 15 cease being used for classroom instruction as described in this
 16 subsection.
 17 (b) If the school corporation does not intend to make a covered
 18 school building available for lease or purchase in accordance with this
 19 chapter, the school corporation shall state in the notice required under
 20 subsection (a) the factual and legal basis for the school corporation's
 21 contention that the covered school building is not required to be made
 22 available under this chapter. **The school corporation has the burden**
 23 **of going forward with the evidence and the burden of proof to**
 24 **demonstrate that the covered school building is not required to be**
 25 **made available under this chapter.** Any claim for exclusion from a
 26 requirement to make the covered school building available under this
 27 chapter which is not stated in the notice under this subsection is
 28 waived.
 29 (c) If a school corporation does not provide notice to the
 30 department under subsection (a), any claim for exclusion from a
 31 requirement to make the covered school building available under this
 32 chapter is waived.
 33 (d) Not later than fifteen (15) days after the date that the
 34 department receives a notice from a school corporation under
 35 subsection (a), the department shall provide written notice to all
 36 interested persons regarding the notice from the school corporation
 37 submitted under subsection (a).
 38 (e) If a notice from a school corporation under subsection (a)
 39 acknowledges that the covered school building will be made available
 40 in accordance with this chapter, the department's notice to interested
 41 persons shall provide that any notice of interest by an interested person
 42 for the covered school building must be submitted to the department

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1 not later than sixty (60) days after the date the interested person
2 receives the department's notice under subsection (d).

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

11 (g) The department shall, not later than sixty (60) days after the
12 date that **a response is filed under IC 20-26-7-47(l) or** a rebuttal is
13 ~~due submitted~~ under subsection (f), issue a determination to the ~~school~~
14 ~~corporation and interested persons parties to the proceeding~~ as to
15 whether the covered school building must be made available under this
16 chapter. The department shall publish a copy of the ~~department's~~
17 determination on the department's website.

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

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

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

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

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

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

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

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- 1 **(1) is not required to be made available for lease or purchase**
 2 **to a party to the proceeding under this chapter; or**
 3 **(2) is required to be conveyed to a party to the proceeding in**
 4 **accordance with this chapter.**

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

11 **(k) If a party to the proceeding chooses to appeal a final**
 12 **determination issued by the state board under subsection (i), the**
 13 **appeal may only be filed in the court of appeals and must be filed**
 14 **not later than thirty (30) days after the date the final determination**
 15 **is issued by the state board. A school corporation that files an**
 16 **appeal of the state board's final determination and is determined**
 17 **to be the nonprevailing party by the court of appeals shall be**
 18 **responsible for the reasonable attorney's fees incurred by the**
 19 **prevailing party.**

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

24 (1) Make the covered school building available for inspection by
 25 a charter school or state educational institution that notifies the
 26 department that it is interested in leasing or purchasing the
 27 covered school building.

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

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

32 (B) Written information regarding the condition of the
 33 covered school building, including the age of the roof and
 34 the HVAC system, and any known conditions which, in the
 35 governing body's opinion, require prompt repair or
 36 replacement.

37 (C) A legal description of the property.

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

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

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

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

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

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

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

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

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

36 ~~(m)~~ **(o)** If the department does not receive any preliminary requests
 37 to purchase or lease a covered school building within the time frame
 38 described in subsection ~~(h)(1)~~, **(n)(1)**, the department shall send
 39 notification to the school corporation that the department has not
 40 received any preliminary requests to purchase or lease the covered
 41 school building. Upon receipt of the notification under this subsection,
 42 the school corporation may **sell or lease the covered school building**

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1 **to the county or municipal government in which the school**
 2 **corporation is located for a mutually agreed upon price. If the**
 3 **county or municipal government does not purchase or lease the**
 4 **covered school building, the school corporation may sell or**
 5 otherwise dispose of the covered school building in accordance with
 6 IC 36-1-11, IC 20-25-4-14, and IC 20-26-5-4(a)(7).

7 ~~(n)~~(p) If only one (1) charter school submits a preliminary request
 8 to purchase or lease the covered school building, the department shall
 9 notify the school corporation of the identity of the charter school and
 10 direct the school corporation to complete a sale or lease to the charter
 11 school in accordance with subsection ~~(n)~~(t). In the event that two (2)
 12 or more charter schools submit a preliminary request to purchase or
 13 lease a covered school building within the time frame described in
 14 subsection ~~(n)~~(t); ~~(n)~~(1), the department shall send notification to each
 15 interested person and the school corporation that the department has
 16 received two (2) or more preliminary requests under this section. An
 17 authorizer committee shall be established, with each statewide
 18 authorizer that has authorized one (1) or more charter schools
 19 appointing a representative, and the committee shall establish the
 20 chairperson and procedures for the committee. Within sixty (60) days
 21 of receiving notice under this subsection, the committee shall select
 22 which charter school may proceed under subsection ~~(n)~~(t) to purchase
 23 or lease the covered school building or determine if two (2) or more
 24 charter schools should co-locate within the covered school building.
 25 The committee shall base the committee's decision on the following
 26 criteria:

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

29 (2) If two (2) or more charter schools of proven academic
 30 performance are competing and only one (1) charter school is
 31 operating in the county in which the covered school building is
 32 located, the charter school in the same county as the covered
 33 school building shall be given preference.

34 In the event that the committee determines that two (2) or more charter
 35 schools should co-locate in the covered school building, the charter
 36 schools have sixty (60) days to submit a memorandum of
 37 understanding stating that the charter schools shall be jointly and
 38 severally liable for the obligations related to the sale or lease of the
 39 covered school building, and specifying how the charter schools will
 40 utilize the covered school building and share responsibility for
 41 operational, maintenance, and renovation expenses. If the charter
 42 schools are unable to agree, the charter schools shall be deemed to have

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1 revoked their prior request regarding the lease or sale of the covered
 2 school building. The committee shall give notice of the committee's
 3 decision to the school corporation and each interested person. A charter
 4 school that is not selected by the committee may appeal the decision to
 5 the state board not more than thirty (30) days after receipt of the
 6 committee's decision. The state board shall issue a final order in the
 7 appeal not more than sixty (60) days after receipt of a properly filed
 8 appeal. Notice of the appeal and the final order in the appeal must be
 9 given to the school corporation.

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

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

16 (2) direct the school corporation to complete a sale or lease to
 17 the state educational institution in accordance with subsection
 18 ~~(r)~~ (t).

19 ~~(p)~~ (r) If one (1) or more state educational institutions submit
 20 preliminary requests to purchase or lease a covered school building, a
 21 selection committee shall be established consisting of one (1) member
 22 appointed by the executive of the largest city or town in the county in
 23 which the covered school building is located, one (1) member
 24 appointed by the city or town council of the largest city or town in the
 25 county in which the covered school building is located, one (1) member
 26 appointed by the county commissioners of the county in which the
 27 covered school building is located, one (1) member appointed by the
 28 county council of the county in which the covered school building is
 29 located, and one (1) member appointed by the chamber of commerce
 30 of the county in which the covered school building is located.

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

33 (1) select which state educational institution may proceed to
 34 purchase or lease the covered school building; or

35 (2) determine whether more than one (1) state educational
 36 institution should co-locate within the covered school building.

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

42 ~~(r)~~ (t) A school corporation shall lease the covered school building

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1 for one dollar (\$1) per year to the charter school or state educational
2 institution for as long as the:

- 3 (1) charter school uses the covered school building for classroom
4 instruction for any combination of kindergarten through grade
5 12; or
6 (2) state educational institution uses the covered school building
7 for an academic purpose.

8 The term of the lease shall be established at the charter school's or state
9 educational institution's discretion and include an option for the state
10 educational institution or charter school to purchase the covered school
11 building for one dollar (\$1). Alternatively, the school corporation shall
12 sell the covered school building to the charter school or state
13 educational institution for one dollar (\$1), if the charter school or state
14 educational institution has met the requirements set forth in subsection
15 ~~(t)~~ **(n)** and uses the covered school building in the manner prescribed
16 by this subsection. If the charter school or state educational institution
17 selected to lease or purchase the covered school building has met the
18 requirements under subsection ~~(t)~~; **(n)**, the school corporation has not
19 more than ~~ninety (90)~~ **thirty (30)** days after the date notice of a final
20 unappealable decision is received by the school corporation to
21 complete the lease or sale of the covered school building to the charter
22 school or state educational institution. If the transaction is not
23 completed within ~~ninety (90)~~ **thirty (30)** days, the department or the
24 selected charter school or state educational institution may, under
25 section 9 of this chapter, request that the attorney general enforce the
26 sale or lease or may file suit to enforce the sale or lease. If a charter
27 school or state educational institution has not met the requirements
28 under subsection ~~(t)~~; **(n)**, the school corporation may sell or otherwise
29 dispose of the covered school building in accordance with IC 36-1-11,
30 IC 20-25-4-14, and IC 20-26-5-4(a)(7).

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

- 40 (1) Injunctive relief.
41 (2) Liquidated damages computed at a rate of ten thousand
42 dollars (\$10,000) per day for each day that exceeds the thirty

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1 **(30) day time frame described in subsection (t).**
2 **(v) A lease or sale of a covered school building to a charter**
3 **school or a state educational institution under this section includes**
4 **transfer of:**
5 **(1) those assets that are fixtures of the covered school**
6 **building; and**
7 **(2) adjacent parking lots and playgrounds.**
8 SECTION 14. IC 20-26-7.1-5, AS AMENDED BY P.L.135-2025,
9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 5. (a) If:
11 (1) a covered school building is sold to a charter school or state
12 educational institution under section 4 of this chapter; and
13 (2) the charter school or state educational institution described
14 in subdivision (1) no longer intends to use the covered school
15 building for the purposes described in section ~~4(t)~~ **4(n)** of this
16 chapter;
17 the charter school or state educational institution shall offer to transfer
18 the covered school building back to the school corporation that initially
19 sold the covered school building to the charter school or state
20 educational institution.
21 (b) If a school corporation described in subsection (a) declines the
22 offer to transfer a covered school building back to the school
23 corporation, the charter school or state educational institution may sell
24 or transfer the covered school building to a third party. If a charter
25 school or state educational institution sells or transfers a covered
26 school building to a third party under this subsection, the charter school
27 or state educational institution must transfer an amount equal to the
28 gain in the property minus the adjusted basis (including costs of
29 improvements to the covered school building) to the school corporation
30 that initially sold the covered school building to the charter school or
31 state educational institution. Gain and adjusted basis shall be
32 determined in the manner prescribed by the Internal Revenue Code and
33 the applicable Internal Revenue Service regulations and guidelines.
34 (c) A charter school or state educational institution that purchases
35 a covered school building assumes total control of the covered school
36 building and must maintain the covered school building, including
37 utilities, insurance, maintenance, and repairs. Except as provided in
38 subsection (d), in the event a:
39 (1) charter school does not use the covered school building for
40 classroom instruction; or
41 (2) state educational institution does not use the covered school
42 building for an academic purpose;

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1 within ~~two (2)~~ **three (3)** years after acquiring the covered school
2 building, the covered school building shall revert to the school
3 corporation, which may sell or otherwise dispose of the covered school
4 building under IC 36-1-11.

5 (d) In the event a:

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

8 (2) state educational institution does not use the covered school
9 building for an academic purpose;

10 as a result of being engaged in ongoing renovations for an acquired
11 covered school building, within ~~two (2)~~ **three (3)** years after acquiring
12 an occupancy permit for the covered school building, the covered
13 school building shall revert to the school corporation, which may sell
14 or otherwise dispose of the covered school building under IC 36-1-11.

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

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

21 (2) The total student enrollment for in-person instruction in the
22 school building in the current school year is at least ten percent
23 (10%) less than the student enrollment for in-person instruction
24 in the school building in a school year that precedes the current
25 school year by five (5).

26 (b) A school corporation may not petition the department under
27 subsection (c) within the first five (5) years after a charter school
28 purchased or initially leased a covered school building under this
29 chapter.

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

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

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

38 the school corporation that leased or sold the school building to the
39 charter school may file a petition with the department requesting that
40 the charter school transfer the school building back to the school
41 corporation.

42 (d) Before filing a petition under subsection (c), the school

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1 corporation must give written notice to the charter school to determine
2 whether an agreement can be reached regarding transferring the school
3 building to the school corporation.

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

7 (f) For purposes of determining classroom design capacity under
8 subsection (c), if a charter school reconfigures a school building after
9 the charter school leases or purchases the school building, the
10 classroom design capacity must be determined based on the
11 reconfigured school building and not the classroom design capacity of
12 the school building at the time of the lease or purchase.

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

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

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

26 the school must provide intervention that meets the requirements under
27 subsection (b).

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

- 30 (1) The intervention includes a multitiered system of support that
31 progresses from less to more intensive support based on the
32 student's individual needs.
- 33 (2) The intervention is aligned to daily Tier I instruction and
34 standard level learning progressions.
- 35 (3) The intervention is:
 - 36 (A) targeted;
 - 37 (B) differentiated; and
 - 38 (C) supplemental to Tier I instruction.
- 39 (4) The intervention:
 - 40 (A) is aligned with evidence based instructional strategies
41 to promote conceptual understanding, procedural fluency,
42 and real world problem solving; and

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- 1 (B) allows a student opportunities to interact, show
- 2 progress, and demonstrate understanding through rigorous
- 3 grade level content.
- 4 (5) The intervention includes continual assessment and in depth
- 5 analysis of each student's data to inform the flexible movement
- 6 in and out of Tiers II and III.
- 7 **(c) Not later than fifteen (15) days after a school makes a**
- 8 **determination under subsection (a) that a student is at risk, the**
- 9 **school shall provide notice to a parent of the student regarding the**
- 10 **determination. The notification may contain the following:**
- 11 **(1) Specific information about how the student is performing.**
- 12 **(2) Information about the intervention the student will**
- 13 **receive from the school.**
- 14 **(3) A list or description of any recommended resources**
- 15 **available for use at home to support the student's academic**
- 16 **growth in mathematics.**
- 17 ~~(c)~~ **(d)** The department shall provide guidance on the multitiered
- 18 system that a school is required to provide under subsection (b).
- 19 **SECTION 17. An emergency is declared for this act.**

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