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SENATE BILL No. 239

Proposed Changes to January 27, 2026 printing by AM023913

DIGEST OF PROPOSED AMENDMENT

Education matters. Amends: (1) requirements and processes; and (2) effective dates; regarding required closure of school buildings and transfers of vacant school buildings provisions. Provides that certain reporting requirements by school corporations regarding school buildings begins July 1, 2027. Removes a provision that subjects a school corporation to state tuition support reduction for failing to report certain information regarding school buildings. Repeals a provision that provides for certain charter schools that the county executive of the county in which the charter school organizer is incorporated shall appoint one individual to serve as a member of the charter school board.

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 ~~<JULY 1, 2026>~~ [UPON PASSAGE]: Sec. 4. (a) This article does not
- 4 apply to any of the 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.

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

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

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

10 (d) Notwithstanding any increase in the assessed value of property
 11 from the previous assessment date, for taxes first due and payable in
 12 2025, the total amount of operating referendum tax that may be levied
 13 by a school corporation may not exceed the lesser of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (1) compile a list of business and industry partners that
12 provide guaranteed incentives to high school students who
13 earn the honors employment plus seal; and

14 (2) publish the list described in subdivision (1) on the
15 department's website.

16 [SECTION 4. IC 20-24-3-19 IS REPEALED [EFFECTIVE JULY
17 1, 2026]. Sec. 19: (a) This section applies to a charter school that
18 receives property tax revenue under any statute referred to in
19 IC 20-24-7-6.1 or IC 20-24-7-6.2:

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

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

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

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

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

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

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

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

41 (1) Be a written instrument.

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

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

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- (A) Evidence of improvement in:
 - (i) assessment measures, including the statewide assessment program measures;
 - (ii) attendance rates;
 - (iii) graduation rates (if appropriate);
 - (iv) increased numbers of Indiana diplomas with a Core 40 designation or increased numbers of Indiana diploma designations established under IC 20-19-2-21 and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);
 - (v) increased numbers of Indiana diplomas with Core 40 with academic honors and technical honors designations (if appropriate);
 - (vi) student academic growth;
 - (vii) financial performance and stability; and
 - (viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.
- (B) Evidence of progress toward reaching the educational goals set by the organizer.
- (9) Describe the method to be used to monitor the charter school's:
 - (A) compliance with applicable law; and
 - (B) performance in meeting targeted educational performance.
- (10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.
- (11) Describe specific operating requirements, including all the matters set forth in the application for the charter.
- (12) Specify a date when the charter school will:
 - (A) begin school operations; and
 - (B) have students attending the charter school.
- (13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.
- (14) Specify that records provided by the charter school to the department or authorizer that relate to compliance by the

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organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.

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

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

SECTION ~~4~~ [6]. IC 20-24-11-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 5. (a) An existing public elementary or secondary school may be converted into a charter school if the governing body of the school corporation:**

(1) votes to convert the school within the school corporation; and

(2) submits to an authorizer a proposal described in IC 20-24-3-4 to convert the school within the school corporation to a charter school.

(b) The governing body of the school corporation described in subsection (a) may not serve as the authorizer of the charter school converted in accordance with this section.

(c) The organizer of a conversion charter school described in this section may be:

(1) the school corporation; or

(2) a nonprofit corporation that:

(A) is established by the school corporation;

(B) is incorporated or registered in Indiana;

(C) has been recognized by the Internal Revenue Service to be tax exempt and maintains such tax exempt status; and

(D) has an independent board whose members have been elected or selected under the organizer's application and that has entered into a contract under this article to operate a charter school.

(d) The governing body of a school corporation may convert more than one (1) existing public elementary or secondary school within the school corporation under this section. The school corporation or an organizer that is a nonprofit corporation established by the school corporation under subsection (c)(2) may:

(1) submit a separate proposal for each school to an authorizer; or

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(2) with the approval of the authorizer, operate two (2) or more schools under a single charter, provided that each school site:

(A) is identified in the charter application and charter; and

(B) is subject to the performance conditions, accountability measures, and renewal determinations established in the charter.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

in accordance with the school funding formula to the participating innovation network charter school (if the participating innovation network charter school is, **with regard to students described in this subsection**, treated in the same manner as a school operated by the school corporation under subsection (d)(2)).

(3) The performance goals and accountability metrics agreed upon for the charter school in the charter agreement between the organizer and the authorizer and a statement that the school corporation is prohibited from setting additional performance goals or accountability metrics.

(4) For an agreement entered into or renewed after June 30, 2023, the process the board is required to follow in determining whether to renew the agreement.

(5) The amount of money levied as property taxes that will be distributed by the school corporation to the organizer.

(6) Subject to section 5 of this chapter, the participating innovation network charter school's enrollment and discipline policies, including defined attendance areas and enrollment zones.

(7) A statement that the innovation agreement shall not create an obligation that would cause the organizer to be in violation of its charter agreement (as described in IC 20-24-1-3).

(c) If an organizer and ~~the~~ **a** board enter into an agreement under subsection (a), the organizer and the board shall notify the department that the agreement has been made under this section within thirty (30) days after the agreement is entered into.

(d) Upon receipt of the notification under subsection (c), for school years starting after the date of the agreement:

(1) the department shall include the participating innovation network charter school's performance assessment results under IC 20-31-8 **for students who reside within the geographic boundaries of the school corporation** when calculating the school corporation's performance assessment under rules adopted by the state board; **and**

(2) the department shall:

(A) treat the participating innovation network charter school in the same manner as a school operated by the school

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corporation with regard to students residing within the geographic boundaries of the school corporation when calculating the total amount of state funding to be distributed to the school corporation unless subsection (e) applies; and

(B) in determining the school corporation's enrollment, include only eligible pupils enrolled in the participating innovation network charter school who reside within the geographic boundaries of the school corporation.

~~(3) if requested by a participating innovation network charter school that reconstitutes an eligible school, the department may use student growth as the state board's exclusive means to determine the innovation network charter school's category or designation of school improvement under 511 <IAC 6> IAC 61-2-10-10 for a period of three (3) years. Beginning with the 2019-2020 school year, the department may not use student growth as the state board's exclusive means to determine an innovation network charter school's category or designation of school improvement. This subdivision expires July 1, 2023.~~

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

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

(g) If an administrative fee is included in an agreement entered into or renewed **under this chapter** after June 30, ~~2023~~, **2026**, under this section, the fee may not exceed one percent (1%) of the total amount of state tuition support that is distributed to the school corporation based on the participating innovation network charter

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1 school's student enrollment. **each school corporation with which an**
2 **organizer of a participating innovation network charter school has**
3 **entered into an agreement may assess an administrative fee of not**
4 **more than one percent (1%) of the tuition support dollars that the**
5 **school corporation receives for students who:**

- 6 (1) **reside within the geographic boundaries of the school**
- 7 **corporation; and**
- 8 (2) **are enrolled in the participating innovation network**
- 9 **charter school.**

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

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

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

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

34 (c) A participating innovation network charter school that
35 reconstitutes or establishes an eligible school may limit new
36 admissions to the participating innovation network charter school to:

- 37 (1) ensure that any student with legal settlement in the
- 38 attendance area, or in ~~the school corporation~~ **any school**
- 39 **corporation with which the participating innovation network**
- 40 **charter school has entered into an agreement under this**
- 41 **chapter** if the school does not have a defined attendance area,
- 42 may attend the charter school;

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

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

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

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

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

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

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

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

39 SECTION ~~10~~ [10]. IC 20-25.7-5-6, AS ADDED BY
40 P.L.162-2024, SECTION 11, IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) Subject to an
42 administrative fee as described in section 2(g) of this chapter, a school

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1 corporation that enters into an agreement with an organizer under this
2 chapter shall distribute at least one hundred percent (100%) of state
3 tuition support dollars that the school corporation receives from ~~student~~
4 ~~enrollment~~ **students who:**

- 5 **(1) reside in the geographic boundaries of the school**
- 6 **corporation; and**
- 7 **(2) are enrolled** in the participating innovation network charter
- 8 school;

9 in accordance with the school funding formula to the participating
10 innovation network charter school.

11 (b) Unless an agreement entered into before July 1, 2024, between
12 a board and an organizer provides otherwise, all participating
13 innovation network charter schools operating under existing
14 agreements with boards as of July 1, 2024, will receive funds as
15 required under subsection (a).

16 SECTION ~~9~~ **[11]**. IC 20-26-7-47, AS AMENDED BY
17 P.L.36-2024, SECTION 2, IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE ~~JULY 1, 2026~~ **[UPON PASSAGE]**]: Sec. 47. (a) The
19 following definitions apply throughout this section:

- 20 (1) "Covered school building" has the meaning set forth in
- 21 IC 20-26-7.1-2.1.
- 22 (2) "Current school year" refers to a year in which the governing
- 23 body is required to conduct a review of school building usage
- 24 under subsection (c).
- 25 (3) "Enrollment" refers to the following:
- 26 (A) Except as provided in clause (B), students counted in
- 27 ADM (as defined in IC 20-43-1-6) in the first count date for
- 28 a school year fixed under IC 20-43-4-3.
- 29 (B) With regard to a school corporation, students counted in
- 30 a school corporation's fall count of ADM minus all students
- 31 counted in the fall count of ADM who are enrolled in
- 32 eligible schools that:
- 33 (i) have entered into an agreement with the school
- 34 corporation to participate as a participating innovation
- 35 network charter school under IC 20-25.7-5; and
- 36 (ii) are included in the school corporation's fall ADM
- 37 count.
- 38 (4) "Interested person" has the meaning set forth in
- 39 IC 20-26-7.1-2.2.

- 40 (b) This section applies to a school corporation only if:
- 41 (1) the total student enrollment for in-person instruction in the
- 42 school corporation in the current school year is at least ten

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

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1 (as determined under IC 20-30-2) for instructional purposes,
 2 averaged over the current school year and the two (2) school
 3 years immediately preceding the current school year, is at least
 4 fifty percent (50%) of:
 5 (A) the known classroom design capacity of the school
 6 building; or
 7 (B) if the design capacity is not known, the average
 8 maximum full-time equivalent enrollment in any of the last
 9 twenty-five (25) years, as validated by records created or
 10 maintained by the department.

11 (2) The school corporation demonstrates through facts included
 12 in a resolution that the school building is being used and that it
 13 is financially prudent to continue to use the school building,
 14 considering all community resources, for a distinct student
 15 population that reasonably cannot be served through integration
 16 with the general school population, such as students attending an
 17 alternative education program (as defined in IC 20-30-8-1).
 18 However, to be an allowable use under this subdivision, the
 19 average number of full-time equivalent students using the school
 20 building in a school year for instructional purposes must be at
 21 least thirty percent (30%) of:
 22 (A) the known classroom design capacity of the school
 23 building; or
 24 (B) if the design capacity is not known, the average
 25 maximum full-time equivalent enrollment in any of the last
 26 twenty-five (25) years, as validated by records created or
 27 maintained by the department; and
 28 (if multiple school buildings are used for the same purposes)
 29 combining the student populations into fewer school buildings
 30 is not reasonably feasible.

31 (3) The school corporation demonstrates through facts included
 32 in a resolution that the school building is being used and that it
 33 is financially prudent to continue to use the school building,
 34 considering all community resources, for administrative or other
 35 school offices. However, to be an allowable use under this
 36 subdivision, at least fifty percent (50%) of the square footage of
 37 the school building must be used for offices, the personnel
 38 headquartered in the school building must consistently use the
 39 space for office purposes, and the occupancy cost of using the
 40 school building cannot be more than comparable office space
 41 that is available in the school district.

42 (4) The school corporation demonstrates through facts included

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1 in a resolution that the school building is being used and that it
 2 is financially prudent to continue to use the school building,
 3 considering all community resources, for storage. However, to be
 4 an allowable use under this subdivision, at least fifty percent
 5 (50%) of the square footage of the school building must be used
 6 for storage, on average the storage space must be used to
 7 capacity, and the cost of using the school building for storage
 8 must be less than comparable storage space that is available in
 9 the school district.

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

18 (A) the personnel headquartered in the school building must
 19 consistently use the office space for office purposes, and the
 20 occupancy cost of using the office space, calculated using
 21 the costs of operating the school building, cannot be more
 22 than comparable office space that is available in the school
 23 district; and

24 (B) on average, the storage space must be used to capacity
 25 and the cost of using the school building for storage must be
 26 less than comparable storage space that is available in the
 27 school district.

28 (f) Closure of a school building that is:
 29 (1) owned by the school corporation or any other entity that is
 30 related in any way to, or created by, the school corporation or the
 31 governing body; or
 32 (2) jointly owned in the same manner by two (2) or more school
 33 corporations;

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

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

41 (h) If an agreement is not reached within forty-five (45) days after
 42 the date that the school corporation receives the notice under

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1 subsection (g), the charter school or state educational institution may
2 petition the department to initiate or the department on its own may
3 initiate a proceeding for a determination as to whether a school
4 building meets the criteria for closure under this section or a covered
5 school building that is no longer used for classroom instruction by a
6 school corporation should be made available under IC 20-26-7.1. If a
7 charter school or state educational institution petitions the department
8 under this subsection, the charter school or state educational institution
9 must provide a copy of the petition to the applicable school
10 corporation.

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

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

19 (1) file a response to the petition that notifies the department that
20 the school corporation:

21 (A) is not contesting the petition; or

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

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

26 (k) If the school corporation:

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

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

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

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

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

38 (m) The department shall make a
39 determination regarding a petition under subsection

40 (h) not more than one hundred twenty (120) ~~sixty (60)~~
41 > days after the date that the:

42 (1) petitioner and any intervening party

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1 ~~have~~ ~~submitted~~ ~~a~~ ~~reply~~ ~~under~~ ~~subsection~~
2 ~~(1);~~ ~~or~~
3 ~~(2)~~ ~~time~~ ~~period~~ ~~to~~ ~~reply~~ ~~under~~ ~~subsection~~
4 ~~(1)~~ ~~has~~ ~~expired.~~

5 ~~(n) Not later than sixty (60) days after the date that the~~
6 ~~department issues a determination under subsection (m), a school~~
7 ~~corporation or another party to the proceeding may file with the state~~
8 ~~board a petition requesting review of the department's determination.~~
9 ~~Upon receipt of a petition under this subsection, the state board shall~~
10 ~~review the department's determination. An appeal to the state board~~
11 ~~shall be subject to the procedure described in IC 20-26-11-15(b).~~

12 ~~(o) Upon the issuance of a final unappealable order granting a~~
13 ~~petition, the school corporation shall make the school building~~
14 ~~available for lease or purchase in accordance with IC 20-26-7.1. The~~
15 ~~school corporation has not more than thirty (30) days after the~~
16 ~~date the notice of a final unappealable order is received by the~~
17 ~~school corporation to complete the lease or sale of the covered~~
18 ~~school building to the charter school or state educational~~
19 ~~institution.~~

20 ~~(p) If the transaction described in subsection (o) is not~~
21 ~~completed within thirty (30) days, the charter school or state~~
22 ~~educational institution may bring a civil action against the school~~
23 ~~corporation. The court may award to a charter school or state~~
24 ~~educational institution who prevails in an action under this~~
25 ~~subsection the following:~~

- 26 ~~(1) Injunctive relief.~~
- 27 ~~(2) Liquidated damages computed at a rate of ten thousand~~
28 ~~dollars (\$10,000) per day for each day that exceeds the ten~~
29 ~~(10) day time frame described in subsection (o).~~

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

- 33 ~~(1) those assets that are fixtures of the covered school~~
34 ~~building; and~~
- 35 ~~(2) adjacent parking lots and playgrounds.~~

36 ~~SECTION 10~~ [(n) A school corporation or another party to the
37 proceeding may file with the state board a petition requesting review
38 of the department's determination. Upon receipt of a petition under this
39 subsection, the state board shall review the department's determination.
40 An appeal to the state board shall be subject to the procedure described
41 in IC 20-26-11-15(b).

42 (o) Upon the issuance of a final unappealable order granting a

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1 petition, the school corporation shall make the school building
2 available for lease or purchase in accordance with IC 20-26-7.1.

3 SECTION 12]. IC 20-26-7-48, AS ADDED BY P.L.189-2023,
4 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 <JULY 1, 2026>[UPON PASSAGE]]: Sec. 48. (a) The following
6 definitions apply throughout this section:

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

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

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

13 (1) the total student enrollment for in-person instruction in the
14 school corporation in the current school year is at least ten
15 percent (10%) less than the student enrollment for in-person
16 instruction in the school corporation in a school year that
17 precedes the current school year by five (5); and

18 (2) the school corporation in the current school year has more
19 than one (1) school building serving the same grade level as a
20 school building subject to closure under section 47 of this
21 chapter.

22 (c) ~~☞~~ [Beginning July 1, 2027, e] each school corporation shall
23 annually report to the department, in the form and on the schedule
24 specified by the department, the following information:

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

27 (2) The following information for each building listed in
28 subdivision (1):

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

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

34 (C) The following information:

35 (i) Current average full-time equivalent student
36 enrollment for in-person instruction in the school
37 building on instructional days (as determined under
38 IC 20-30-2) in a school year.

39 (ii) Percentage of instructional use.

40 (iii) Percentage of use for other purposes.

41 (D) Self-evaluation of whether the building qualifies for
42 closure under section 47 of this chapter or the school board

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1 otherwise intends to close the building and the date closure
2 will occur (if applicable).

3 ~~<— (d) A school corporation that fails to report the information
4 described in subsection (c) to the department when requested by
5 the department and within the schedule specified by the
6 department shall be subject to a state tuition support monthly
7 distribution reduction of twenty-five percent (25%) until the report
8 is provided to the department. A school corporation is entitled to
9 recover the state tuition support lost as a result of a reduction
10 described in this subsection. The department shall issue the
11 recovered state tuition within fifteen (15) days of receiving the
12 report.~~

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

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

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

40 (d) Not later than fifteen (15) days after the date that the
41 department receives a notice from a school corporation under
42 subsection (a), the department shall provide written notice to all

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1 interested persons regarding the notice from the school corporation
2 submitted under subsection (a).

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

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

18 (g) The department shall, not later than sixty (60) days after the
19 date that [\[a response is filed under IC 20-26-7-47\(l\) or \]](#) a rebuttal is
20 [\[due\] \[submitted\]](#) under subsection (f), issue a determination to the
21 [\[school\] \[corporation\] \[and\] \[interested\] \[persons\]](#) [\[parties to](#)
22 [the proceeding\]](#) as to whether the covered school building must be
23 made available under this chapter. The department shall publish a copy
24 of the [\[department's\]](#) determination on the department's website.

25 (h) Not later than ~~thirty (30)~~ **sixty (60)** days after the date that the
26 department issues a determination under subsection (g), a [\[school\]](#)
27 [\[corporation\] \[or\] \[interested\]](#) ~~<person may appeal the determination~~
28 ~~to the state board.>~~ [\[person party to the proceeding may appeal the](#)
29 [determination to file with the state board a petition requesting review](#)
30 [of the department's determination.\]](#) An appeal to the state board
31 shall be subject to the procedure described in IC 20-26-11-15(b) ~~<and~~
32 ~~shall be considered final and binding on the parties to the~~
33 ~~proceeding.>~~ [\[](#)

34 [\(i\) Not later than fifteen \(15\) days after:](#)

35 [\(1\) the time expires for an appeal to the state board of a](#)
36 [department determination under subsection \(g\) or IC 20-26-7-47](#)
37 [that a covered school building be made available; or](#)

38 [\(2\) a determination by the state board that a covered school](#)
39 [building is to be made available is issued;](#)

40 [the governing body shall take the actions specified by subsection \(i\); If](#)
41 [the governing body fails to take the actions, the department shall](#)
42 [request that the attorney general enforce the order under section 9\(a\)](#)

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of this chapter.

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

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

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

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

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

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

~~(i) (k) Not later than fifteen (15) days after:~~
~~(1) the time expires for an appeal to the state board of a department determination under subsection (g) or IC 20-26-7-47 that a covered school building be made available; or~~
~~(2) a final determination by the state board that a covered school building is to be made available is issued;~~
~~the governing body shall take the actions specified by subsection (j):~~
~~(i). If the governing body fails to take the actions, the department shall request that the attorney general enforce the order under section 9(a) of this chapter.~~

> (j) ~~(i)~~ If (i) Not later than fifteen (15) days after the department provides notice to ~~an~~ interested parties under

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subsection (d) that a covered school building is to be ~~made~~
~~available, closed,~~ the governing body shall do the following:

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

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

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

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

(C) A legal description of the property.

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

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

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

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

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

(B) A time frame, which may not exceed three (3) years from the date that the covered school building is to be

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closed, no longer used, or no longer occupied, in which the:
(i) charter school intends to begin providing classroom instruction in the covered school building; or
(ii) state educational institution intends to begin using the covered school building for an academic purpose.
(C) A resolution, adopted by the board of the charter school or state educational institution stating that the board of the charter school or state educational institution has determined that, after the charter school or state educational institution has made any necessary repairs or modifications, the covered school building will be sufficient to meet the charter school's or state educational institution's needs and can be operated within the charter school's or state educational institution's budget.

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

~~(n)~~(p) If only one (1) charter school submits a preliminary request to purchase or lease the covered school building, the department shall notify the school corporation of the identity of the charter school and direct the school corporation to complete a sale or lease to the charter school in accordance with subsection ~~(r)~~; **(t)**. In the event that two (2) or more charter schools submit a preliminary request to purchase or lease a covered school building within the time frame described in subsection ~~(h)(1)~~; **(n)(1)**, the department shall send notification to each interested person and the school corporation that the department has received two (2) or more preliminary requests under this section. An authorizer committee shall be established, with each statewide authorizer that has authorized one (1) or more charter schools appointing a representative, and the committee shall establish the chairperson and procedures for the committee. Within sixty (60) days of receiving notice under this subsection, the committee shall select

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1 which charter school may proceed under subsection ~~(r)~~ (t) to purchase
2 or lease the covered school building or determine if two (2) or more
3 charter schools should co-locate within the covered school building.
4 The committee shall base the committee's decision on the following
5 criteria:

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

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

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

- 35 (1) notify the school corporation of the identity of the state
- 36 educational institution; and
- 37 (2) direct the school corporation to complete a sale or lease to
- 38 the state educational institution in accordance with subsection
- 39 ~~(r)~~ (t).

40 ~~(p)~~ (r) If one (1) or more state educational institutions submit
41 preliminary requests to purchase or lease a covered school building, a
42 selection committee shall be established consisting of one (1) member

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1 appointed by the executive of the largest city or town in the county in
 2 which the covered school building is located, one (1) member
 3 appointed by the city or town council of the largest city or town in the
 4 county in which the covered school building is located, one (1) member
 5 appointed by the county commissioners of the county in which the
 6 covered school building is located, one (1) member appointed by the
 7 county council of the county in which the covered school building is
 8 located, and one (1) member appointed by the chamber of commerce
 9 of the county in which the covered school building is located.

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

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

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

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

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

24 (1) charter school uses the covered school building for classroom
 25 instruction for any combination of kindergarten through grade
 26 12; or

27 (2) state educational institution uses the covered school building
 28 for an academic purpose.

29 The term of the lease shall be established at the charter school's or state
 30 educational institution's discretion and include an option for the state
 31 educational institution or charter school to purchase the covered school
 32 building for one dollar (\$1). Alternatively, the school corporation shall
 33 sell the covered school building to the charter school or state
 34 educational institution for one dollar (\$1), if the charter school or state
 35 educational institution has met the requirements set forth in subsection
 36 ~~(t)~~ **(n)** and uses the covered school building in the manner prescribed
 37 by this subsection. If the charter school or state educational institution
 38 selected to lease or purchase the covered school building has met the
 39 requirements under subsection ~~(t)~~; **(n)**, the school corporation has not
 40 more than ~~ninety (90)~~ **thirty (30)** days after the date notice of a final
 41 unappealable decision is received by the school corporation to
 42 complete the lease or sale of the covered school building to the charter

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

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

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

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

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

30 SECTION 1 ~~<>~~ **[4]**. IC 20-26-7.1-5, AS AMENDED BY
31 P.L.135-2025, SECTION 7, IS AMENDED TO READ AS FOLLOWS
32 [EFFECTIVE ~~<JULY 1, 2026>~~ **[UPON PASSAGE]**]: Sec. 5. (a) If:

- 33 (1) a covered school building is sold to a charter school or state
34 educational institution under section 4 of this chapter; and
- 35 (2) the charter school or state educational institution described
36 in subdivision (1) no longer intends to use the covered school
37 building for the purposes described in section ~~4(t)~~ **4(n)** of this
38 chapter;

39 the charter school or state educational institution shall offer to transfer
40 the covered school building back to the school corporation that initially
41 sold the covered school building to the charter school or state
42 educational institution.



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1 (b) If a school corporation described in subsection (a) declines the
 2 offer to transfer a covered school building back to the school
 3 corporation, the charter school or state educational institution may sell
 4 or transfer the covered school building to a third party. If a charter
 5 school or state educational institution sells or transfers a covered
 6 school building to a third party under this subsection, the charter school
 7 or state educational institution must transfer an amount equal to the
 8 gain in the property minus the adjusted basis (including costs of
 9 improvements to the covered school building) to the school corporation
 10 that initially sold the covered school building to the charter school or
 11 state educational institution. Gain and adjusted basis shall be
 12 determined in the manner prescribed by the Internal Revenue Code and
 13 the applicable Internal Revenue Service regulations and guidelines.

14 (c) A charter school or state educational institution that purchases
 15 a covered school building assumes total control of the covered school
 16 building and must maintain the covered school building, including
 17 utilities, insurance, maintenance, and repairs. Except as provided in
 18 subsection (d), in the event a:

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

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

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

27 (d) In the event a:

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

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

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

37 SECTION 1 ~~↔~~ **[5]**. IC 20-26-7.1-5.3, AS AMENDED BY
 38 P.L.36-2024, SECTION 7, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE ~~<JULY 1, 2026>~~ **[UPON PASSAGE]**]: Sec. 5.3. (a) This
 40 section applies to a covered school building to which the following
 41 apply:

42 (1) The covered school building was purchased or leased by a

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1 charter school under this chapter.
 2 (2) The total student enrollment for in-person instruction in the
 3 school building in the current school year is at least ten percent
 4 (10%) less than the student enrollment for in-person instruction
 5 in the school building in a school year that precedes the current
 6 school year by five (5).
 7 (b) A school corporation may not petition the department under
 8 subsection (c) within the first five (5) years after a charter school
 9 purchased or initially leased a covered school building under this
 10 chapter.
 11 (c) Subject to subsection (f), if:
 12 (A) the number of full-time equivalent students enrolled for
 13 in-person instruction in a school building on instructional days
 14 (as determined under IC 20-30-2) for instructional purposes for
 15 a school year is not at least fifty percent (50%) of the classroom
 16 design capacity of the school building; **and**
 17 **(B) it is consistent with the needs of the school corporation's**
 18 **strategic plan;**
 19 the school corporation that leased or sold the school building to the
 20 charter school may file a petition with the department requesting that
 21 the charter school transfer the school building back to the school
 22 corporation.
 23 (d) Before filing a petition under subsection (c), the school
 24 corporation must give written notice to the charter school to determine
 25 whether an agreement can be reached regarding transferring the school
 26 building to the school corporation.
 27 (e) A petition filed under this section is subject to the same
 28 procedures under IC 20-26-7-47 as a petition filed under
 29 IC 20-26-7-47(h).
 30 (f) For purposes of determining classroom design capacity under
 31 subsection (c), if a charter school reconfigures a school building after
 32 the charter school leases or purchases the school building, the
 33 classroom design capacity must be determined based on the
 34 reconfigured school building and not the classroom design capacity of
 35 the school building at the time of the lease or purchase.
 36 (g) ~~<A>~~ [As a condition precedent for a] school corporation
 37 ~~<that>~~ [to] receive ~~<s>~~ a school building back from a charter
 38 school ~~<pursuant to a petition filed under subsection (c)>~~ [, the
 39 school corporation] shall pay the charter school ~~<for>~~ [the cost of]
 40 capital improvements the charter school made to the school
 41 building minus depreciation.
 42 SECTION 1 ~~<4>~~ [6]. IC 20-32-6.5-3, AS ADDED BY

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1 P.L.180-2025, SECTION 4, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) Beginning with the
 3 2026-2027 school year, if a school determines that a student in
 4 kindergarten through grade 8 is at risk of not achieving grade level
 5 proficiency in mathematics as determined by an analysis of the
 6 student's data from:
 7 (1) a grade level screener approved by the department; or
 8 (2) a through-year statewide assessment;
 9 the school must provide intervention that meets the requirements under
 10 subsection (b).
 11 (b) A school shall provide intervention to a student described in
 12 subsection (a) that meets the following conditions:
 13 (1) The intervention includes a multitiered system of support that
 14 progresses from less to more intensive support based on the
 15 student's individual needs.
 16 (2) The intervention is aligned to daily Tier I instruction and
 17 standard level learning progressions.
 18 (3) The intervention is:
 19 (A) targeted;
 20 (B) differentiated; and
 21 (C) supplemental to Tier I instruction.
 22 (4) The intervention:
 23 (A) is aligned with evidence based instructional strategies
 24 to promote conceptual understanding, procedural fluency,
 25 and real world problem solving; and
 26 (B) allows a student opportunities to interact, show
 27 progress, and demonstrate understanding through rigorous
 28 grade level content.
 29 (5) The intervention includes continual assessment and in depth
 30 analysis of each student's data to inform the flexible movement
 31 in and out of Tiers II and III.
 32 **(c) Not later than fifteen (15) days after a school makes a**
 33 **determination under subsection (a) that a student is at risk, the**
 34 **school shall provide notice to a parent of the student regarding the**
 35 **determination. The notification may contain the following:**
 36 **(1) Specific information about how the student is performing.**
 37 **(2) Information about the intervention the student will**
 38 **receive from the school.**
 39 **(3) A list or description of any recommended resources**
 40 **available for use at home to support the student's academic**
 41 **growth in mathematics.**
 42 ~~(c)~~ **(d)** The department shall provide guidance on the multitiered

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1 system that a school is required to provide under subsection (b).
2 [SECTION 17. An emergency is declared for this act.](#)

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