

## SENATE BILL No. 292

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-28-6-10; IC 12-8-1.5-20; IC 12-14-31-3; IC 12-17.2; IC 20-26; IC 21-12-8.

**Synopsis:** Various child care matters. Requires the Indiana economic development corporation to submit a report annually to the general assembly regarding funds dedicated to supporting child care under specified state and federal programs. Requires the office of the secretary of family and social services (FSSA) to publish on the FSSA website a dashboard providing monthly information regarding federal child care subsidies available to Indiana residents. Provides that a household is eligible for assistance under the federal Child Care and Development Fund (CCDF) voucher program if the household, at the time of FSSA's initial determination of the household's income eligibility: (1) has a household income that does not exceed 85% of Indiana's state median income for the household's family size; (2) includes an individual who is employed by a licensed child care center, a licensed child care home, or a licensed or registered child care ministry; and (3) otherwise meets federal eligibility requirements for the CCDF program. Requires FSSA to provide mobile facilities at which an individual may, at no charge to the individual, have the individual's fingerprints taken for purposes of a national criminal history background check required under regulations governing employees of child care centers, child care homes, and child care ministries. Provides that: (1) the early learning advisory committee must commission a third party evaluation to assess existing regulations for child care providers not later than May 1, 2024 (rather than July 1, 2024, under current law); and (2) FSSA must initiate the process of amending FSSA's rules in conformance with the findings of the third party evaluation not later than July 1, 2024. Provides that the results of  
(Continued next page)

**Effective:** Upon passage.

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### Pol Jr., Hunley

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January 16, 2024, read first time and referred to Committee on Health and Provider Services.



a national criminal history background check of an individual conducted for purposes of the individual's presence on the premises of a provider's child care center, child care home, or child care ministry apply for purposes of the individual's presence on the premises of any child care center or child care ministry, respectively, operated by the provider. Provides that a licensed child care center may allow an employee who is: (1) at least 18 years of age to supervise a child who is less than 12 months of age; and (2) 16 or 17 years of age to supervise a child who is 12 months of age or older if the child is also supervised by an employee who is at least 18 years of age. Provides that a child is eligible for the prekindergarten grant program if the child resides in a household with an annual income that does not exceed 400% of the amount required for the individual to qualify for the federal free or reduced price lunch program. Allows a provider that is eligible to participate as a provider in the prekindergarten grant program to lease or purchase a vacant school building in the same manner, and under the same terms, as a charter school or state educational institution. Provides that an individual enrolled in an educational program leading to a degree, certificate, or credential necessary to meet the educational requirements for: (1) employment in any capacity by a licensed child care center or a licensed or registered child care ministry; or (2) licensure to operate a child care home; is eligible for a high value workforce ready credit-bearing grant. Requires FSSA, in collaboration with the department of state revenue, to submit a report to the legislative council not later than October 31, 2024, documenting the results attributable to: (1) the employer sponsored child care fund; and (2) the employer child expenditure credit. Requires FSSA to evaluate the micro center model and submit a report summarizing its findings and recommendations to the legislative council. Makes conforming amendments and technical corrections.



Introduced

Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

## SENATE BILL No. 292

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A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-28-6-10 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
3 **UPON PASSAGE]: Sec. 10. Not later than October 1, 2024, and not**  
4 **later than October 1 of each year thereafter, the corporation shall**  
5 **submit to the executive director of the legislative services agency,**  
6 **for distribution to the members of the general assembly, a report**  
7 **regarding funds dedicated to supporting child care under:**

8 (1) the regional economic acceleration and development  
9 initiative (READI) under IC 5-28-41; and  
10 (2) the CHIPS Act of 2022 (P.L. 117-167, 136 Stat. 1366).  
11 The corporation's report under this section must be in an  
12 electronic format under IC 5-14-6.

13 SECTION 2. IC 12-8-1.5-20 IS ADDED TO THE INDIANA CODE  
14 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
15 **UPON PASSAGE]: Sec. 20. The office of the secretary shall publish**



1 on the website of the office of the secretary a dashboard providing  
 2 monthly information regarding federal child care subsidies  
 3 available to Indiana residents, including the following information:

- 4 (1) The number of federal child care subsidies available.  
 5 (2) The average copayment required under each available  
 6 subsidy.  
 7 (3) The number of children on a wait list for each available  
 8 subsidy.  
 9 (4) Other key indicators, as determined by the office of the  
 10 secretary, of the effectiveness of the available child care  
 11 subsidies in each Indiana county.

12 SECTION 3. IC 12-14-31-3 IS ADDED TO THE INDIANA CODE  
 13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 14 UPON PASSAGE]: **Sec. 3. A household that, at the time of the office  
 15 of the secretary's initial determination of the household's income  
 16 eligibility for purposes of entry into the CCDF program:**

- 17 (1) has a household income that does not exceed eighty-five  
 18 percent (85%) of Indiana's state median income for the  
 19 household's family size;  
 20 (2) includes an individual who is employed by a:  
 21 (A) child care center licensed under IC 12-17.2-4;  
 22 (B) child care home licensed under IC 12-17.2-5; or  
 23 (C) child care ministry licensed or registered under  
 24 IC 12-17.2-6; and  
 25 (3) otherwise meets federal eligibility requirements for the  
 26 CCDF program;

27 **is eligible for assistance under the CCDF program.**

28 SECTION 4. IC 12-17.2-2-15 IS ADDED TO THE INDIANA  
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15. The office of the secretary  
 30 shall provide mobile facilities at which an individual may, at no  
 31 charge to the individual, have the individual's fingerprints taken  
 32 for purposes of a national criminal history background check to  
 33 which the individual is required to submit under IC 12-17.2-4,  
 34 IC 12-17.2-5, or IC 12-17.2-6.**

35 SECTION 5. IC 12-17.2-3.8-5, AS AMENDED BY P.L.246-2023,  
 36 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 UPON PASSAGE]: **Sec. 5. (a) The early learning advisory committee  
 38 is established to do the following:**

- 39 (1) Establish child developmental and educational goals for  
 40 Indiana's early learning system, including the development of  
 41 standards and objectives for early education programs that receive  
 42



- 1 state or federal funds.
- 2 (2) Design and maintain an approach to measuring progress
- 3 toward the goals established under subdivision (1) that include
- 4 objective measures of academic quality.
- 5 (3) Assess the attainment of the goals established under
- 6 subdivision (1) and evaluate the efficacy of state and federal
- 7 spending on Indiana's early learning system.
- 8 (4) Assess whether the requirements for early education program
- 9 licensure:
- 10 (A) create an equitable standard for health and safety across all
- 11 early education program types;
- 12 (B) reinforce the goals established under subdivision (1); and
- 13 (C) support the sustainability of Indiana's early learning
- 14 system.
- 15 (5) Conduct periodic statewide needs assessments concerning the
- 16 quality and availability of early education programs for children
- 17 from birth to the age of school entry, including the availability of
- 18 high quality prekindergarten education for low income children
- 19 in Indiana.
- 20 (6) Identify opportunities for, and barriers to, collaboration and
- 21 coordination among federally and state funded child development,
- 22 child care, and early childhood education programs and services,
- 23 including governmental agencies that administer the programs
- 24 and services.
- 25 (7) Design early education workforce strategies, including
- 26 recommendations on how to advance professional development.
- 27 (8) Assess the capacity and effectiveness of pathways to support
- 28 training and recruitment of early educators.
- 29 (9) Not later than November 30 of each year, develop and make
- 30 recommendations to the governor and, in an electronic format
- 31 under IC 5-14-6, to the legislative council concerning the results
- 32 of the committee's work under subdivisions (1) through (8).
- 33 (10) Not later than ~~July~~ **May** 1, 2024, commission a third party
- 34 evaluation to assess existing regulations for child care providers
- 35 and provide recommendations to:
- 36 (A) maintain health and safety standards;
- 37 (B) streamline administrative burdens, program standards, and
- 38 reporting requirements for child care providers;
- 39 (C) provide flexibility for a child care provider with a Level 3
- 40 or Level 4 paths to QUALITY program rating to expand to
- 41 other locations; and
- 42 (D) assist accredited kindergarten through grade 12



- 1 institutions in establishing and providing high quality onsite  
 2 child care and early learning programs.  
 3 This subdivision expires January 1, 2025.  
 4 (11) Not later than December 31, 2023, develop recommendations  
 5 for implementing a revised paths to QUALITY program that:  
 6 (A) maintains health and safety standards;  
 7 (B) integrates objective measures of kindergarten readiness;  
 8 (C) contemplates accredited kindergarten through grade 12  
 9 institutions as onsite providers; and  
 10 (D) incentivizes child care providers to increase wages for  
 11 child care workers who complete education and training that  
 12 result in a postsecondary degree or industry recognized  
 13 credential.  
 14 This subdivision expires July 1, 2024.  
 15 (b) The committee consists of the following thirteen (13) members:  
 16 (1) The secretary of education or the secretary's designee.  
 17 (2) The secretary of family and social services or the secretary's  
 18 designee.  
 19 (3) Seven (7) members appointed by the governor as follows:  
 20 (A) A representative of an organization with an interest in  
 21 training the early childhood education workforce.  
 22 (B) A representative of a Head Start program under 42 U.S.C.  
 23 9831 et seq.  
 24 (C) A member of the general public who has an interest in  
 25 early childhood education.  
 26 (D) A representative of an early childhood education provider.  
 27 (E) A representative from a school corporation who has an  
 28 interest in strengthening the transition from early childhood  
 29 education to elementary education.  
 30 (F) A representative of business with an interest in early  
 31 childhood education.  
 32 (G) A representative of the nonprofit or philanthropic  
 33 community with an interest in early childhood education.  
 34 (4) One (1) member who:  
 35 (A) is appointed by the speaker of the house of representatives;  
 36 (B) is not a member of the general assembly; and  
 37 (C) shall serve as a nonvoting member.  
 38 (5) One (1) member who:  
 39 (A) is appointed by the president pro tempore of the senate;  
 40 (B) is not a member of the general assembly; and  
 41 (C) shall serve as a nonvoting member.  
 42 (6) One (1) member who:



- 1 (A) is appointed by the minority leader of the house of  
 2 representatives;  
 3 (B) is not a member of the general assembly; and  
 4 (C) shall serve as a nonvoting member.  
 5 (7) One (1) member who:  
 6 (A) is appointed by the minority leader of the senate;  
 7 (B) is not a member of the general assembly; and  
 8 (C) shall serve as a nonvoting member.  
 9 (c) Subject to section 5.1 of this chapter, members appointed under  
 10 subsection (b)(3) through (b)(7) serve for three (3) year terms. The  
 11 members of the committee serve at the pleasure of the appointing  
 12 authority.  
 13 (d) The governor shall appoint a member of the committee to serve  
 14 as chairperson of the committee. The committee shall meet at least six  
 15 (6) times each calendar year at the call of the chairperson.  
 16 (e) The division shall, in consultation with the department of  
 17 education, staff the committee.  
 18 (f) The expenses of the committee shall be paid from the funds of  
 19 the division.  
 20 (g) Each member of the committee who is not a state employee is  
 21 entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b).  
 22 The member is also entitled to reimbursement for traveling expenses  
 23 as provided under IC 4-13-1-4 and other expenses actually incurred in  
 24 connection with the member's duties as provided in the state policies  
 25 and procedures established by the Indiana department of administration  
 26 and approved by the budget agency.  
 27 (h) Each member of the committee who is a state employee but who  
 28 is not a member of the general assembly is entitled to reimbursement  
 29 for traveling expenses as provided under IC 4-13-1-4 and other  
 30 expenses actually incurred in connection with the member's duties as  
 31 provided in the state policies and procedures established by the Indiana  
 32 department of administration and approved by the budget agency.  
 33 (i) Each member of the committee who is a member of the general  
 34 assembly is entitled to receive the same per diem, mileage, and travel  
 35 allowances paid to legislative members of interim study committees  
 36 established by the legislative council. Per diem, mileage, and travel  
 37 allowances paid under this section shall be paid from appropriations  
 38 made to the legislative council or the legislative services agency.  
 39 (j) The affirmative votes of a majority of the voting members  
 40 appointed to the committee are required for the committee to take  
 41 action on any measure, including final reports.

42 SECTION 6. IC 12-17.2-4-3, AS AMENDED BY P.L.183-2021,



1 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 UPON PASSAGE]: Sec. 3. (a) An applicant must apply for a child care  
3 center license on forms provided by the division.

4 (b) An applicant must submit the required information as part of the  
5 application, including the following:

6 (1) If the county, city, or town in which the child care center is  
7 located requires a business permit or license to operate a child  
8 care center in the county, city, or town, proof that the applicant  
9 has a valid business permit or license.

10 (2) If the county, city, or town in which the child care center is  
11 located does not require a business permit or license described in  
12 subdivision (1), a statement from the county, city, or town that a  
13 business permit or license is not required.

14 (3) A current and valid electronic mail address for the applicant.

15 (c) The applicant must submit with the application a statement  
16 attesting that the applicant:

17 (1) has not been convicted of:

18 (A) a felony:

19 (i) related to the health or safety of a child;

20 (ii) that is a sex offense (as defined in IC 11-8-8-5.2);

21 (iii) that is a dangerous felony; or

22 (iv) that is not a felony otherwise described in items (i)  
23 through (iii), and less than ten (10) years have elapsed from  
24 the date the person was discharged from probation,  
25 imprisonment, or parole, whichever discharge date is latest;

26 (B) a misdemeanor relating to the health or safety of children;

27 (C) a misdemeanor for operating a child care center without a  
28 license under section 35 of this chapter, or of a substantially  
29 similar offense committed in another jurisdiction if the offense  
30 is directly or indirectly related to jeopardizing the health or  
31 safety of a child; or

32 (D) a misdemeanor for operating a child care home without a  
33 license under IC 12-17.2-5-35, or of a substantially similar  
34 offense committed in another jurisdiction if the offense is  
35 directly or indirectly related to jeopardizing the health or  
36 safety of a child; and

37 (2) has not been charged with:

38 (A) a felony;

39 (B) a misdemeanor relating to the health or safety of children;

40 (C) a misdemeanor for operating a child care center without a  
41 license under section 35 of this chapter, or with a substantially  
42 similar offense in another jurisdiction if the offense is directly





- 1 or indirectly related to jeopardizing the health or safety of a  
 2 child; or  
 3 (D) a misdemeanor for operating a child care home without a  
 4 license under IC 12-17.2-5-35, or with a substantially similar  
 5 offense in another jurisdiction if the offense is directly or  
 6 indirectly related to jeopardizing the health or safety of a child;  
 7 during the pendency of the application.
- 8 (d) An applicant shall, at no expense to the state, submit:  
 9 (1) the necessary information, forms, or consents; and  
 10 (2) the applicant's fingerprints;  
 11 for a national criminal history background check by the Federal Bureau  
 12 of Investigation.
- 13 (e) Subject to section 3.3 of this chapter, the applicant must, at no  
 14 expense to the state, do the following:  
 15 (1) Require an employee or volunteer of the applicant who may  
 16 be present on the premises of the child care center during  
 17 operating hours of the child care center to submit fingerprints for  
 18 a national criminal history background check by the Federal  
 19 Bureau of Investigation.  
 20 (2) Report to the division any:  
 21 (A) police investigations;  
 22 (B) arrests; and  
 23 (C) criminal convictions;  
 24 of which the applicant is aware regarding the applicant or an  
 25 employee or volunteer described in subdivision (1).
- 26 An applicant shall require an individual described in subdivision (1) to  
 27 apply for a national criminal history background check before the  
 28 individual is employed or allowed to volunteer and every three (3)  
 29 years thereafter that the individual is continuously employed or allowed  
 30 to volunteer.
- 31 **(f) The results of a national criminal history background check**  
 32 **of an individual conducted under this section for purposes of the**  
 33 **individual's presence on the premises of an applicant's child care**  
 34 **center apply for purposes of the individual's presence on the**  
 35 **premises of any child care center operated by the applicant.**
- 36 SECTION 7. IC 12-17.2-4-4.2 IS ADDED TO THE INDIANA  
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 38 [EFFECTIVE UPON PASSAGE]: **Sec. 4.2. (a) A licensee may allow**  
 39 **an employee of the licensee who is at least eighteen (18) years of**  
 40 **age to supervise a child who is less than twelve (12) months of age.**  
 41 **(b) A licensee may allow an employee of the licensee who is**  
 42 **sixteen (16) or seventeen (17) years of age to supervise a child who**



1 **is twelve (12) months of age or older if the child is also supervised**  
 2 **by an employee of the licensee who is at least eighteen (18) years of**  
 3 **age.**

4 SECTION 8. IC 12-17.2-6-14, AS AMENDED BY P.L.121-2020,  
 5 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 UPON PASSAGE]: Sec. 14. (a) A child care ministry must do the  
 7 following:

8 (1) Subject to subsection (c), require, at no expense to the state,  
 9 an employee or volunteer who may be present on the premises of  
 10 the child care ministry during operating hours of the child care  
 11 ministry to submit fingerprints for a national criminal history  
 12 background check by the Federal Bureau of Investigation.

13 (2) Report to the division any:

14 (A) police investigations;

15 (B) arrests; and

16 (C) criminal convictions;

17 of which the operator or director of the child care ministry is  
 18 aware regarding an employee or volunteer described in  
 19 subdivision (1).

20 (3) Refrain from employing, or allowing to serve as a volunteer,  
 21 an individual who may be present on the premises of the child  
 22 care ministry during operating hours of the child care ministry  
 23 and who:

24 (A) has been convicted of a felony:

25 (i) related to the health or safety of a child;

26 (ii) that is a sex offense (as defined in IC 11-8-8-5.2);

27 (iii) that is a dangerous felony; or

28 (iv) that is not a felony otherwise described in items (i)  
 29 through (iii), and less than ten (10) years have elapsed from  
 30 the date the person was discharged from probation,  
 31 imprisonment, or parole, whichever discharge date is latest;

32 (B) has been convicted of a misdemeanor related to the health  
 33 or safety of a child;

34 (C) has been convicted of a misdemeanor under  
 35 IC 12-17.2-4-35 for operating a child care center without a  
 36 license, or of a substantially similar offense committed in  
 37 another jurisdiction if the offense is directly or indirectly  
 38 related to jeopardizing the health or safety of a child;

39 (D) has been convicted of a misdemeanor under  
 40 IC 12-17.2-5-35 for operating a child care home without a  
 41 license, or of a substantially similar offense committed in  
 42 another jurisdiction if the offense is directly or indirectly



1 related to jeopardizing the health or safety of a child; or  
 2 (E) is a person against whom an allegation of child abuse or  
 3 neglect has been substantiated under IC 31-33, or under a  
 4 substantially similar provision in another jurisdiction.

5 (b) A child care ministry shall require an individual described in  
 6 subsection (a)(1) to apply for a national criminal history background  
 7 check before the individual is employed or allowed to volunteer and  
 8 every three (3) years thereafter that the individual is continuously  
 9 employed or allowed to volunteer.

10 (c) A child care ministry that is registered under this chapter on July  
 11 1, 2013, shall, at no expense to the state, meet the requirements under  
 12 subsection (a)(1) not later than July 1, 2014.

13 **(d) The results of a national criminal history background check**  
 14 **to which an individual is required to submit to by the operator of**  
 15 **a child care ministry under this section apply for purposes of the**  
 16 **individual's presence on the premises of any child care ministry**  
 17 **operated by the operator.**

18 SECTION 9. IC 12-17.2-7.2-1, AS AMENDED BY P.L.201-2023,  
 19 SECTION 138, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,  
 21 "eligible child" refers to an individual who:

22 (1) is at least four (4) years of age and less than five (5) years of  
 23 age on August 1 of the state fiscal year for which a grant is sought  
 24 under the prekindergarten ~~program~~ program;

25 (2) is a resident of Indiana or otherwise has legal settlement in  
 26 Indiana, as determined under IC 20-26-11;

27 (3) is a member of a household with an annual income that does  
 28 not exceed ~~one hundred fifty percent (150%) of the federal~~  
 29 ~~poverty level;~~ **four hundred percent (400%) of the amount**  
 30 **required for the individual to qualify for the federal free or**  
 31 **reduced price lunch program;**

32 (4) receives qualified early education services from an eligible  
 33 provider, as determined by the office;

34 (5) has a parent or guardian who participates in a parental  
 35 engagement and involvement component provided by the eligible  
 36 provider;

37 (6) has a parent or guardian who agrees to ensure that the child  
 38 meets the attendance requirements determined by the office; and

39 (7) meets the requirements under section 7.2(a) and ~~7.2(c)~~ **7.2(b)**  
 40 of this chapter.

41 SECTION 10. IC 12-17.2-7.2-2, AS AMENDED BY P.L.268-2019,  
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible provider"  
 2 refers to a provider that satisfies the following conditions:

3 (1) The provider is:

4 (A) a:

- 5 (i) public school, including a charter school;
- 6 (ii) child care center licensed under IC 12-17.2-4;
- 7 (iii) child care home licensed under IC 12-17.2-5; or
- 8 (iv) child care ministry registered under IC 12-17.2-6;

9 that meets the standards of quality recognized by a Level 3 or  
 10 Level 4 paths to QUALITY program rating;

11 (B) a school that is accredited by the state board of education  
 12 or a national or regional accreditation agency that is  
 13 recognized by the state board of education; or

14 (C) a school that is accredited to provide qualified early  
 15 education services by an accrediting agency approved by the  
 16 office of the secretary.

17 (2) The provider:

18 (A) provides qualified early education services to eligible ~~and~~  
 19 ~~limited eligibility~~ children; and

20 (B) complies with the agreement with the office concerning  
 21 the delivery of qualified education services and the use of a  
 22 grant provided under this chapter.

23 SECTION 11. IC 12-17.2-7.2-2.1, AS ADDED BY P.L.268-2019,  
 24 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 UPON PASSAGE]: Sec. 2.1. As used in this chapter, "~~extended~~  
 26 "enrollment period" refers to the period set forth by the office  
 27 beginning not later than ~~June~~ **April** 1 of each calendar year.

28 SECTION 12. IC 12-17.2-7.2-2.5 IS REPEALED [EFFECTIVE  
 29 UPON PASSAGE]. ~~Sec. 2.5: As used in this chapter, "limited~~  
 30 ~~eligibility child" refers to an individual who:~~

31 (1) is at least four (4) years of age and less than five (5) years of  
 32 age on August 1 of the state fiscal year for which a grant is sought  
 33 under the prekindergarten program;

34 (2) is a resident of Indiana or otherwise has legal settlement in  
 35 Indiana, as determined under IC 20-26-11;

36 (3) receives qualified early education services from an eligible  
 37 provider, as determined by the office;

38 (4) has a parent or guardian who agrees to ensure that the child  
 39 meets the attendance requirements determined by the office;

40 (5) has a parent or guardian who participates in a parental  
 41 engagement and involvement component provided by the eligible  
 42 provider;



- 1 (6) is a member of a household with an annual income that does  
 2 not exceed one hundred eighty-five percent (185%) of the federal  
 3 poverty level;  
 4 (7) meets the requirements of section 7.2(b) and 7.2(c) of this  
 5 chapter; and  
 6 (8) is not an eligible child.

7 SECTION 13. IC 12-17.2-7.2-5.7 IS REPEALED [EFFECTIVE  
 8 UPON PASSAGE]. Sec. 5.7. As used in this chapter, "priority  
 9 enrollment period" refers to the period set forth by the office beginning  
 10 not later than April 1 of each calendar year, except for calendar year  
 11 2021, during which the priority enrollment period may begin later than  
 12 April 1, 2021.

13 SECTION 14. IC 12-17.2-7.2-6, AS AMENDED BY P.L.268-2019,  
 14 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 UPON PASSAGE]: Sec. 6. As used in this chapter, "qualified early  
 16 education services" refers to a program of early education services that:

- 17 (1) is provided by an eligible provider to an eligible or limited  
 18 eligibility child;  
 19 (2) includes a parental engagement and involvement component  
 20 in the delivery of early education services that is based on the  
 21 requirements and guidelines established by the office;  
 22 (3) administers the kindergarten readiness assessment adopted by  
 23 the state board of education;  
 24 (4) aligns with the early learning development framework for  
 25 prekindergarten approved by the department of education under  
 26 IC 20-19-3-16; and  
 27 (5) meets the design parameters for inclusion in the longitudinal  
 28 study described in section 12 of this chapter, as determined by the  
 29 office.

30 SECTION 15. IC 12-17.2-7.2-7, AS AMENDED BY P.L.246-2023,  
 31 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 UPON PASSAGE]: Sec. 7. (a) The prekindergarten program is  
 33 established to provide grants for:

- 34 (1) qualified early education services in a manner consistent with  
 35 how funds are distributed under the Child Care and Development  
 36 Fund (CCDF) grant program; and  
 37 (2) expansion plans as described in section 7.4(a)(2) of this  
 38 chapter.

39 (b) The office shall administer the prekindergarten program. The  
 40 prekindergarten program may include:

- 41 (1) eligible providers in Indiana; and  
 42 (2) potential eligible providers or existing eligible providers as



- 1 described in section 7.4 of this chapter.
- 2 (c) Beginning July 1, 2020, the total number of grants during the  
3 immediately preceding state fiscal year shall include the number of  
4 grants issued under a preschool program established in March 2015  
5 that operates in a consolidated city.
- 6 (d) The prekindergarten program includes eligible providers in any  
7 county in Indiana.
- 8 (e) Subject to the requirements of this chapter, the office shall  
9 determine:
- 10 (1) the eligibility requirements, application process, and selection  
11 process for awarding grants under the prekindergarten program;  
12 (2) the administration and reporting requirements for:
- 13 (A) eligible providers; and  
14 (B) potential eligible providers or existing eligible providers;  
15 participating in the prekindergarten program; and  
16 (3) with the assistance of the early learning advisory committee,  
17 an appropriate outcomes based accountability system for:
- 18 (A) eligible providers; and  
19 (B) potential eligible providers or existing eligible providers.
- 20 (f) The office shall, subject to the availability of funding, determine  
21 the number of eligible children who will participate in the  
22 prekindergarten program. ~~After December 31, 2019, the office shall,~~  
23 ~~subject to the availability of funding, determine the number of limited~~  
24 ~~eligibility children who will participate in the prekindergarten program.~~
- 25 SECTION 16. IC 12-17.2-7.2-7.2, AS AMENDED BY  
26 P.L.268-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE UPON PASSAGE]: Sec. 7.2. (a) For an eligible child to  
28 qualify for a grant under this chapter, the eligible child must reside  
29 with a parent or guardian who is:
- 30 (1) working or attending a job training or an educational program;  
31 or  
32 (2) actively seeking employment, subject to the approval by the  
33 United States Department of Health and Human Services as  
34 provided in 45 CFR 98.21.
- 35 (b) ~~For a limited eligibility child to qualify for a grant under this~~  
36 ~~chapter, the limited eligibility child must reside with a parent or~~  
37 ~~guardian who:~~
- 38 (1) ~~is working or attending a job training or an educational~~  
39 ~~program;~~  
40 (2) ~~is actively seeking employment, subject to the approval by the~~  
41 ~~United States Department of Health and Human Services as~~  
42 ~~provided in 45 CFR 98.21; or~~



1           (3) receives Social Security Disability Insurance or Supplemental  
2           Security Income benefits.  
3           (e) (b) Before the office may award a grant to an eligible or limited  
4           eligibility child under this chapter, the office shall require that a parent  
5           or guardian of the eligible or limited eligibility child agree to the  
6           following:  
7           (1) The eligible or limited eligibility child will attend the  
8           prekindergarten program of an eligible provider selected by the  
9           parent or guardian for the full duration of the prekindergarten  
10          program year.  
11          (2) The parent or guardian will not transfer to another  
12          prekindergarten program during the prekindergarten program  
13          year.  
14          (3) The eligible or limited eligibility child will attend the  
15          prekindergarten program at least eighty-five percent (85%) of the  
16          days that the prekindergarten program is provided.  
17          (4) The parent or guardian will allow the eligible or limited  
18          eligibility child to participate in an external evaluation conducted  
19          by researchers, including the kindergarten readiness assessment  
20          and measuring of developmental and academic progress.  
21          (5) The parent or guardian will participate in family engagement  
22          and involvement activities offered by the selected prekindergarten  
23          program, including meetings with the eligible or limited eligibility  
24          child's teacher to discuss the eligible or limited eligibility child's  
25          progress or any other conference concerning the eligible or  
26          limited eligibility child that is requested by the eligible provider.  
27          (6) The parent or guardian will complete the necessary forms for  
28          the eligible child or limited eligibility child to receive a student  
29          test number from the department of education.  
30          (7) The parent or guardian will send the eligible or limited  
31          eligibility child to kindergarten.  
32          (8) The parent or guardian will read to the eligible or limited  
33          eligibility child each week.  
34          (9) Any other condition the office determines is appropriate.  
35          (d) (c) Priority may be given to an eligible or limited eligibility child  
36          under this section if a parent or guardian of the eligible or limited  
37          eligibility child is:  
38          (1) involved in activities that improve the parent's or guardian's  
39          education; or  
40          (2) involved in job training.  
41          SECTION 17. IC 12-17.2-7.2-7.3, AS AMENDED BY  
42          P.L.246-2023, SECTION 12, IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.3. The office  
 2 shall require, for an eligible provider to enroll in the prekindergarten  
 3 program, that the eligible provider agree to the following:

4 (1) Comply on a continuing basis with the requirements under this  
 5 chapter and rules for participation established by the office.

6 (2) Maintain eligibility under this chapter throughout the  
 7 prekindergarten program year.

8 (3) Report immediately any changes in eligibility status to the  
 9 office, including the eligible provider's loss of national or regional  
 10 accreditation.

11 (4) Participate in any training and mandatory meetings required  
 12 by the office.

13 (5) Participate in all onsite visits conducted by the office,  
 14 including fiscal auditing activities with regard to the  
 15 prekindergarten program and prekindergarten program activity  
 16 monitoring.

17 (6) Allow families of eligible ~~or limited eligibility~~ children  
 18 enrolled in the prekindergarten program of the eligible provider  
 19 to visit at any time the prekindergarten program is in operation.

20 (7) Maintain accurate online attendance records through the  
 21 attendance portal for eligible ~~or limited eligibility~~ children  
 22 enrolled in the prekindergarten program and submit attendance  
 23 records as required by the office.

24 (8) Offer parental engagement and involvement activities in the  
 25 prekindergarten program of the eligible provider in alignment  
 26 with the family engagement framework adopted by the early  
 27 learning advisory committee established by IC 12-17.2-3.8-5.

28 (9) Complete, within the period established by the office, the  
 29 Indiana early childhood family engagement toolkit, including the  
 30 family engagement self-assessment, adopted by the early learning  
 31 advisory committee.

32 (10) Share information on the family engagement self-assessment  
 33 described in subdivision (9) as required by the office.

34 (11) Participate in research studies as required by the office.

35 (12) Enforce minimum attendance requirements of at least  
 36 eighty-five percent (85%) of the days that the prekindergarten  
 37 program of the eligible provider is offered to an eligible ~~or limited~~  
 38 ~~eligibility~~ child.

39 (13) Inform the office that an eligible ~~or limited eligibility~~ child  
 40 has withdrawn from the prekindergarten program of the eligible  
 41 provider not later than five (5) days after the eligible ~~or limited~~  
 42 ~~eligibility~~ child is withdrawn.





- 1 (14) That retroactive repayment to the state may be required or  
 2 future payments may be adjusted as a result of the withdrawal of  
 3 an eligible ~~or limited eligibility~~ child or changes in the law.  
 4 (15) Maintain records of participation by a family of an eligible  
 5 ~~or limited eligibility~~ child in family engagement activities and  
 6 submit records as required by the office.  
 7 (16) Promote an eligible ~~or limited eligibility~~ child's social,  
 8 emotional, and behavioral health and eliminate or severely limit  
 9 the use of expulsion, suspension, and other exclusionary  
 10 discipline practices.  
 11 (17) Use the exclusionary discipline practices described in  
 12 subdivision (16) only as a last resort in extraordinary  
 13 circumstances when there is a determination of a serious safety  
 14 threat that cannot otherwise be reduced or eliminated by the  
 15 provision of reasonable modifications.  
 16 (18) Inform and receive approval from the office before the  
 17 eligible provider expels, suspends, or uses other exclusionary  
 18 discipline practices.  
 19 (19) Assist a parent or guardian, upon request by the parent or  
 20 guardian, in obtaining information from, referral to, or both  
 21 information from and referral to, the public school that serves the  
 22 attendance area in which the parent or guardian resides for an  
 23 educational evaluation and determination of eligibility for special  
 24 education services if developmental delays or reasons to suspect  
 25 a disability are observed by the parent, guardian, or teacher of an  
 26 eligible ~~or limited eligibility~~ child during the prekindergarten  
 27 program year.
- 28 SECTION 18. IC 12-17.2-7.2-7.4, AS AMENDED BY  
 29 P.L.246-2023, SECTION 13, IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4. (a) To qualify  
 31 as a potential eligible provider or existing eligible provider, an  
 32 applicant must:
- 33 (1) provide an expansion plan to the office that details the  
 34 potential eligible provider's or existing eligible provider's plan to:  
 35 (A) increase the capacity of providers of qualified early  
 36 education services to serve a greater number of eligible ~~or~~  
 37 ~~limited eligibility~~ children;  
 38 (B) increase the number of providers of qualified early  
 39 education services; or  
 40 (C) increase the capacity as described in clause (A) and  
 41 increase the number as described in clause (B);  
 42 (2) comply with the agreement with the office concerning the plan



- 1 under subdivision (1) and the use of a grant awarded under this  
 2 chapter;  
 3 (3) agree:  
 4 (A) to operate as an eligible provider; or  
 5 (B) that the applicant intends to operate as an eligible  
 6 provider;  
 7 (4) agree that the applicant will not use any grant funds awarded  
 8 under this section for capital expenditures; and  
 9 (5) comply with any other standards and procedures established  
 10 under this chapter.  
 11 (b) Subject to subsections (c) and (d), the office may award a grant  
 12 to an applicant that meets the requirements of subsection (a).  
 13 (c) The office may not use more than a total of twenty percent (20%)  
 14 of the money in the fund each state fiscal year:  
 15 (1) for grants awarded under this chapter to potential eligible  
 16 providers and existing eligible providers for expansion plans; and  
 17 (2) to meet any state match amounts required for a federal grant  
 18 described in subsection (f).  
 19 (d) The office may not award grant funds under this section to an  
 20 applicant for any of the following:  
 21 (1) The purchase of land or a building.  
 22 (2) The construction or expansion of a building.  
 23 (e) If a potential eligible provider or existing eligible provider fails  
 24 to:  
 25 (1) use the grant funds in accordance with the expansion plan  
 26 described in subsection (a); or  
 27 (2) comply with the agreement entered into with the office under  
 28 subsection (a);  
 29 the potential eligible provider or existing eligible provider shall repay  
 30 to the office the total amount of the grant awarded to the potential  
 31 eligible provider or existing eligible provider under this chapter.  
 32 (f) The office may use money in the fund that is allocated for  
 33 expansion plans under this section for a state fiscal year to meet any  
 34 state match amounts required for a federal grant if the purpose of the  
 35 federal grant is that the grant money be used for increasing:  
 36 (1) the capacity;  
 37 (2) the number; or  
 38 (3) both the capacity and number;  
 39 of providers of early education services for children four (4) years of  
 40 age.  
 41 SECTION 19. IC 12-17.2-7.2-7.8, AS AMENDED BY  
 42 P.L.246-2023, SECTION 15, IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.8. (a) The office  
2 shall make random onsite inspections each year, as determined  
3 necessary by the office, at the facility of:

4 (1) an eligible provider; or

5 (2) a potential eligible provider or existing eligible provider;

6 that receives a grant under this chapter.

7 (b) The office may determine that an eligible provider or potential  
8 eligible provider or existing eligible provider is not eligible to receive  
9 a grant under the prekindergarten program if the eligible provider or  
10 potential eligible provider or existing eligible provider:

11 (1) fails to comply with this chapter; or

12 (2) refuses to allow, during normal business hours, the office or  
13 an agent of the office to inspect the facility at which the eligible  
14 provider or potential eligible provider or existing eligible provider  
15 operates a child care program for eligible ~~or limited eligibility~~  
16 children.

17 SECTION 20. IC 12-17.2-7.2-8, AS AMENDED BY P.L.268-2019,  
18 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 UPON PASSAGE]: Sec. 8. (a) The office shall determine:

20 (1) which applicants shall be awarded a grant; and

21 (2) subject to subsection (b) and to the availability of funding, the  
22 amount of each grant.

23 (b) At least five percent (5%) but not more than fifty percent (50%)  
24 of the:

25 (1) tuition for eligible ~~or limited eligibility~~ children under the  
26 prekindergarten ~~pilot~~ program; or

27 (2) expansion plan described in section 7.4(a) of this chapter;

28 during the state fiscal year must be paid from donations, gifts, grants,  
29 bequests, and other funds received from a private entity or person, from  
30 the United States government, or from other sources (excluding funds  
31 from a grant provided under this chapter and excluding other state  
32 funding). The office may receive and administer grants on behalf of the  
33 prekindergarten ~~pilot~~ program. The grants shall be distributed by the  
34 office to fulfill the requirements of this subsection.

35 (c) The amount of a grant made under the **pilot prekindergarten**  
36 program to an eligible ~~or limited eligibility~~ child:

37 (1) who attends a prekindergarten program full time must equal  
38 at least two thousand five hundred dollars (\$2,500) during the  
39 state fiscal year; and

40 (2) may not exceed six thousand eight hundred dollars (\$6,800)  
41 from state money provided under this chapter during the state  
42 fiscal year.



1 SECTION 21. IC 12-17.2-7.2-8.1, AS AMENDED BY  
 2 P.L.246-2023, SECTION 16, IS AMENDED TO READ AS  
 3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) If funds are  
 4 appropriated by the general assembly, grants to limited eligibility  
 5 children may not exceed:

6 (1) twenty percent (20%) of the amount appropriated for a  
 7 particular state fiscal year if families with children four (4) years  
 8 of age are on the waiting list for funds available under the Child  
 9 Care Development Fund; or

10 (2) forty percent (40%) of the amount appropriated for a  
 11 particular state fiscal year if there is no waiting list for children  
 12 four (4) years of age for funds available under the Child Care  
 13 Development Fund.

14 (b) During the priority enrollment period, the office shall provide  
 15 grants to eligible children in the prekindergarten program on a  
 16 first-come, first-served basis **to the extent of available funding**. The  
 17 office shall date stamp and reserve applications for limited eligibility  
 18 children received during the priority enrollment period for processing  
 19 during the extended enrollment period.

20 (c) During the extended enrollment period, the office shall provide  
 21 grants to eligible children and limited eligibility children in the  
 22 prekindergarten program on a first-come, first-served basis to the  
 23 extent of available funding and in accordance with the limit established  
 24 by subsection (a):

25 SECTION 22. IC 12-17.2-7.2-13.1, AS AMENDED BY  
 26 P.L.246-2023, SECTION 20, IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.1. The office  
 28 shall post monthly on the office's website the total enrollment of and  
 29 number of grants awarded to

30 (1) all eligible children (before January 1, 2020); and

31 (2) after December 31, 2019; both:

32 (A) all eligible children; and

33 (B) all limited eligibility children;

34 for each county that participates in the prekindergarten program.

35 SECTION 23. IC 12-17.2-7.2-13.5, AS AMENDED BY  
 36 P.L.246-2023, SECTION 21, IS AMENDED TO READ AS  
 37 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. (a) The  
 38 prekindergarten program fund is established to:

39 (1) provide grants to eligible ~~or limited eligibility~~ children for  
 40 qualified early education services under this chapter;

41 (2) carry out the longitudinal study described in section 12 of this  
 42 chapter;



- 1 (3) provide grants to potential eligible providers and existing
- 2 eligible providers as set forth in section 7.4 of this chapter; and
- 3 (4) make payments to reimburse costs incurred to provide
- 4 in-home early education services under IC 12-17.2-7.5.
- 5 (b) The fund consists of:
- 6 (1) money appropriated to the fund by the general assembly; and
- 7 (2) grants or gifts to the fund.
- 8 (c) The fund shall be administered by the office.
- 9 (d) The expenses of administering the fund shall be paid from
- 10 money in the fund.
- 11 (e) Money in the fund is continuously appropriated for the purposes
- 12 provided under this article.
- 13 (f) The treasurer of state shall invest the money in the fund not
- 14 currently needed to meet the obligations of the fund in the same
- 15 manner as other public funds may be invested.
- 16 SECTION 24. IC 20-26-7-47, AS ADDED BY P.L.189-2023,
- 17 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 18 UPON PASSAGE]: Sec. 47. (a) The following definitions apply
- 19 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) "Eligible provider" has the meaning set forth in**
- 26 **IC 12-17.2-7.2-2.**
- 27 ~~(4)~~ (4) "Enrollment" refers to the following:
- 28 (A) Except as provided in clause (B), students counted in
- 29 ADM (as defined in IC 20-43-1-6) in the first count date for a
- 30 school year fixed under IC 20-43-4-3.
- 31 (B) With regard to a school corporation, students counted in a
- 32 school corporation's fall count of ADM minus all students
- 33 counted in the fall count of ADM who are enrolled in eligible
- 34 schools that:
- 35 (i) have entered into an agreement with the school
- 36 corporation to participate as a participating innovation
- 37 network charter school under IC 20-25.7-5; and
- 38 (ii) are included in the school corporation's fall ADM count.
- 39 ~~(5)~~ (5) "Interested person" has the meaning set forth in
- 40 IC 20-26-7.1-2.2.
- 41 (b) This section applies to a school corporation only if:
- 42 (1) the total student enrollment for in-person instruction in the



- 1 school corporation in the current school year is at least ten percent  
 2 (10%) less than the student enrollment for in-person instruction  
 3 in the school corporation in a school year that precedes the  
 4 current school year by five (5); and  
 5 (2) the school corporation in the current school year has more  
 6 than one (1) school building serving the same grade level as the  
 7 school building subject to closure under this section.
- 8 (c) Each school year, the governing body of a school corporation  
 9 shall review the usage of school buildings used by the school  
 10 corporation to determine whether any school building should be closed  
 11 for the ensuing school year and subsequent school years.
- 12 (d) A school corporation may close a school building for the ensuing  
 13 school year (and subsequent school years) if:  
 14 (1) at any time the school building had been used for classroom  
 15 instruction;  
 16 (2) in the current school year and the two (2) school years  
 17 immediately preceding the current school year the school building  
 18 was underutilized for classroom instruction purposes or other  
 19 allowable uses specified by this section;  
 20 (3) as of the end of the school year before the school building is  
 21 required to be closed under this section, the school corporation  
 22 was not subject to a transitional plan adopted by the governing  
 23 body and approved by the department to use the school building  
 24 for an allowable use not later than the next school year after the  
 25 school building is otherwise required to be closed under this  
 26 section;  
 27 (4) in the case of a school building that was used in any part in the  
 28 current school year for instructional purposes, the school  
 29 corporation has another school building:  
 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



1 (as determined under IC 20-30-2) for instructional purposes,  
 2 averaged over the current school year and the two (2) school years  
 3 immediately preceding the current school year, is at least sixty  
 4 percent (60%) 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 maximum  
 8 full-time equivalent enrollment in any of the last twenty-five  
 9 (25) years, as validated by records created or maintained by  
 10 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 is  
 13 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 maximum  
 25 full-time equivalent enrollment in any of the last twenty-five  
 26 (25) years, as validated by records created or maintained by  
 27 the department; and

28 (if multiple school buildings are used for the same purposes)  
 29 combining the student populations into fewer school buildings is  
 30 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 is  
 33 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 that  
 41 is available in the school district.

42 (4) The school corporation demonstrates through facts included



1 in a resolution that the school building is being used and that it is  
 2 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 capacity,  
 7 and the cost of using the school building for storage must be less  
 8 than comparable storage space that is available in the school  
 9 district.

10 (5) The school corporation demonstrates through facts included  
 11 in a resolution that the school building is being used and that it is  
 12 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 the  
 21 costs of operating the school building, cannot be more than  
 22 comparable office space that is available in the school district;  
 23 and

24 (B) on average, the storage space must be used to capacity and  
 25 the cost of using the school building for storage must be less  
 26 than comparable storage space that is available in the school  
 27 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 an eligible**  
 36 **provider, a** charter school, or **a** state educational institution that is  
 37 interested in a school corporation's school building must give written  
 38 notice to the school corporation to determine whether an agreement can  
 39 be reached regarding the school corporation making the school  
 40 building available 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





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

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

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

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

22 (A) is not contesting the petition; or

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

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

27 (k) If the school corporation:

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

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

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

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

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

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

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



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

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

10 SECTION 25. IC 20-26-7-48, AS ADDED BY P.L.189-2023,  
 11 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 UPON PASSAGE]: Sec. 48. (a) The following definitions apply  
 13 throughout this section:

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

17 (2) "Enrollment" has the meaning set forth in section ~~47(a)(3)~~  
 18 **47(a)(4)** of this chapter.

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

20 (1) the total student enrollment for in-person instruction in the  
 21 school corporation in the current school year is at least ten percent  
 22 (10%) less than the student enrollment for in-person instruction  
 23 in the school corporation in a school year that precedes the  
 24 current school year by five (5); and

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

28 (c) Each school corporation shall annually report to the department,  
 29 in the form and on the schedule specified by the department, the  
 30 following information:

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

33 (2) The following information for each building listed in  
 34 subdivision (1):

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

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

40 (C) The following information:

41 (i) Current average full-time equivalent student enrollment  
 42 for in-person instruction in the school building on



1 instructional days (as determined under IC 20-30-2) in a  
2 school year.

3 (ii) Percentage of instructional use.

4 (iii) Percentage of use for other purposes.

5 (D) Self-evaluation of whether the building qualifies for  
6 closure under section 47 of this chapter or the school board  
7 otherwise intends to close the building and the date closure  
8 will occur (if applicable).

9 SECTION 26. IC 20-26-7.1-1.9 IS ADDED TO THE INDIANA  
10 CODE AS A NEW SECTION TO READ AS FOLLOWS  
11 [EFFECTIVE UPON PASSAGE]: **Sec. 1.9. The definitions in**  
12 **IC 12-17.2-7.2-1, IC 12-17.2-7.2-2, and IC 12-17.2-7.2-6 apply**  
13 **throughout this chapter.**

14 SECTION 27. IC 20-26-7.1-2.2, AS ADDED BY P.L.189-2023,  
15 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 UPON PASSAGE]: Sec. 2.2. As used in this chapter, "interested  
17 person" refers to the following:

18 (1) Each state educational institution.

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

21 (3) All charter school authorizers (excluding school corporation  
22 authorizers as defined in IC 20-24-1-2.5(1)).

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

27 (5) The Indiana charter school board.

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

31 **(7) Each eligible provider in a county where a school**  
32 **corporation with a covered school building subject to closure**  
33 **is located.**

34 SECTION 28. IC 20-26-7.1-3, AS AMENDED BY P.L.189-2023,  
35 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
36 UPON PASSAGE]: Sec. 3. (a) Except as provided in section 1 of this  
37 chapter or subsection (b), (c), or (d), before a governing body may sell,  
38 exchange, lease, demolish, hold without operating, or dispose of a  
39 covered school building, a governing body shall make available for  
40 lease or purchase by **a an eligible provider, a charter school, or a state**  
41 **educational institution any covered school building owned by the**  
42 **school corporation or any other entity that is related in any way to, or**



1 created by, the school corporation or the governing body, including a  
 2 building corporation, that the governing body elects to close or the  
 3 school corporation is required to close under IC 20-26-7-47, in order  
 4 for the covered school building to be used by: ~~a:~~

5 **(1) an eligible provider to provide qualified early education**  
 6 **services to eligible children;**

7 ~~(1)~~ **(2) a charter school to conduct prekindergarten through grade**  
 8 **12 classroom instruction; or**

9 ~~(2)~~ **(3) a state educational institution for an academic purpose.**

10 (b) The following are not required to comply with this chapter:

11 (1) A governing body that vacates a covered school building in  
 12 order to:

13 (A) renovate the covered school building for a future  
 14 allowable use by the school corporation as permitted under  
 15 IC 20-26-7-47; or

16 (B) demolish the covered school building, in whole or part,  
 17 and build a new school building or an addition to a school  
 18 building on the same site as the demolished building.

19 (2) An emergency manager of a distressed school corporation  
 20 under IC 6-1.1-20.3.

21 (3) The governing body of the School City of East Chicago school  
 22 corporation for the Carrie Gosch Elementary School building.

23 (c) This section does not apply to a covered school building in  
 24 which a governing body under IC 20-26-5-4(a)(7) entered a lease prior  
 25 to January 1, 2019, with a state accredited nonpublic school. In  
 26 addition, the governing body may, during or at the expiration of the  
 27 term of such lease, sell the school building leased under  
 28 IC 20-26-5-4(a)(7) to the nonpublic school at a purchase price mutually  
 29 agreed to by the governing body and the nonpublic school.

30 (d) This section does not apply to a covered school building of a  
 31 school corporation to which the following apply:

32 (1) The school corporation had, before January 1, 2023, entered  
 33 into a lease or memorandum of understanding with a nonprofit  
 34 organization exempt from federal taxation under Section  
 35 501(c)(3) through 501(c)(7) of the Internal Revenue Code for the  
 36 use of the covered school building.

37 (2) The lease or memorandum of understanding described in  
 38 subdivision (1):

39 (A) continues in effect;

40 (B) is renewed; or

41 (C) is replaced by a new lease or memorandum of  
 42 understanding that is entered into between the school



1 corporation and the nonprofit organization described in  
2 subdivision (1).

3 (3) The nonprofit organization described in subdivision (1) uses  
4 the covered school building for an educational purpose  
5 throughout the term of any lease or memorandum of  
6 understanding.

7 If at any time the conditions under subdivisions (2) and (3) are not met,  
8 the covered school building is subject to IC 20-26-7-47 and this  
9 chapter.

10 (e) A covered school building that a school corporation closes or is  
11 required to close may not be retained by the school corporation for  
12 storage or office use unless the conditions of IC 20-26-7-47(e)(3),  
13 IC 20-26-7-47(e)(4), or IC 20-26-7-47(e)(5) are met.

14 SECTION 29. IC 20-26-7.1-4, AS AMENDED BY P.L.189-2023,  
15 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 UPON PASSAGE]: Sec. 4. (a) A school corporation shall notify the  
17 department not later than thirty (30) days after the date the governing  
18 body elects to close a covered school building and include with the  
19 notification whether the school corporation contends that the building  
20 should or should not be made available as provided by this chapter.  
21 The school corporation shall notify the department in the annual report  
22 required under IC 20-26-7-48 that the school corporation elects to or  
23 is required under IC 20-26-7-47 to close a covered school building. The  
24 notice must be in the annual report submitted under IC 20-26-7-48 after  
25 the school elects to or is required to close the covered school building.  
26 The department shall notify interested persons concerning the  
27 availability of a covered school building under subsection (d).

28 (b) Not later than fifteen (15) days after:

29 (1) the department receives the earliest notice under subsection  
30 (a); or

31 (2) if the department determines that a covered school building  
32 qualifies for closure under IC 20-26-7-47, the date a final order to  
33 close a covered school building is issued under IC 20-26-7-47;

34 the governing body shall take the actions specified by this subsection  
35 and subsection (c). The department shall order a school corporation to  
36 comply with this subsection and subsection (c) and request that the  
37 attorney general enforce the order under section 9(a) of this chapter.

38 (c) The governing body shall do the following:

39 (1) Make the covered school building available for inspection by  
40 **a an eligible provider, a** charter school, or **a** state educational  
41 institution that notifies the department that it is interested in  
42 leasing or purchasing the covered school building.



1 (2) Make the following information available to **a an eligible**  
 2 **provider, a** charter school, or **a** state educational institution  
 3 described in subdivision (1):

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

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

10 (C) A legal description of the property.

11 (d) Not later than fifteen (15) days after the earlier of:

12 (1) receiving the earliest notice under subsection (a); or

13 (2) if the department determines that a covered school building  
 14 qualifies for closure under IC 20-26-7-47, the date a final  
 15 unappealable order to close a covered school building is issued  
 16 under IC 20-26-7-47;

17 the department shall place a notice on the department's website that the  
 18 covered school building is available for purchase or lease under this  
 19 chapter and provide written notification to each interested person,  
 20 including the date when the covered school building will close, no  
 21 longer be used, or become vacant.

22 (e) The school corporation shall lease the covered school building  
 23 to **a an eligible provider, a** charter school, or **a** state educational  
 24 institution for one dollar (\$1) per year for as long as **the eligible**  
 25 **provider uses the covered school building for the provision of**  
 26 **qualified early education services to eligible children**, the state  
 27 educational institution uses the covered school building for an  
 28 academic purpose, or the charter school uses the covered school  
 29 building for classroom instruction, for a term at the **eligible provider's**,  
 30 state educational institution's, or charter school's discretion, or sell the  
 31 covered school building for one dollar (\$1), if the **eligible provider**,  
 32 charter school, or state educational institution does the following:

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

37 (2) Subject to subsection (f), within ninety (90) days of receiving  
 38 the department's notice under subsection (d), **a an eligible**  
 39 **provider, a** charter school, or **a** state educational institution must  
 40 submit to the school corporation the following information:

41 (A) The name of the **eligible provider**, charter school, or state  
 42 educational institution that is interested in leasing or



1 purchasing the covered school building.

2 (B) A time frame, which may not exceed two (2) years from  
3 the date that the covered school building is to be closed, no  
4 longer used, or no longer occupied, in which the:

5 **(i) eligible provider intends to begin using the covered  
6 school building for the provision of qualified early  
7 education services to eligible children;**

8 **(i) (ii)** charter school intends to begin providing classroom  
9 instruction in the covered school building; or

10 **(i) (iii)** state educational institution intends to begin using  
11 the covered school building for an academic purpose.

12 **(C) The following:**

13 **(i) If the interested person is an eligible provider, a  
14 statement from the eligible provider that, after the  
15 eligible provider has made any necessary repairs and  
16 modifications, the covered school building will be  
17 suitable for use in providing qualified early education  
18 services.**

19 **(ii) If the interested person is a charter school or state  
20 educational institution, a resolution, adopted by the board  
21 of the charter school or state educational institution stating  
22 that the board of the charter school or state educational  
23 institution has determined that, after the charter school or  
24 state educational institution has made any necessary repairs  
25 or modifications, the covered school building will be  
26 sufficient to meet the charter school's or state educational  
27 institution's needs and can be operated within the charter  
28 school's or state educational institution's budget.**

29 (f) If the department does not receive any preliminary requests to  
30 purchase or lease a covered school building within the time frame  
31 described in subsection (e)(1), the department shall send notification  
32 to the school corporation that the department has not received any  
33 preliminary requests to purchase or lease the covered school building.  
34 Upon receipt of the notification under this subsection, the school  
35 corporation may sell or otherwise dispose of the covered school  
36 building in accordance with IC 36-1-11, IC 20-25-4-14, and  
37 IC 20-26-5-4(a)(7).

38 **(g) If only one (1) eligible provider submits a preliminary  
39 request to purchase or lease a covered school building within the  
40 time frame described in subsection (e)(1), the department shall:**

41 **(1) notify the school corporation of the identity of the eligible  
42 provider; and**



- 1           **(2) direct the school corporation to complete a sale or lease to**  
 2           **the eligible provider in accordance with subsection (n).**  
 3           **(h) If one (1) or more eligible providers submit preliminary**  
 4           **requests to purchase or lease a covered school building within the**  
 5           **time frame described in subsection (e)(1), a selection committee**  
 6           **shall be established consisting of:**  
 7           **(1) one (1) member appointed by the executive of the largest**  
 8           **city or town in the county in which the covered school**  
 9           **building is located;**  
 10           **(2) one (1) member appointed by the city or town council of**  
 11           **the largest city or town in the county in which the covered**  
 12           **school building is located;**  
 13           **(3) one (1) member appointed by the county commissioners of**  
 14           **the county in which the covered school building is located;**  
 15           **(4) one (1) member appointed by the county council of the**  
 16           **county in which the covered school building is located; and**  
 17           **(5) one (1) member appointed by the chamber of commerce of**  
 18           **the county in which the covered school building is located.**  
 19           **(i) Not later than sixty (60) days after the date on which all**  
 20           **members of a selection committee are appointed under subsection**  
 21           **(h), the committee shall select which eligible provider may proceed**  
 22           **to purchase or lease the covered school building or shall determine**  
 23           **whether more than one (1) eligible provider should co-locate within**  
 24           **the covered school building. The committee shall base the**  
 25           **committee's decision on the following criteria:**  
 26           **(1) The committee shall give preference to an existing eligible**  
 27           **provider that has a proven track record of providing qualified**  
 28           **early education services.**  
 29           **(2) If:**  
 30           **(A) more than one (1) of the eligible providers has a proven**  
 31           **track record of providing qualified early education**  
 32           **services; and**  
 33           **(B) only one (1) of the eligible providers is operating in the**  
 34           **county in which the covered school building is located;**  
 35           **the committee shall give preference to the eligible provider**  
 36           **operating in the same county as the covered school building.**  
 37           **In the event that the committee determines that two (2) or more**  
 38           **eligible providers should co-locate in the covered school building,**  
 39           **the eligible providers have sixty (60) days to submit a**  
 40           **memorandum of understanding stating that the eligible providers**  
 41           **shall be jointly and severally liable for the obligations related to the**  
 42           **sale or lease of the covered school building, and specifying how the**





1 eligible providers will utilize the covered school building and share  
 2 responsibility for operational, maintenance, and renovation  
 3 expenses. If the eligible providers are unable to agree, the eligible  
 4 providers shall be deemed to have revoked their prior request  
 5 regarding the lease or sale of the covered school building. The  
 6 committee shall give notice of the committee's decision to the  
 7 school corporation and each interested person. An eligible provider  
 8 that is not selected by the committee may appeal the decision to the  
 9 state board not more than thirty (30) days after receipt of the  
 10 committee's decision. The state board shall issue a final order in  
 11 the appeal not more than sixty (60) days after receipt of a properly  
 12 filed appeal. Notice of the appeal and the final order in the appeal  
 13 must be given to the school corporation.

14 ~~(g)~~ (j) If, within the time frame described in subsection (e)(1), an  
 15 eligible provider does not submit a preliminary request to purchase  
 16 or lease a covered school building and only one (1) charter school  
 17 submits a preliminary request to purchase or lease the covered school  
 18 building, the department shall notify the school corporation of the  
 19 identity of the charter school and direct the school corporation to  
 20 complete a sale or lease to the charter school in accordance with  
 21 subsection ~~(k)~~: (n). In the event that If, within the time frame  
 22 described in subsection (e)(1), an eligible provider does not submit  
 23 a preliminary request to purchase or lease a covered school  
 24 building and two (2) or more charter schools submit a preliminary  
 25 request to purchase or lease a the covered school building, within the  
 26 time frame described in subsection ~~(e)(1)~~; the department shall send  
 27 notification to each interested person and the school corporation that  
 28 the department has received two (2) or more preliminary requests under  
 29 this section. An authorizer committee shall be established, with each  
 30 statewide authorizer that has authorized one (1) or more charter schools  
 31 appointing a representative, and the committee shall establish the  
 32 chairperson and procedures for the committee. Within sixty (60) days  
 33 of receiving notice under this subsection, the committee shall select  
 34 which charter school may proceed under subsection ~~(k)~~ (n) to purchase  
 35 or lease the covered school building or determine if two (2) or more  
 36 charter schools should co-locate within the covered school building.  
 37 The committee shall base the committee's decision on the following  
 38 criteria:

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

41 (2) If two (2) or more charter schools of proven academic  
 42 performance are competing and only one (1) charter school is



- 1 operating in the county in which the covered school building is  
 2 located, the charter school in the same county as the covered  
 3 school building shall be given preference.
- 4 In the event that the committee determines that two (2) or more charter  
 5 schools should co-locate in the covered school building, the charter  
 6 schools have sixty (60) days to submit a memorandum of  
 7 understanding stating that the charter schools shall be jointly and  
 8 severally liable for the obligations related to the sale or lease of the  
 9 covered school building, and specifying how the charter schools will  
 10 utilize the covered school building and share responsibility for  
 11 operational, maintenance, and renovation expenses. If the charter  
 12 schools are unable to agree, the charter schools shall be deemed to have  
 13 revoked their prior request regarding the lease or sale of the covered  
 14 school building. The committee shall give notice of the committee's  
 15 decision to the school corporation and each interested person. A charter  
 16 school that is not selected by the committee may appeal the decision to  
 17 the state board not more than thirty (30) days after receipt of the  
 18 committee's decision. The state board shall issue a final order in the  
 19 appeal not more than sixty (60) days after receipt of a properly filed  
 20 appeal. Notice of the appeal and the final order in the appeal must be  
 21 given to the school corporation.
- 22 ~~(h)~~ **(k)** If, **within the time frame described in subsection (e)(1),**  
 23 **neither an eligible provider nor** a charter school ~~does not submit~~  
 24 **submits** a preliminary request to purchase or lease ~~the~~ **a** covered  
 25 school building and only one (1) state educational institution submits  
 26 a preliminary request to purchase or lease the covered school building,  
 27 the department shall:
- 28 (1) notify the school corporation of the identity of the state  
 29 educational institution; and  
 30 (2) direct the school corporation to complete a sale or lease to the  
 31 state educational institution in accordance with subsection ~~(k)~~.  
 32 **(n).**
- 33 ~~(i)~~ **(l)** If, **within the time frame described in subsection (e)(1),**  
 34 **neither an eligible provider nor a charter school submits a**  
 35 **preliminary request to purchase or lease a covered school building**  
 36 **and** one (1) or more state educational institutions submit preliminary  
 37 requests to purchase or lease ~~a~~ **the** covered school building, a selection  
 38 committee shall be established consisting of:
- 39 **(1)** one (1) member appointed by the executive of the largest city  
 40 or town in the county in which the covered school building is  
 41 located;  
 42 **(2)** one (1) member appointed by the city or town council of the



- 1 largest city or town in the county in which the covered school  
 2 building is located;
- 3 **(3)** one (1) member appointed by the county commissioners of the  
 4 county in which the covered school building is located;
- 5 **(4)** one (1) member appointed by the county council of the county  
 6 in which the covered school building is located; and
- 7 **(5)** one (1) member appointed by the chamber of commerce of the  
 8 county in which the covered school building is located.
- 9 ~~(j)~~ **(m)** Not later than sixty (60) days after the date ~~that a member is~~  
 10 **on which all members of a selection committee are** appointed under  
 11 subsection ~~(j)~~, **(l)**, 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 ~~(k)~~ **(n)** A school corporation shall lease ~~the a~~ covered school  
 22 building for one dollar (\$1) per year to ~~the an eligible provider, a~~  
 23 charter school, or a state educational institution for as long as the:
- 24 **(1) eligible provider uses the covered school building for the**  
 25 **provision of qualified early education services to eligible**  
 26 **children;**
- 27 ~~(+)~~ **(2)** charter school uses the covered school building for  
 28 classroom instruction for any combination of kindergarten  
 29 through grade 12; or
- 30 ~~(2)~~ **(3)** state educational institution uses the covered school  
 31 building for an academic purpose.
- 32 The term of the lease shall be established at the **eligible provider's**,  
 33 charter school's, or state educational institution's discretion and include  
 34 an option for the **eligible provider**, state educational institution, or  
 35 charter school to purchase the covered school building for one dollar  
 36 (\$1). Alternatively, the school corporation shall sell the covered school  
 37 building to the **eligible provider**, charter school, or state educational  
 38 institution for one dollar (\$1), if the **eligible provider**, charter school,  
 39 or state educational institution has met the requirements set forth in  
 40 subsection (e) and uses the covered school building in the manner  
 41 prescribed by this subsection. If the **eligible provider**, charter school,  
 42 or state educational institution selected to lease or purchase the covered



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

15 SECTION 30. IC 20-26-7.1-4.5, AS AMENDED BY P.L.189-2023,  
 16 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 UPON PASSAGE]: Sec. 4.5. (a) After a governing body passes a  
 18 resolution or takes official action to close, no longer use, or no longer  
 19 occupy a covered school building or the covered school building is  
 20 required to be closed under IC 20-26-7-47, a school corporation is  
 21 responsible for meeting the requirements described in subsection (b)  
 22 until the applicable covered school building is:

- 23 (1) sold or leased to ~~a~~ **an eligible provider**, a charter school, or  
 24 a state educational institution; or  
 25 (2) eligible to be sold or otherwise disposed in accordance with  
 26 IC 36-1-11, IC 20-25-4-14, and IC 20-26-5-4(a)(7).

27 (b) During the period described in subsection (a), a school  
 28 corporation is:

- 29 (1) responsible for the maintenance of a covered school building,  
 30 including:  
 31 (A) protection against theft or vandalism;  
 32 (B) fire protection; and  
 33 (C) ensuring the covered school building is not damaged  
 34 during adverse weather conditions;  
 35 (2) responsible for maintaining the physical condition of the  
 36 covered school building in the same physical condition the  
 37 applicable covered school building was on the last day that it was  
 38 used for classroom instruction; and  
 39 (3) financially responsible for any damage or destruction that  
 40 occurs to the covered school building.

41 SECTION 31. IC 20-26-7.1-5, AS AMENDED BY P.L.189-2023,  
 42 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



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



1 SECTION 32. IC 20-26-7.1-6, AS AMENDED BY P.L.189-2023,  
 2 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 UPON PASSAGE]: Sec. 6. During the term of a lease under section 4  
 4 of this chapter, the **eligible provider**, charter school, or state  
 5 educational institution is responsible for the direct expenses related to  
 6 the covered school building leased, including utilities, insurance,  
 7 maintenance, repairs, and remodeling. If the lease involves **co-locating**  
 8 **eligible providers**, co-locating charter schools, or a co-location with  
 9 a state educational institution, the obligations under the lease of the  
 10 covered school building shall be joint and several. The school  
 11 corporation is responsible for any debt incurred for or liens that  
 12 attached to the covered school building before the **eligible provider**,  
 13 charter school, or state educational institution leased the covered  
 14 school building.

15 SECTION 33. IC 20-26-7.1-9, AS AMENDED BY P.L.189-2023,  
 16 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 UPON PASSAGE]: Sec. 9. (a) The attorney general, in consultation  
 18 with the department and state board, is authorized to take any action  
 19 necessary to enforce a department or state board order under  
 20 IC 20-26-7-47 or this chapter (or an order issued by the attorney  
 21 general under this chapter (as effective before July 1, 2023)), including  
 22 equitable actions to enjoin or mandate an action of a school  
 23 corporation. No final court order shall be issued until the school  
 24 corporation has had ninety (90) days after the department or state board  
 25 has issued a final order to complete a sale or lease of the covered  
 26 school building. If the attorney general does not commence legal action  
 27 for an injunction to enforce a final order to make a covered school  
 28 building available for purchase or lease under this chapter within one  
 29 hundred (100) days after the date the final order was issued, the  
 30 **eligible provider**, charter school, or state educational institution that  
 31 submitted the preliminary notice of interest to acquire or lease the  
 32 covered school building may file a civil action to enforce this chapter.

33 (b) In addition to the remedy under subsection (a), if a school  
 34 corporation does not comply with the requirements to sell or lease a  
 35 covered school building under this chapter, the school corporation shall  
 36 submit any proceeds from the sale of the covered school building to the  
 37 state board, which shall be distributed equally between each charter  
 38 school located in the attendance area of the school corporation. If no  
 39 charter schools are located in the attendance area, the state board must  
 40 use the proceeds to provide grants under the charter school and  
 41 innovation grant program under IC 20-24-13. The attorney general is  
 42 authorized to initiate any legal action necessary to ensure compliance



1 with this chapter.

2 SECTION 34. IC 21-12-8-2, AS AMENDED BY P.L.143-2019,  
3 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 UPON PASSAGE]: Sec. 2. The commission shall do the following:

5 (1) Prescribe the form and manner in which applications for adult  
6 student grants may be submitted.

7 (2) Determine the eligibility of applicants.

8 (3) Determine the amount of an adult student grant awarded to a  
9 recipient.

10 (4) In conjunction with the department of workforce development,  
11 determine which certificate programs are eligible for the high  
12 value workforce ready credit-bearing grant under section ~~9~~  
13 **9(b)(3)(A)** of this chapter after considering at least the following  
14 for each certificate program:

15 (A) Workforce demand and needs.

16 (B) Wage level data and information.

17 (C) Program content and completion data.

18 (D) Job placement data.

19 (E) The program's impact on public safety.

20 SECTION 35. IC 21-12-8-9, AS AMENDED BY P.L.92-2020,  
21 SECTION 100, IS AMENDED TO READ AS FOLLOWS  
22 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to an  
23 applicant who attends or has attended any of the following:

24 (1) An approved secondary school.

25 (2) A state accredited nonpublic school.

26 (3) A nonaccredited nonpublic school.

27 (b) An applicant is eligible to receive a high value workforce ready  
28 credit-bearing grant if the following conditions are met:

29 (1) The applicant is domiciled in Indiana, as defined by the  
30 commission.

31 (2) The applicant:

32 (A) has received a diploma of graduation from a school  
33 described in subsection (a);

34 (B) has been granted a:

35 (i) high school equivalency certificate before July 1, 1995;  
36 or

37 (ii) state of Indiana general educational development (GED)  
38 diploma under IC 20-10.1-12.1 (before its repeal),  
39 IC 20-20-6 (before its repeal), or IC 22-4.1-18; or

40 (C) is a student in good standing who is completing a final  
41 year of study at a school described in subsection (a) and will  
42 be eligible upon graduation to attend an approved institution



- 1 of higher learning.
- 2 (3) The applicant is enrolled in:
- 3 (A) an eligible certificate program, as determined under
- 4 section 2(4) of this chapter, at Ivy Tech Community College,
- 5 Vincennes University, or a program approved by the
- 6 commission; or
- 7 (B) an educational program leading to a degree, certificate,
- 8 or credential necessary to meet the educational
- 9 requirements for:
- 10 (i) employment in any capacity by a child care center
- 11 licensed under IC 12-17.2-4 or child care ministry
- 12 licensed or registered under IC 12-17.2-6; or
- 13 (ii) licensure to operate a child care home under
- 14 IC 12-17.2-5.
- 15 (4) The applicant enrolls at least half-time for purposes of federal
- 16 financial aid.
- 17 (5) The applicant has not received any grant for the maximum
- 18 number of academic terms specified for the grant in
- 19 IC 21-12-13-1 or IC 21-12-13-2.
- 20 (6) The applicant is not eligible for any state financial aid
- 21 program described in IC 21-12-13-1(a) or IC 21-12-13-2(a).
- 22 (7) The applicant is identified as financially independent from the
- 23 applicant's parents as determined by the Free Application for
- 24 Federal Student Aid (FAFSA).
- 25 (8) The applicant has correctly filed the FAFSA and, if eligible
- 26 for aid, accepts all offered federal scholarships and grants.
- 27 (9) Except as provided under subsection (c), the applicant
- 28 maintains satisfactory academic progress, as determined by the
- 29 eligible institution.
- 30 (10) The applicant has not previously received a baccalaureate
- 31 degree, an associate degree, or an eligible certificate.
- 32 (11) The applicant meets any other minimum criteria established
- 33 by the commission.
- 34 (c) This subsection applies to an applicant who does not maintain
- 35 satisfactory academic progress under subsection (b)(9) but meets all the
- 36 other conditions required under subsection (b). An applicant is eligible
- 37 to receive a high value workforce ready credit-bearing grant if the
- 38 applicant meets one (1) of the following:
- 39 (1) The applicant has not attended an eligible institution for the
- 40 immediately preceding two (2) academic years.
- 41 (2) The applicant:
- 42 (A) attended an eligible institution at any time during the





1 immediately preceding two (2) academic years; and  
 2 (B) maintained satisfactory academic progress, as determined  
 3 by the eligible institution, during the period described in  
 4 clause (A) in which the applicant attended the eligible  
 5 institution.

6 (d) If an applicant is identified as dependent as determined by the  
 7 Free Application for Federal Student Aid (FAFSA), the applicant must:

- 8 (1) meet the criteria specified in subsection (b), except for  
 9 subsection (b)(4), (b)(7), and (b)(9);  
 10 (2) enroll full time for purposes of federal financial aid;  
 11 (3) maintain satisfactory academic progress, as determined by the  
 12 eligible institution; and  
 13 (4) complete a workforce ready grant success program, as  
 14 determined by the commission, if the applicant graduates from  
 15 high school after December 31, 2018.

16 (e) If the demand for high value workforce ready credit-bearing  
 17 grants exceeds the available appropriation, as determined by the  
 18 commission, the commission shall prioritize the applicants identified  
 19 as independent as determined by the Free Application for Federal  
 20 Student Aid (FAFSA).

21 SECTION 36. [EFFECTIVE UPON PASSAGE] (a) **As used in this**  
 22 **SECTION, "office" means the office of the secretary of family and**  
 23 **social services established by IC 12-8-1.5-1.**

24 (b) **Not later than July 1, 2024, the office shall initiate the**  
 25 **process of amending the office's rules in conformance with the**  
 26 **findings of the third party evaluation commissioned under**  
 27 **IC 12-17.2-3.8-5(a)(10), as amended by this act.**

28 (c) **This SECTION expires December 31, 2024.**

29 SECTION 37. [EFFECTIVE UPON PASSAGE] (a) **Not later than**  
 30 **December 31, 2024, the office of the secretary of family and social**  
 31 **services shall submit to the United States Department of Health**  
 32 **and Human Services any amendment to Indiana's Child Care and**  
 33 **Development Fund plan necessary to implement IC 12-14-31-3, as**  
 34 **added by this act, and IC 12-17.2-7.2-1, as amended by this act.**

35 (b) **This SECTION expires January 1, 2025.**

36 SECTION 38. [EFFECTIVE UPON PASSAGE] (a) **As used in this**  
 37 **SECTION, "legislative council" refers to the legislative council**  
 38 **established under IC 2-5-1.1-1.**

39 (b) **As used in this SECTION, "micro center" means a:**

- 40 (1) **child care center (as defined in IC 12-7-2-28.4);**  
 41 (2) **child care home (as defined in IC 12-7-2-28.6); or**  
 42 (3) **child care ministry (as defined in IC 12-7-2-28.8);**



1 that provides child care for not less than three (3) children and not  
2 more than thirty (30) children for at least four (4) hours per day.  
3 (c) As used in this SECTION, "office" means the office of the  
4 secretary of family and social services established by IC 12-8-1.5-1.  
5 (d) Not later than October 31, 2024, the office shall, in  
6 collaboration with the department of state revenue, submit to the  
7 legislative council a report documenting the results attributable to:  
8 (1) the employer sponsored child care fund, including any  
9 tri-share model programs; and  
10 (2) the employer child expenditure credit.  
11 (e) Not later than October 31, 2024, the office shall evaluate the  
12 micro center model and submit a report summarizing the office's  
13 findings and recommendations to the legislative council.  
14 (f) A report submitted to the legislative council under this  
15 SECTION must be in an electronic format under IC 5-14-6.  
16 (g) This SECTION expires December 31, 2024.  
17 SECTION 39. An emergency is declared for this act.

