LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS FISCAL IMPACT STATEMENT

LS 6923 NOTE PREPARED: Feb 17, 2025

BILL NUMBER: SB 287 BILL AMENDED:

SUBJECT: School Board Matters.

FIRST AUTHOR: Sen. Byrne BILL STATUS: As Passed Senate

FIRST SPONSOR: Rep. Prescott

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> School Board Elections— The bill requires candidates for school board offices to be nominated in the same manner as candidates for all other elected offices are nominated. The bill repeals the current statute relating to nomination of candidates for school board offices. The bill repeals other superseded statutes and makes conforming changes.

School Board Member Compensation— The bill modifies the annual amount that the governing body of a school corporation may pay a member of the governing body from \$2,000 (under current law) to an amount not to exceed 10% of the lowest starting salary of a teacher employed by the school corporation.

Effective Date: July 1, 2025.

Explanation of State Expenditures: *School Board Elections*— This provision would likely require the Election Division to update some manuals and forms, which should be able to be changed as a matter of routine business.

Explanation of State Revenues:

Explanation of Local Expenditures: *School Board Elections*— Circuit court clerks may see a reduction in workload, as they would no longer certify petitions of nomination for major-party school board candidates. However, clerks would likely be verifying more signatures for minor-party and independent candidates. (See *Additional Information* for more details.)

Additionally, county election officials would need to update their election systems to include school board candidates on primary ballots and change the order of candidates on general election ballots. However, these ballot changes would likely be accommodated as part of routine election ballot preparation and programming prior to elections.

School Board Member Compensation—Beginning in FY 2026, school corporations may increase annual payments made to school board members by at least \$2,000. To the extent this occurs, school corporation

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expenditures could increase.

<u>Additional Information</u>— School board candidates currently file petitions of nomination, containing 10 signatures, except in a few certain school districts. The bill would, instead, require minor party and independent school board candidates to obtain signatures equal to 2% of the number of voters that voted in the latest Secretary of State election for that election district, as is required of other independent or minor political party candidates under current law. Therefore, circuit court clerks would need to verify additional signatures for these school board candidates in future elections. There are approximately 1,050 candidates on the ballot for school board for the 2024 general election.

Current statute allows school corporations to provide up to \$2,000 annually to school board members for their services. This bill allows school board member annual payments up to 10% of the lowest starting salary of a teacher employed at the school corporation. In 2024, the Indiana Education Employment Relations Board reported that the minimum salary for school corporations statewide was \$40,000. This suggests that all school corporations would be allowed to provide at least \$4,000 in annual payments to school board members, or a \$2,000 increase.

Explanation of Local Revenues:

State Agencies Affected: Election Division.

<u>Local Agencies Affected:</u> Circuit court clerks; school corporations.

<u>Information Sources:</u> Indiana Election Division: 2024 General Election Candidate Slate, 2024 Indiana Candidate Guide; IC 3-8-6; Indiana Education Employment Relations Board, 2024 Collective Bargaining Statewide Summary Report;

https://gateway.ifionline.org/report_builder/Default3a.aspx?rpttype=collBargain&rpt=ieerb_statewide_c omparison&rptName=IEERB%20Collective%20Bargaining%20Statewide%20Summary

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