



Reprinted  
April 16, 2019

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## ENGROSSED HOUSE BILL No. 1641

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DIGEST OF HB 1641 (Updated April 15, 2019 8:36 pm - DI 116)

**Citations Affected:** IC 20-18; IC 20-24; IC 20-25; IC 20-25.7; IC 20-26; IC 20-27; IC 20-31; IC 20-35; IC 36-1; noncode.

**Synopsis:** Charter school matters. Increases the membership of the Indiana charter school board (board) from seven to nine. Authorizes the governor to appoint four members to the board, not more than two of whom may be members of the same political party. (Under current law, the governor appoints two members who may not be members of the same political party.) Provides that the affirmative votes of a majority of the members present are required for the board to take action as opposed to the affirmative votes of a majority of the voting members appointed to the board. Adds a representative from the Arc of Indiana to the list of members who must be included on the state advisory council on the education of children with disabilities. Allows a charter school to limit admissions to allow siblings of student alumni of a  
(Continued next page)

**Effective:** Upon passage; July 1, 2019.

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### Behning, Clere

(SENATE SPONSORS — KRUSE, BUCHANAN, RAATZ)

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January 24, 2019, read first time and referred to Committee on Education.  
February 11, 2019, amended, reported — Do Pass.  
February 14, 2019, read second time, amended, ordered engrossed.  
February 15, 2019, engrossed.  
February 18, 2019, read third time, passed. Yeas 58, nays 34.

SENATE ACTION

March 5, 2019, read first time and referred to Committee on Education and Career Development.  
April 11, 2019, amended, reported favorably — Do Pass.  
April 15, 2019, read second time, amended, ordered engrossed.

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EH 1641—LS 7242/DI 116



## Digest Continued

charter school or a charter school held by the same organizer to attend the same charter school. Provides that a student who attends a charter school co-located with the charter school may receive preference to admission to the charter school if the preference is specifically provided for in the charter school's charter and is approved by the charter school's authorizer. Adds educational service centers to a provision relating to employee wage payment arrangements. Provides that the governing body of a school corporation may allow, by written authorization, the use of a school bus or a special purpose bus for the transportation of adults at least 65 years of age or disabled adults. Reduces the time frame that a school corporation must make a vacant or unused school building available to a charter school. Provides that, if a school corporation does not comply with the requirements regarding a vacant or unused school building and charter schools, the school corporation must submit any proceeds from the sale of the vacant or unused school building to the state board of education (state board) to provide grants under the charter school and innovation grant program. Requires a school corporation to sell certain vacant school buildings to an accredited nonpublic school or postsecondary educational institution for an amount not more than the minimum bid for the school building or an amount agreed to by both parties. Provides that, in determining whether to accept a proposal to purchase and redevelop a school building that has a square footage that exceeds 200,000 gross square feet and any adjacent property, the governing body must ensure that a charter school that has notified the governing body in writing of its interest in locating the charter school on the redeveloped site is provided adequate facilities on the redeveloped site. Provides that, if the state board directs a special management team to apply for charter school status for a school, the state board shall notify the charter school authorizer selected for application by the special management team of the state board's decision to direct the school to apply for charter status.

**EH 1641—LS 7242/DI 116**



Reprinted  
April 16, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1641

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

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

1 SECTION 1. IC 20-18-2-16, AS AMENDED BY P.L.190-2018,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 16. (a) "School corporation", for purposes of  
4 this title (except IC 20-20-33, IC 20-26-1 through IC 20-26-5,  
5 IC 20-26-7, **IC 20-26-7.1**, IC 20-28-11.5, IC 20-30-8, IC 20-30-16, and  
6 IC 20-43), means a public school corporation established by Indiana  
7 law. The term includes a:  
8 (1) school city;  
9 (2) school town;  
10 (3) consolidated school corporation;  
11 (4) metropolitan school district;  
12 (5) township school corporation;  
13 (6) county school corporation;  
14 (7) united school corporation; or  
15 (8) community school corporation.

**EH 1641—LS 7242/DI 116**



1 (b) "School corporation", for purposes of IC 20-26-1 through  
 2 IC 20-26-5, ~~and IC 20-26-7~~, **and IC 20-26-7.1**, has the meaning set  
 3 forth in IC 20-26-2-4.

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

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

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

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

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

14 SECTION 2. IC 20-24-2.1-1, AS AMENDED BY P.L.280-2013,  
 15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2019]: Sec. 1. (a) The Indiana charter school board is  
 17 established for the purpose of authorizing charter schools throughout  
 18 Indiana.

19 (b) The charter board is a statewide charter school authorizer  
 20 composed of the following ~~seven (7)~~ **nine (9)** members appointed to  
 21 four (4) year terms:

22 (1) ~~Two (2)~~ **Four (4)** members ~~who may not be members of the~~  
 23 ~~same political party~~; appointed by the governor. **Not more than**  
 24 **two (2) members appointed under this subdivision may be**  
 25 **members of the same political party.**

26 (2) One **(1)** member who has previous experience with or on  
 27 behalf of charter schools appointed by the state superintendent.

28 (3) Four (4) members, who may not be legislators, appointed as  
 29 follows:

30 (A) One (1) member appointed by the president pro tempore  
 31 of the senate.

32 (B) One (1) member appointed by the minority leader of the  
 33 senate.

34 (C) One (1) member appointed by the speaker of the house of  
 35 representatives.

36 (D) One (1) member appointed by the minority leader of the  
 37 house of representatives.

38 A member appointed under this subsection may not be removed by the  
 39 member's appointing authority without cause before the end of the full  
 40 four (4) year term.

41 (c) The governor shall appoint the chairperson of the charter board.

42 (d) A majority of the members appointed to the charter board



1 constitutes a quorum. The affirmative votes of a majority of the ~~voting~~  
 2 members ~~appointed to the charter board present~~ are required for the  
 3 charter board to take action.

4 (e) Each member of the charter board who is not a state employee  
 5 is entitled to the minimum salary per diem provided by  
 6 IC 4-10-11-2.1(b). The member is also entitled to reimbursement for  
 7 traveling expenses as provided under IC 4-13-1-4 and other expenses  
 8 actually incurred in connection with the member's duties as provided  
 9 in the state policies and procedures established by the Indiana  
 10 department of administration and approved by the budget agency.

11 (f) Members appointed to the charter board must collectively  
 12 possess strong experience and expertise in:

- 13 (1) public and nonprofit governance;
- 14 (2) management;
- 15 (3) finance;
- 16 (4) public school leadership;
- 17 (5) higher education;
- 18 (6) school assessments, curriculum, and instruction; and
- 19 (7) public education law.

20 SECTION 3. IC 20-24-5-5, AS AMENDED BY P.L.215-2018(ss),  
 21 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2019]: Sec. 5. (a) Except as provided in subsections (b), (c),  
 23 (d), (e), and (f), a charter school must enroll any eligible student who  
 24 submits a timely application for enrollment.

25 (b) This subsection applies if the number of applications for a  
 26 program, class, grade level, or building exceeds the capacity of the  
 27 program, class, grade level, or building. If a charter school receives a  
 28 greater number of applications than there are spaces for students, each  
 29 timely applicant must be given an equal chance of admission. The  
 30 organizer must determine which of the applicants will be admitted to  
 31 the charter school or the program, class, grade level, or building by  
 32 random drawing in a public meeting, with each timely applicant limited  
 33 to one (1) entry in the drawing. However, the organizer of a charter  
 34 school located in a county with a consolidated city shall determine  
 35 which of the applicants will be admitted to the charter school or the  
 36 program, class, grade level, or building by using a publicly verifiable  
 37 random selection process.

38 (c) A charter school may limit new admissions to the charter school  
 39 to:

- 40 (1) ensure that a student who attends the charter school during a  
 41 school year may continue to attend the charter school in  
 42 subsequent years;



- 1 (2) ensure that a student who attends a charter school during a  
 2 school year may continue to attend a different charter school held  
 3 by the same organizer in subsequent years;
- 4 (3) allow the siblings of a student **alumnus or a current student**  
 5 who attends a charter school or a charter school held by the same  
 6 organizer to attend the same charter school the student is  
 7 attending **or the student alumnus attended;**
- 8 (4) allow preschool students who attend a Level 3 or Level 4  
 9 Paths to QUALITY program preschool to attend kindergarten at  
 10 a charter school if the charter school and the preschool provider  
 11 have entered into an agreement to share services or facilities; ~~and~~
- 12 (5) allow each student who qualifies for free or reduced price  
 13 lunch under the national school lunch program to receive  
 14 preference for admission to a charter school if the preference is  
 15 specifically provided for in the charter school's charter and is  
 16 approved by the authorizer; **and**
- 17 **(6) allow each student who attends a charter school that is**  
 18 **co-located with the charter school to receive preference for**  
 19 **admission to the charter school if the preference is specifically**  
 20 **provided for in the charter school's charter and is approved**  
 21 **by the charter school's authorizer.**
- 22 (d) This subsection applies to an existing school that converts to a  
 23 charter school under IC 20-24-11. During the school year in which the  
 24 existing school converts to a charter school, the charter school may  
 25 limit admission to:
- 26 (1) those students who were enrolled in the charter school on the  
 27 date of the conversion; and
- 28 (2) siblings of students described in subdivision (1).
- 29 (e) A charter school may give enrollment preference to children of  
 30 the charter school's founders, governing body members, and charter  
 31 school employees, as long as the enrollment preference under this  
 32 subsection is not given to more than ten percent (10%) of the charter  
 33 school's total population.
- 34 (f) A charter school may not suspend or expel a charter school  
 35 student or otherwise request a charter school student to transfer to  
 36 another school on the basis of the following:
- 37 (1) Disability.
- 38 (2) Race.
- 39 (3) Color.
- 40 (4) Gender.
- 41 (5) National origin.
- 42 (6) Religion.



- 1 (7) Ancestry.  
 2 A charter school student may be expelled or suspended only in a  
 3 manner consistent with discipline rules established under IC 20-24-5.5.  
 4 SECTION 4. IC 20-24-8-1, AS ADDED BY P.L.1-2005, SECTION  
 5 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 6 2019]: Sec. 1. A charter school may do the following:  
 7 (1) Sue and be sued in its own name.  
 8 (2) For educational purposes, acquire real and personal property  
 9 or an interest in real and personal property by purchase, gift,  
 10 grant, devise, or bequest, **or interlocal cooperation under**  
 11 **IC 36-1-7.**  
 12 (3) Convey property.  
 13 (4) Enter into contracts in its own name, including contracts for  
 14 services.  
 15 SECTION 5. IC 20-25-4-14, AS ADDED BY P.L.1-2005,  
 16 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 UPON PASSAGE]: Sec. 14. (a) **Except as provided in IC 20-26-7.1,**  
 18 a school city may:  
 19 (1) sell real estate;  
 20 (2) transfer personal property; and  
 21 (3) execute deeds of conveyance and instruments of transfer with  
 22 or without covenants of warranty;  
 23 if, in the opinion of the board, the real estate or personal property  
 24 cannot be advantageously used for school or library purposes and can  
 25 be sold for its fair cash value.  
 26 (b) A determination by the board that real estate or personal  
 27 property cannot be advantageously used under subsection (a) must be  
 28 entered into the record of the minutes of the school city's board.  
 29 SECTION 6. IC 20-25.7-5-2, AS AMENDED BY P.L.86-2018,  
 30 SECTION 174, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board may enter into  
 32 an agreement with an organizer to reconstitute an eligible school as a  
 33 participating innovation network charter school or to establish a  
 34 participating innovation network charter school at a location selected  
 35 by the board within the boundary of the school corporation.  
 36 Notwithstanding ~~IC 20-26-7-1~~, **IC 20-26-7.1**, a participating innovation  
 37 network charter school may be established within a vacant school  
 38 building.  
 39 (b) The terms of the agreement entered into between the board and  
 40 an organizer must specify the following:  
 41 (1) A statement that the organizer authorizes the department to  
 42 include the charter school's performance assessment results under



- 1 IC 20-31-8 when calculating the school corporation's performance  
 2 assessment under rules adopted by the state board.
- 3 (2) The amount of state funding, including tuition support (if the  
 4 participating innovation network charter school is treated in the  
 5 same manner as a school operated by the school corporation  
 6 under subsection (d)(2)), and money levied as property taxes that  
 7 will be distributed by the school corporation to the organizer.
- 8 (3) The performance goals and accountability metrics agreed  
 9 upon for the charter school in the charter agreement between the  
 10 organizer and the authorizer.
- 11 (c) If an organizer and the board enter into an agreement under  
 12 subsection (a), the organizer and the board shall notify the department  
 13 that the agreement has been made under this section within thirty (30)  
 14 days after the agreement is entered into.
- 15 (d) Upon receipt of the notification under subsection (c), for school  
 16 years starting after the date of the agreement:
- 17 (1) the department shall include the participating innovation  
 18 network charter school's performance assessment results under  
 19 IC 20-31-8 when calculating the school corporation's performance  
 20 assessment under rules adopted by the state board;
- 21 (2) the department shall treat the participating innovation network  
 22 charter school in the same manner as a school operated by the  
 23 school corporation when calculating the total amount of state  
 24 funding to be distributed to the school corporation unless  
 25 subsection (e) applies; and
- 26 (3) if requested by a participating innovation network charter  
 27 school that reconstitutes an eligible school, the department may  
 28 use student growth as the state board's exclusive means to  
 29 determine the innovation network charter school's category or  
 30 designation of school improvement under 511 IAC 6.2-10-10 for  
 31 a period of three (3) years.
- 32 (e) If a participating innovation network school was established  
 33 before January 1, 2016, and for the current school year has a  
 34 complexity index that is greater than the complexity index for the  
 35 school corporation that the innovation network school has contracted  
 36 with, the innovation network school shall be treated as a charter school  
 37 for purposes of determining tuition support. This subsection expires  
 38 June 30, 2019.
- 39 SECTION 7. IC 20-26-1-1, AS AMENDED BY P.L.185-2017,  
 40 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 UPON PASSAGE]: Sec. 1. Except as otherwise provided, IC 20-26-1  
 42 through IC 20-26-5, and IC 20-26-7, and **IC 20-26-7.1** apply to all





- 1 school corporations.
- 2 SECTION 8. IC 20-26-2-1, AS ADDED BY P.L.1-2005, SECTION
- 3 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
- 4 PASSAGE]: Sec. 1. Notwithstanding IC 20-18-2, the definitions in this
- 5 chapter apply in IC 20-26-1 through IC 20-26-5, ~~and~~ IC 20-26-7, ~~and~~
- 6 **IC 20-26-7.1.**
- 7 SECTION 9. IC 20-26-5-4, AS AMENDED BY P.L.244-2017,
- 8 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9 UPON PASSAGE]: Sec. 4. (a) In carrying out the school purposes of
- 10 a school corporation, the governing body acting on the school
- 11 corporation's behalf has the following specific powers:
- 12 (1) In the name of the school corporation, to sue and be sued and
- 13 to enter into contracts in matters permitted by applicable law.
- 14 However, a governing body may not use funds received from the
- 15 state to bring or join in an action against the state, unless the
- 16 governing body is challenging an adverse decision by a state
- 17 agency, board, or commission.
- 18 (2) To take charge of, manage, and conduct the educational affairs
- 19 of the school corporation and to establish, locate, and provide the
- 20 necessary schools, school libraries, other libraries where
- 21 permitted by law, other buildings, facilities, property, and
- 22 equipment.
- 23 (3) To appropriate from the school corporation's general fund
- 24 (before January 1, 2019) or the school corporation's operations
- 25 fund (after December 31, 2018) an amount, not to exceed the
- 26 greater of three thousand dollars (\$3,000) per budget year or one
- 27 dollar (\$1) per pupil, not to exceed twelve thousand five hundred
- 28 dollars (\$12,500), based on the school corporation's ADM of the
- 29 previous year (as defined in IC 20-43-1-7) to promote the best
- 30 interests of the school corporation through:
- 31 (A) the purchase of meals, decorations, memorabilia, or
- 32 awards;
- 33 (B) provision for expenses incurred in interviewing job
- 34 applicants; or
- 35 (C) developing relations with other governmental units.
- 36 (4) To do the following:
- 37 (A) Acquire, construct, erect, maintain, hold, and contract for
- 38 construction, erection, or maintenance of real estate, real estate
- 39 improvements, or an interest in real estate or real estate
- 40 improvements, as the governing body considers necessary for
- 41 school purposes, including buildings, parts of buildings,
- 42 additions to buildings, rooms, gymnasiums, auditoriums,



1 playgrounds, playing and athletic fields, facilities for physical  
 2 training, buildings for administrative, office, warehouse, repair  
 3 activities, or housing school owned buses, landscaping, walks,  
 4 drives, parking areas, roadways, easements and facilities for  
 5 power, sewer, water, roadway, access, storm and surface  
 6 water, drinking water, gas, electricity, other utilities and  
 7 similar purposes, by purchase, either outright for cash (or  
 8 under conditional sales or purchase money contracts providing  
 9 for a retention of a security interest by the seller until payment  
 10 is made or by notes where the contract, security retention, or  
 11 note is permitted by applicable law), by exchange, by gift, by  
 12 devise, by eminent domain, by lease with or without option to  
 13 purchase, or by lease under IC 20-47-2, IC 20-47-3, or  
 14 IC 20-47-5.

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

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

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

38 (6) To sell or exchange real or personal property or interest in real  
 39 or personal property that, in the opinion of the governing body, is  
 40 not necessary for school purposes, in accordance with IC 20-26-7  
 41 **and IC 20-26-7.1**, to demolish or otherwise dispose of the  
 42 property if, in the opinion of the governing body, the property is



1 not necessary for school purposes and is worthless, and to pay the  
 2 expenses for the demolition or disposition.

3 (7) To lease any school property for a rental that the governing  
 4 body considers reasonable or to permit the free use of school  
 5 property for:

6 (A) civic or public purposes; or

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

24 (8) To do the following:

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

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



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



- 1 (12) To purchase curricular materials, to furnish curricular  
 2 materials without cost or to rent curricular materials to students,  
 3 and to participate in a curricular materials aid program, all in  
 4 accordance with applicable law.
- 5 (13) To accept students transferred from other school corporations  
 6 and to transfer students to other school corporations in accordance  
 7 with applicable law.
- 8 (14) To make budgets, to appropriate funds, and to disburse the  
 9 money of the school corporation in accordance with applicable  
 10 law. To borrow money against current tax collections and  
 11 otherwise to borrow money, in accordance with IC 20-48-1.
- 12 (15) To purchase insurance or to establish and maintain a  
 13 program of self-insurance relating to the liability of the school  
 14 corporation or the school corporation's employees in connection  
 15 with motor vehicles or property and for additional coverage to the  
 16 extent permitted and in accordance with IC 34-13-3-20. To  
 17 purchase additional insurance or to establish and maintain a  
 18 program of self-insurance protecting the school corporation and  
 19 members of the governing body, employees, contractors, or agents  
 20 of the school corporation from liability, risk, accident, or loss  
 21 related to school property, school contract, school or school  
 22 related activity, including the purchase of insurance or the  
 23 establishment and maintenance of a self-insurance program  
 24 protecting persons described in this subdivision against false  
 25 imprisonment, false arrest, libel, or slander for acts committed in  
 26 the course of the persons' employment, protecting the school  
 27 corporation for fire and extended coverage and other casualty  
 28 risks to the extent of replacement cost, loss of use, and other  
 29 insurable risks relating to property owned, leased, or held by the  
 30 school corporation. In accordance with IC 20-26-17, to:
- 31 (A) participate in a state employee health plan under  
 32 IC 5-10-8-6.7;
- 33 (B) purchase insurance; or
- 34 (C) establish and maintain a program of self-insurance;  
 35 to benefit school corporation employees, including accident,  
 36 sickness, health, or dental coverage, provided that a plan of  
 37 self-insurance must include an aggregate stop-loss provision.
- 38 (16) To make all applications, to enter into all contracts, and to  
 39 sign all documents necessary for the receipt of aid, money, or  
 40 property from the state, the federal government, or from any other  
 41 source.
- 42 (17) To defend a member of the governing body or any employee



1 of the school corporation in any suit arising out of the  
 2 performance of the member's or employee's duties for or  
 3 employment with, the school corporation, if the governing body  
 4 by resolution determined that the action was taken in good faith.  
 5 To save any member or employee harmless from any liability,  
 6 cost, or damage in connection with the performance, including the  
 7 payment of legal fees, except where the liability, cost, or damage  
 8 is predicated on or arises out of the bad faith of the member or  
 9 employee, or is a claim or judgment based on the member's or  
 10 employee's malfeasance in office or employment.

11 (18) To prepare, make, enforce, amend, or repeal rules,  
 12 regulations, and procedures:

13 (A) for the government and management of the schools,  
 14 property, facilities, and activities of the school corporation, the  
 15 school corporation's agents, employees, and pupils and for the  
 16 operation of the governing body; and

17 (B) that may be designated by an appropriate title such as  
 18 "policy handbook", "bylaws", or "rules and regulations".

19 (19) To ratify and approve any action taken by a member of the  
 20 governing body, an officer of the governing body, or an employee  
 21 of the school corporation after the action is taken, if the action  
 22 could have been approved in advance, and in connection with the  
 23 action to pay the expense or compensation permitted under  
 24 IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12, and  
 25 IC 20-48-1 or any other law.

26 (20) To exercise any other power and make any expenditure in  
 27 carrying out the governing body's general powers and purposes  
 28 provided in this chapter or in carrying out the powers delineated  
 29 in this section which is reasonable from a business or educational  
 30 standpoint in carrying out school purposes of the school  
 31 corporation, including the acquisition of property or the  
 32 employment or contracting for services, even though the power or  
 33 expenditure is not specifically set out in this chapter. The specific  
 34 powers set out in this section do not limit the general grant of  
 35 powers provided in this chapter except where a limitation is set  
 36 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12,  
 37 IC 20-40-18 (after December 31, 2018), and IC 20-48-1 by  
 38 specific language or by reference to other law.

39 (b) A superintendent hired under subsection (a)(8):

40 (1) is not required to hold a teacher's license under IC 20-28-5;  
 41 and

42 (2) is required to have obtained at least a master's degree from an



- 1 accredited postsecondary educational institution.
- 2 SECTION 10. IC 20-26-5-12, AS AMENDED BY P.L.2-2006,  
 3 SECTION 118, IS AMENDED TO READ AS FOLLOWS  
 4 [EFFECTIVE UPON PASSAGE]: Sec. 12. Except for IC 20-26-4-1,  
 5 IC 20-26-4-4, and IC 20-26-4-5, the powers given each school  
 6 corporation in IC 20-26-1 through IC 20-26-5, IC 20-26-7,  
 7 IC 20-40-12, and IC 20-48-1 and the limitations on those powers set  
 8 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, **IC 20-26-7.1**,  
 9 IC 20-40-12, and IC 20-48-1 may not be construed to limit the  
 10 authority of the governing body given by any other statute or rule.
- 11 SECTION 11. IC 20-26-5-32.2, AS AMENDED BY P.L.6-2012,  
 12 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
 13 [EFFECTIVE JULY 1, 2019]: Sec. 32.2. (a) Notwithstanding  
 14 IC 22-2-5-1, a school corporation, **educational service center**, or  
 15 charter school and:
- 16 (1) an employee if there is no representative described under
  - 17 subdivision (2) or (3) for that employee;
  - 18 (2) the exclusive representative of its certificated employees with
  - 19 respect to those employees; or
  - 20 (3) a labor organization representing its noncertificated
  - 21 employees with respect to those employees;
- 22 may agree in writing to a wage payment arrangement.
- 23 (b) A wage payment arrangement under subsection (a) may provide  
 24 that compensation earned during a school year may be paid:
- 25 (1) using equal installments or any other method; and
  - 26 (2) over:
    - 27 (A) all or part of that school year; or
    - 28 (B) any other period that begins not earlier than the first day of
    - 29 that school year and ends not later than thirteen (13) months
    - 30 after the wage payment arrangement period begins.
- 31 Such an arrangement may provide that compensation earned in a  
 32 calendar year is paid in the next calendar year, so long as all the  
 33 compensation is paid within the thirteen (13) month period beginning  
 34 with the first day of the school year.
- 35 (c) A wage payment arrangement under subsection (a) must be  
 36 structured in such a manner so that it is not considered:
- 37 (1) a nonqualified deferred compensation plan for purposes of
  - 38 Section 409A of the Internal Revenue Code; or
  - 39 (2) deferred compensation for purposes of Section 457(f) of the
  - 40 Internal Revenue Code.
- 41 (d) Absent an agreement under subsection (a), a school corporation,  
 42 **educational service center**, or charter school remains subject to



- 1 IC 22-2-5-1.
- 2 (e) Wage payments required under a wage payment arrangement  
3 entered into under subsection (a) are enforceable under IC 22-2-5-2.
- 4 (f) If an employee leaves employment for any reason, either  
5 permanently or temporarily, the amount due the employee under  
6 IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and  
7 unpaid. If the employment relationship ends at the conclusion of a  
8 school year, the school corporation, **educational service center**, or  
9 charter school may pay the employee the remaining wages owed as  
10 provided in the written wage payment arrangement.
- 11 (g) Employment with a school corporation, **educational service**  
12 **center**, or charter school may not be conditioned upon the acceptance  
13 of a wage payment arrangement under subsection (a).
- 14 (h) An employee may revoke a wage payment arrangement under  
15 subsection (a) at the beginning of each school year.
- 16 (i) A wage payment arrangement under this chapter may not contain  
17 any terms beyond those permitted to be bargained under IC 20-29-6-4.
- 18 SECTION 12. IC 20-26-7-1, AS AMENDED BY P.L.140-2018,  
19 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 UPON PASSAGE]: Sec. 1. (a) ~~As used in this section, "charter school"~~  
21 ~~has the meaning set forth in IC 20-24-1-4 and includes a group or entity~~  
22 ~~seeking approval from an authorizer to operate a charter school under~~  
23 ~~IC 20-24-3.~~
- 24 (b) (a) Except as otherwise provided in ~~this section, IC 20-26-7.1,~~  
25 if a governing body of a school corporation determines that any real or  
26 personal property:  
27 (1) is no longer needed for school purposes; or  
28 (2) should, in the interests of the school corporation, be  
29 exchanged for other property;  
30 the governing body may sell or exchange the property in accordance  
31 with IC 36-1-11.
- 32 (c) (b) Money derived from the sale or exchange of property under  
33 this section shall be placed in the school corporation's operations fund.
- 34 (d) (c) A governing body may not **enter into a lease agreement or**  
35 **make a covenant that prohibits the sale of real property to another**  
36 **educational institution.**
- 37 (e) ~~This subsection does not apply to a school building that on July~~  
38 ~~1, 2011, is leased or loaned by the school corporation that owns the~~  
39 ~~school building to another entity, if the entity is not a building~~  
40 ~~corporation or other entity that is related in any way to, or created by,~~  
41 ~~the school corporation or the governing body. Except as provided in~~  
42 ~~subsections (k) through (p), a governing body shall make available for~~





1 lease or purchase to any charter school any school building owned by  
 2 the school corporation or any other entity that is related in any way to;  
 3 or created by, the school corporation or the governing body, including  
 4 but not limited to a building corporation; that:

5 (1) either:

6 (A) is not used in whole or in part for classroom instruction at  
 7 the time the charter school seeks to lease the building; or

8 (B) appears on the list compiled by the department under  
 9 subsection (f); and

10 (2) was previously used for classroom instruction;

11 in order for the charter school to conduct classroom instruction:

12 (f) Not later than August 1 each calendar year, each governing body  
 13 shall inform the department if a school building that was previously  
 14 used for classroom instruction is closed, unused, or unoccupied. The  
 15 department shall maintain a list of closed, unused, or unoccupied  
 16 school buildings and make the list available on the department's  
 17 Internet web site. Each school corporation shall provide a list of closed,  
 18 unused, or unoccupied buildings to the department by the date set by  
 19 the department. The department must update the list not later than  
 20 fifteen (15) days after being notified of a closed, unused, or unoccupied  
 21 building.

22 (g) A school building that appears for the first time on the  
 23 department's list under subsection (f) shall be designated as  
 24 "Unavailable until (a date two (2) years after the school building first  
 25 appears on the list)" if the governing body of the school corporation  
 26 that owns the school building indicates to the department, on a form  
 27 prescribed by the department, that the school building may be  
 28 reclaimed during that period for classroom instruction. If a governing  
 29 body does not indicate that a school building may be reclaimed, the  
 30 governing body shall designate the school building as "Available" on  
 31 the department's list. The governing body may change the designation  
 32 of a building from unavailable to available at any time. If the  
 33 designation of a school building is "Available" on the department's list,  
 34 the governing body of the school corporation that owns the school  
 35 building may reclaim the school building for classroom instruction at  
 36 any time before the submission of a letter of intent by a charter school  
 37 under subsection (h) by indicating to the department, on a form  
 38 prescribed by the department, that the school desires to reclaim the  
 39 building for classroom instruction. The department shall remove the  
 40 school building from the department's list under subsection (f). If a  
 41 school building remains unused for classroom instruction one (1) year  
 42 after being reclaimed under this subsection, the governing body shall



1 designate the school building as "Available" on the department's list.  
2 A governing body may reclaim a school building only one (1) time  
3 under this subsection.

4 (h) If a charter school wishes to use a school building on the list  
5 created under subsection (f); the charter school shall send a letter of  
6 intent to the department. Within thirty (30) days after receiving a letter  
7 from a charter school; the department shall notify the school  
8 corporation of the charter school's intent; and; within thirty (30) days  
9 after receiving notification from the department; the school corporation  
10 that owns the school building shall lease the school building to the  
11 charter school for one dollar (\$1) per year for as long as the charter  
12 school uses the school building for classroom instruction or for a term  
13 at the charter school's discretion; or sell the school building to the  
14 charter school for one dollar (\$1). The charter school must begin to use  
15 the school building for classroom instruction not later than two (2)  
16 years after acquiring the school building. If the school building is not  
17 used for classroom instruction within two (2) years after acquiring the  
18 school building; the school building shall be placed on the department's  
19 list under subsection (f). If during the term of the lease the charter  
20 school closes or ceases using the school building for classroom  
21 instruction; the school building shall be placed on the department's list  
22 under subsection (f). If a school building is sold to a charter school  
23 under this subsection and the charter school or any entity related to the  
24 charter school subsequently sells or transfers the school building to a  
25 third party; the charter school or related entity must transfer an amount  
26 equal to the gain in the property minus the adjusted basis (including  
27 costs of improvements to the school building) to the school corporation  
28 that initially sold the vacant school building to the charter school. Gain  
29 and adjusted basis shall be determined in the manner prescribed by the  
30 Internal Revenue Code and the applicable Internal Revenue Service  
31 regulations and guidelines.

32 (i) During the term of a lease under subsection (h); the charter  
33 school is responsible for the direct expenses related to the school  
34 building leased; including utilities; insurance; maintenance; repairs;  
35 and remodeling. The school corporation is responsible for any debt  
36 incurred for or liens that attached to the school building before the  
37 charter school leased the school building.

38 (j) With the exception of a waiver provided in this section; when a  
39 school building is designated as "Available" under subsection (g); the  
40 school building must remain designated as "Available"; unless it is  
41 reclaimed under subsection (g); and may not be sold or otherwise  
42 disposed of for at least two (2) years. When the two (2) year period has



1 elapsed; the school corporation may sell or otherwise dispose of the  
2 school building in accordance with IC 36-1-11.

3 (k) Notwithstanding subsection (e), a governing body may request  
4 a waiver from the department from the requirements of subsection (e).  
5 In order for a governing body to receive a waiver under subsection (n);  
6 the governing body must apply to the department, on a form prescribed  
7 by the department, for the waiver. The application must include a  
8 statement that the governing body believes that a charter school would  
9 not be interested in leasing or purchasing the vacant or unused school  
10 building.

11 (l) If the department receives a waiver request under subsection (k);  
12 the department, within five (5) days after receiving the waiver request  
13 under subsection (k), shall notify each charter school authorizer and  
14 statewide organization representing charter schools in Indiana by  
15 certified mail of the waiver request received under subsection (k). The  
16 notice must include a copy of the governing body's waiver request.

17 (m) Not later than thirty (30) days after a charter school authorizer  
18 or statewide organization representing charter schools in Indiana  
19 receives a notice described in subsection (l); the charter school  
20 authorizer or a statewide organization representing charter schools may  
21 submit a qualified objection to the governing body's request for a  
22 waiver under subsection (k). The qualified objection must be submitted  
23 to the department in writing. In order for an objection to be considered  
24 a qualified objection by the department, the objection must include:

25 (1) the name of the charter school that is interested in leasing or  
26 purchasing the vacant or unused school building; and

27 (2) a time frame, which may not exceed one (1) year from the date  
28 of the objection, in which the charter school intends to begin  
29 providing classroom instruction in the vacant or unused school  
30 building.

31 (n) If the department receives a qualified objection under subsection  
32 (m); the vacant or unused school building shall remain on the  
33 department's list under subsection (f) with the designation with which  
34 the building is listed under subsection (g) at the time the department  
35 receives the waiver request. If the department does not receive a  
36 qualified objection, the department shall grant the governing body's  
37 request for a waiver. A governing body that receives a waiver under  
38 this subsection may sell or otherwise dispose of the unused or vacant  
39 school building in accordance with IC 36-1-11.

40 (o) The governing body of the School City of East Chicago school  
41 corporation may request a waiver from the department from the  
42 requirements of subsection (e) for the Carrie Gosch Elementary School



1 building. If requested, the department shall grant the waiver. To receive  
 2 the waiver, the governing body must apply to the department on a form  
 3 prescribed by the department.

4 (p) An emergency manager of a distressed school corporation under  
 5 IC 6-1.1-20.3 or a fiscally impaired school corporation under  
 6 IC 6-1.1-20.3 may sell an existing school building without complying  
 7 with the requirements of subsection (e).

8 SECTION 13. IC 20-26-7.1 IS ADDED TO THE INDIANA CODE  
 9 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 10 UPON PASSAGE]:

11 **Chapter 7.1. Transfers of Vacant School Buildings to Charter**  
 12 **Schools**

13 **Sec. 1. This chapter does not apply to a school building that on**  
 14 **July 1, 2011, is leased or loaned by the school corporation that**  
 15 **owns the school building to another entity, if the entity is not a**  
 16 **building corporation or other entity that is related in any way to,**  
 17 **or created by, the school corporation or the governing body.**

18 **Sec. 2. As used in this chapter, "charter school" has the meaning**  
 19 **set forth in IC 20-24-1-4 and includes an entity that has filed an**  
 20 **application with an authorizer and is seeking approval from the**  
 21 **authorizer to operate a charter school under IC 20-24-3.**

22 **Sec. 3. (a) Before a governing body may sell or exchange a**  
 23 **building described in this section in accordance with IC 20-25-4-14,**  
 24 **IC 20-26-5-4(7), or IC 20-26-7-1, and except as provided in this**  
 25 **chapter, a governing body shall make available for lease or**  
 26 **purchase to any charter school any school building owned by the**  
 27 **school corporation or any other entity that is related in any way to,**  
 28 **or created by, the school corporation or the governing body,**  
 29 **including but not limited to a building corporation, that:**

30 (1) is vacant or unused; and

31 (2) was previously used for classroom instruction;

32 **in order for the charter school to conduct kindergarten through**  
 33 **grade 12 classroom instruction.**

34 (b) The following are not required to comply with the  
 35 requirements provided in section 4 of this chapter:

36 (1) A governing body that vacates a school building in order  
 37 to:

38 (A) renovate the school building for future use by the  
 39 school corporation; or

40 (B) demolish the school building and build a new school  
 41 building on the same site as the demolished building.

42 (2) An emergency manager of a distressed school corporation



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under IC 6-1.1-20.3.

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

(c) Notwithstanding subsection (a), a lease entered into by a governing body under IC 20-26-5-4(7) prior to July 1, 2019, with an accredited nonpublic school shall remain in full force and effect. In addition, the governing body may, during or at the expiration of the term of such lease, sell the school building leased under IC 20-26-5-4(7) to the nonpublic school at a purchase price mutually agreed to by the governing body and the nonpublic school.

Sec. 4. (a) Not later than ten (10) days after passing a resolution or taking other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction, the governing body shall:

- (1) notify the department of the official action and the effective date that the school building will be closed, no longer used, or no longer occupied;
- (2) make the school building available for inspection by a charter school that notifies the department that it is interested in leasing or purchasing the school building described under section 3 of this chapter; and
- (3) make the following information available to a charter school described in subdivision (2):
  - (A) Estimates of the operating expenses for the school building for the past three (3) years.
  - (B) Written information regarding the condition of the building, including the age of the roof and the HVAC system, and any known conditions which, in the governing body's opinion, require prompt repair or replacement.
  - (C) A description of the property as shown on the current tax statement.

(b) Within five (5) days of receiving notice under subsection (a)(1), the department shall provide written notification to each charter school authorizer (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)) and statewide organizations representing charter schools in Indiana of the school corporation's resolution or official action described in subsection (a), including the date when the school building will close, no longer be used, or become vacant.

(c) The school corporation shall lease the school building to a



1 charter school for one dollar (\$1) per year for as long as the  
2 charter school uses the school building for classroom instruction  
3 for a term at the charter school's discretion, or sell the school  
4 building for one dollar (\$1), if the charter school does the  
5 following:

6 (1) Within thirty (30) days of receiving the department's  
7 notice under subsection (b), a charter school must submit a  
8 preliminary request to purchase or lease the school building.

9 (2) Subject to subsection (d), within ninety (90) days of  
10 receiving the department's notice under subsection (b), a  
11 charter school must submit to the school corporation the  
12 following information:

13 (A) The name of the charter school that is interested in  
14 leasing or purchasing the vacant or unused school building.

15 (B) A time frame, which may not exceed two (2) years from  
16 the date that the school building is to be closed, no longer  
17 used, or no longer occupied, in which the charter school  
18 intends to begin providing classroom instruction in the  
19 vacant or unused school building.

20 (C) A resolution, adopted by the board of the charter  
21 school stating that the board has determined that, after the  
22 charter school has made any necessary repairs or  
23 modifications, the school building will be sufficient to meet  
24 the charter school's needs and can be operated within the  
25 charter school's budget.

26 (D) This clause applies to a vacant or unused school  
27 building with more than two hundred thousand (200,000)  
28 gross square feet. In addition to the information provided  
29 in clauses (A) through (C), a charter school shall submit  
30 the following:

31 (i) The charter school's projected enrollment when all of  
32 the grade levels are added.

33 (ii) A letter from the charter school's authorizer or  
34 prospective authorizer that indicates that the charter  
35 school's authorizer or prospective authorizer has  
36 reviewed the items described in clauses (B) through (C)  
37 and that the projected enrollment of the charter school  
38 when all of the grade levels are added or fully  
39 implemented will be at least sixty percent (60%) of the  
40 maximum annual student enrollment of the school  
41 building during the past twenty-five (25) years as  
42 validated by records maintained or created by the



1 department.

2 (d) If the department does not receive any preliminary requests  
3 to purchase or lease a school building within the time frame  
4 described in subsection (c)(1) and except as provided in section 7  
5 of this chapter, the department shall send notification to the school  
6 corporation that the department has not received any preliminary  
7 requests to purchase or lease the school building. Upon receipt of  
8 the notification under this subsection, the school corporation may  
9 sell or otherwise dispose of the school building in accordance with  
10 IC 36-1-11, IC 20-25-4-14, IC 20-26-5-4(7), and section 8 of this  
11 chapter.

12 (e) In the event that two (2) or more charter schools submit a  
13 preliminary request to purchase or lease a school building within  
14 the time frame described in subsection (c)(1), the department shall  
15 send notification to an authorizer described in IC 20-24-1-2.5(3)  
16 and each statewide charter school authorizer and statewide  
17 organization representing charter schools in Indiana (excluding  
18 school corporation authorizers as defined in IC 20-24-1-2.5(1)) and  
19 the school corporation that the department has received two (2) or  
20 more preliminary requests under this section. An authorizer  
21 committee shall be established, with each statewide authorizer that  
22 has authorized one (1) or more charter schools appointing a  
23 representative, and the committee shall establish the chairperson  
24 and procedures for the committee. Within sixty (60) days of  
25 receiving notice under this subsection, the committee shall select  
26 which charter school may proceed under subsection (c)(2) to  
27 purchase or lease the school building or determine if two (2) or  
28 more charter schools should co-locate within the school building.  
29 The committee shall give priority to a charter school located within  
30 one (1) mile of the vacant or unused school building. In the event  
31 that the committee determines that two (2) or more charter schools  
32 should co-locate in the school building and, if applicable, that the  
33 combined enrollment of the charter schools will meet or exceed the  
34 requirements in subsection (c)(2)(D), the charter schools have sixty  
35 (60) days to submit a memorandum of understanding stating that  
36 the charter schools shall be jointly and severally liable for the  
37 obligations related to the sale or lease of the school building, and  
38 specifying how the charter schools will utilize the school building  
39 and share responsibility for operational, maintenance, and  
40 renovation expenses. If the charter schools are unable to agree, the  
41 charter schools shall be deemed to have revoked their prior request  
42 regarding the lease or sale of the school building.



1 (f) A school corporation shall lease the school building for one  
2 dollar (\$1) per year for as long as the charter school uses the school  
3 building for classroom instruction for any combination of  
4 kindergarten through grade 12 for a term at the charter school's  
5 discretion, or sell the school building to the charter school for one  
6 dollar (\$1), if the charter school has met the requirements set forth  
7 in subsection (c) and uses the vacant or unused school building to  
8 provide classroom instruction to students in any combination of  
9 kindergarten through grade 12. If a charter school has not met the  
10 requirements under subsection (c), the school corporation may,  
11 subject to section 7 of this chapter, sell or otherwise dispose of the  
12 school building in accordance with IC 36-1-11, IC 20-25-4-14,  
13 IC 20-26-5-4(7), and section 8 of this chapter.

14 Sec. 5. (a) If a school building is sold to a charter school under  
15 section 3 or 4 of this chapter and the charter school, or any  
16 subsequent owner, subsequently sells or transfers the school  
17 building to a third party, the charter school or subsequent owner  
18 must transfer an amount equal to the gain in the property minus  
19 the adjusted basis (including costs of improvements to the school  
20 building) to the school corporation that initially sold the vacant  
21 school building to the charter school. Gain and adjusted basis shall  
22 be determined in the manner prescribed by the Internal Revenue  
23 Code and the applicable Internal Revenue Service regulations and  
24 guidelines.

25 (b) A charter school that purchases a school building assumes  
26 total control of the school building and must maintain the school  
27 building, including utilities, insurance, maintenance, and repairs.  
28 In the event a charter school does not use the school building for  
29 classroom instruction within two (2) years after acquiring the  
30 school building, the school building shall revert to the school  
31 corporation, which may sell or otherwise dispose of the school  
32 building under IC 36-1-11.

33 Sec. 6. During the term of a lease under section 4 of this chapter,  
34 the charter school is responsible for the direct expenses related to  
35 the school building leased, including utilities, insurance,  
36 maintenance, repairs, and remodeling. If the lease involves  
37 co-locating charter schools, the obligations under the lease of the  
38 school building shall be joint and several. The school corporation  
39 is responsible for any debt incurred for or liens that attached to the  
40 school building before the charter school leased the school  
41 building.

42 Sec. 7. (a) This section applies to a school building with a gross





1 square footage of two hundred thousand (200,000) square feet or  
2 less.

3 (b) If the school corporation receives notification from the  
4 department that the department has not received any preliminary  
5 requests to purchase or lease a vacant or unused school building  
6 under section 4(c)(1) of this chapter or a charter school has not met  
7 the requirements under section 4(c)(2) or 4(e) of this chapter, the  
8 school corporation must sell the school building to an accredited  
9 nonpublic school or postsecondary educational institution that  
10 sends a letter of intent to the school corporation to purchase the  
11 vacant or unused school building for an amount not more than the  
12 minimum bid for the vacant or unused school building determined  
13 in accordance with IC 36-1-11, or an amount agreed to by both  
14 parties.

15 (c) The accredited nonpublic school or postsecondary  
16 educational institution must submit its letter of intent to purchase  
17 the school building within thirty (30) days of the date the school  
18 corporation passes a resolution or takes other official action to  
19 close, no longer use, or no longer occupy a school building that was  
20 previously used for classroom instruction. However, in the event  
21 that a charter school has submitted a preliminary request to  
22 purchase or lease a school building, the accredited nonpublic  
23 school or postsecondary educational institution may send a letter  
24 of intent to purchase or lease the school building within ninety (90)  
25 days of the date that the school corporation passed a resolution or  
26 took official action to close, no longer use, or no longer occupy a  
27 school building.

28 (d) Within forty-five (45) days of notice of the minimum bid, the  
29 accredited nonpublic school or postsecondary educational  
30 institution must provide a binding offer to the school corporation  
31 to purchase the property in its current condition and provide a  
32 nonrefundable down payment equal to five percent (5%) of the  
33 minimum bid or an amount agreed to by both parties. In the event  
34 that two (2) or more binding offers are submitted to the school  
35 corporation under this subsection, the school corporation may  
36 select which offer to accept.

37 (e) If the sale of the property does not close within one hundred  
38 eighty (180) days of the school corporation's receipt of the binding  
39 offer, and the delay in closing is not caused by the school  
40 corporation or its representatives, the school corporation may  
41 refund the down payment and sell or otherwise dispose of the  
42 school building under IC 20-25-4-14, IC 20-26-5-4(7), or



- 1       **IC 36-1-11.**
- 2       **Sec. 8. (a) This section applies to the sale of a vacant or unused**
- 3       **school building with more than two hundred thousand (200,000)**
- 4       **gross square feet under IC 36-1-11, as permitted by this chapter.**
- 5       **(b) In determining whether to accept a proposal to purchase and**
- 6       **redevelop the school building and any adjacent property, the**
- 7       **governing body must ensure that a charter school that is located**
- 8       **within one (1) mile of the site to be redeveloped and has notified the**
- 9       **governing body in writing of its interest in locating the charter**
- 10       **school on the redeveloped site is provided with the opportunity to**
- 11       **lease adequate facilities on the redeveloped site at fifty percent**
- 12       **(50%) or less than the current market rate for the redeveloped**
- 13       **property or a rate agreed upon by the parties.**
- 14       **(c) In the event that a charter school does not enter into a lease**
- 15       **for the appropriate facilities as part of the initial development of**
- 16       **the school building parcel, this section shall no longer be binding**
- 17       **on the school corporation or the purchaser of the property, which**
- 18       **shall not be required to make the space available for use by**
- 19       **another charter school.**
- 20       **Sec. 9. If a school corporation does not comply with the**
- 21       **requirements provided in this chapter, the school corporation shall**
- 22       **submit any proceeds from the sale of the vacant school building to**
- 23       **the state board to provide grants under the charter school and**
- 24       **innovation grant program under IC 20-24-13.**
- 25       SECTION 14. IC 20-26-16-1, AS ADDED BY P.L.132-2007,
- 26       SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27       JULY 1, 2019]: Sec. 1. This chapter applies to a school corporation,
- 28       including a school city (as defined in IC 20-25-2-12) **and a charter**
- 29       **school.**
- 30       SECTION 15. IC 20-26-16-2, AS ADDED BY P.L.132-2007,
- 31       SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 32       JULY 1, 2019]: Sec. 2. The governing body of a school corporation **or**
- 33       **charter school** may establish a school corporation **or charter school**
- 34       police department under this chapter.
- 35       SECTION 16. IC 20-26-16-3, AS ADDED BY P.L.132-2007,
- 36       SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 37       JULY 1, 2019]: Sec. 3. The governing body of a school corporation **or**
- 38       **the equivalent for a charter school** may do the following for the
- 39       school corporation **or charter school** police department:
- 40               (1) Appoint school corporation **or charter school** police officers.
- 41               (2) Prescribe the duties and direct the conduct of school
- 42               corporation **or charter school** police officers.



- 1 (3) Prescribe distinctive uniforms.  
 2 (4) Provide emergency vehicles.
- 3 SECTION 17. IC 20-26-16-4, AS ADDED BY P.L.132-2007,  
 4 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 5 JULY 1, 2019]: Sec. 4. An individual appointed as a school corporation  
 6 **or charter school** police officer must successfully complete at least:  
 7 (1) the pre-basic training course established under IC 5-2-1-9(f);  
 8 and  
 9 (2) the minimum basic training and educational requirements  
 10 adopted by the law enforcement training board under IC 5-2-1-9  
 11 as necessary for employment as a law enforcement officer.
- 12 SECTION 18. IC 20-26-16-5, AS ADDED BY P.L.132-2007,  
 13 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2019]: Sec. 5. (a) Notwithstanding section 4 of this chapter  
 15 and IC 5-2-1-9, an individual appointed as a school corporation police  
 16 officer before July 1, 2007, must complete, not later than July 1, 2010,  
 17 at least:  
 18 (1) the pre-basic training course established under IC 5-2-1-9(f);  
 19 and  
 20 (2) the minimum basic training and educational requirements  
 21 adopted by the law enforcement training board under IC 5-2-1-9  
 22 as necessary for employment as a law enforcement officer.
- 23 (b) As set forth in IC 5-2-1-9, an individual appointed as a school  
 24 corporation **or charter school** police officer may not:  
 25 (1) make an arrest;  
 26 (2) conduct a search or a seizure of a person or property; or  
 27 (3) carry a firearm;  
 28 unless the school corporation **or charter school** police officer  
 29 successfully completes a pre-basic training course under IC 5-2-1-9(f).
- 30 SECTION 19. IC 20-26-16-6, AS ADDED BY P.L.132-2007,  
 31 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2019]: Sec. 6. (a) A school corporation **or charter school**  
 33 police officer appointed under this chapter:  
 34 (1) is a law enforcement officer (as defined in IC 5-2-1-2(1));  
 35 (2) must take an appropriate oath of office in a form and manner  
 36 prescribed by the governing body **or the equivalent for a charter**  
 37 **school**;  
 38 (3) serves at the governing body's (**or the equivalent for a**  
 39 **charter school**) pleasure; and  
 40 (4) performs the duties that the governing body **or the equivalent**  
 41 **for a charter school** assigns.  
 42 (b) School corporation **or charter school** police officers appointed



1 under this chapter have general police powers, including the power to  
 2 arrest, without process, all persons who within their view commit any  
 3 offense. They have the same common law and statutory powers,  
 4 privileges, and immunities as sheriffs and constables, except that they  
 5 are empowered to serve civil process only to the extent authorized by  
 6 the employing governing body **or the equivalent for a school**  
 7 **corporation**; however, any powers may be expressly forbidden them  
 8 by the governing body (**or the equivalent for a charter school**)  
 9 employing them. In addition to any other powers or duties, such police  
 10 officers shall enforce and assist the educators and administrators of  
 11 their school corporation **or charter school** in the enforcement of the  
 12 rules and regulations of the school corporation **or charter school** and  
 13 assist and cooperate with other law enforcement agencies and officers.

14 (c) Such police officers may exercise the powers granted under this  
 15 section only upon any property owned, leased, or occupied by the  
 16 school corporation **or charter school**, including the streets passing  
 17 through and adjacent to the property. Additional jurisdiction may be  
 18 established by agreement with the chief of police of the municipality  
 19 or sheriff of the county or the appropriate law enforcement agency  
 20 where the property is located, dependent upon the jurisdiction  
 21 involved.

22 SECTION 20. IC 20-27-9-2, AS ADDED BY P.L.1-2005,  
 23 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24 JULY 1, 2019]: Sec. 2. The governing body of a school corporation  
 25 may allow, by written authorization, the use of a school bus **or a**  
 26 **special purpose bus** for the transportation of adults at least sixty-five  
 27 (65) years of age **or disabled adults**.

28 SECTION 21. IC 20-27-9-5, AS AMENDED BY P.L.228-2017,  
 29 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2019]: Sec. 5. (a) A special purpose bus may be used:

- 31 (1) by a school corporation to provide regular transportation of a  
 32 student between one (1) school and another school but not  
 33 between the student's residence and the school;  
 34 (2) to transport students and their supervisors, including coaches,  
 35 managers, and sponsors to athletic or other extracurricular school  
 36 activities and field trips;  
 37 (3) by a school corporation to provide transportation between an  
 38 individual's residence and the school for an individual enrolled in  
 39 a special program for the habilitation or rehabilitation of persons  
 40 with a developmental or physical disability, and, if applicable, the  
 41 individual's sibling; ~~and~~  
 42 (4) to transport homeless students under IC 20-27-12; **and**



- 1           **(5) to transport adults under section 2 of this chapter.**  
 2           (b) The mileage limitation of section 3 of this chapter does not apply  
 3 to special purpose buses.  
 4           (c) The operator of a special purpose bus must be at least  
 5 twenty-one (21) years of age, be authorized by the school corporation,  
 6 and meet the following requirements:  
 7           (1) If the special purpose bus has a capacity of less than sixteen  
 8 (16) passengers, the operator must hold a valid:  
 9           (A) operator's;  
 10           (B) chauffeur's;  
 11           (C) public passenger chauffeur's; or  
 12           (D) commercial driver's;  
 13 license.  
 14           (2) If the special purpose bus has a capacity of more than fifteen  
 15 (15) passengers, the operator must meet the requirements for a  
 16 school bus driver set out in IC 20-27-8.  
 17           (d) A special purpose bus is not required to be constructed,  
 18 equipped, or painted as specified for school buses under this article or  
 19 by the rules of the committee.  
 20           (e) An owner or operator of a special purpose bus, other than a  
 21 special purpose bus owned or operated by a school corporation or a  
 22 nonpublic school, is subject to IC 8-2.1.  
 23           SECTION 22. IC 20-31-9-9, AS ADDED BY P.L.33-2014,  
 24 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 UPON PASSAGE]: Sec. 9. (a) Not later than December 31 of the fifth  
 26 year of an intervention under this chapter, the state board shall take one  
 27 (1) of the following actions:  
 28           (1) Return the school to the school corporation for operation.  
 29           (2) Direct the special management team to apply to a charter  
 30 school authorizer for charter school status for the school.  
 31           (3) Implement a new intervention under section 4(b) of this  
 32 chapter.  
 33           (b) In making a determination under this section, the state board  
 34 may consider all relevant factors, including the overall performance of  
 35 the school corporation and the special management team.  
 36           (c) Before making a final determination to take an action under  
 37 subsection (a), the state board shall hold at least one (1) public hearing  
 38 in the school corporation in which the school is located during the fall  
 39 semester of the fifth year of an intervention to consider and hear  
 40 testimony.  
 41           (d) If the state board directs the special management team to apply  
 42 for charter school status under subsection (a)(2), the school is entitled



1 to continue to use the school's facilities in the same manner as a charter  
 2 school that acquires school facilities under ~~IC 20-26-7-1~~ IC 20-26-7.1  
 3 is entitled to use school facilities.

4 **(e) If the state board directs the special management team to**  
 5 **apply for charter school status under subsection (a)(2), the state**  
 6 **board shall notify the charter school authorizer selected for**  
 7 **application by the special management team of the state board's**  
 8 **decision to direct the school to apply for charter status.**

9 SECTION 23. IC 20-35-3-1, AS AMENDED BY P.L.2-2007,  
 10 SECTION 232, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) The state superintendent shall  
 12 appoint a state advisory council on the education of children with  
 13 disabilities. The state advisory council's duties consist of providing  
 14 policy guidance concerning special education and related services for  
 15 children with disabilities. The state superintendent shall appoint at least  
 16 seventeen (17) members who serve for a term of four (4) years.  
 17 Vacancies shall be filled in the same manner for the unexpired balance  
 18 of the term.

19 (b) The members of the state advisory council must be:

- 20 (1) citizens of Indiana;
- 21 (2) representative of the state's population; and
- 22 (3) selected on the basis of their involvement in or concern with
- 23 the education of children with disabilities.

24 (c) A majority of the members of the state advisory council must be  
 25 individuals with disabilities or the parents of children with disabilities.  
 26 Members must include the following:

- 27 (1) Parents of children with disabilities.
- 28 (2) Individuals with disabilities.
- 29 (3) Teachers.
- 30 (4) Representatives of postsecondary educational institutions that
- 31 prepare special education and related services personnel.
- 32 (5) State and local education officials.
- 33 (6) Administrators of programs for children with disabilities.
- 34 (7) Representatives of state agencies involved in the financing or
- 35 delivery of related services to children with disabilities, including
- 36 the following:
  - 37 (A) The commissioner of the state department of health or the
  - 38 commissioner's designee.
  - 39 (B) The director of the division of disability and rehabilitative
  - 40 services or the director's designee.
  - 41 (C) The director of the division of mental health and addiction
  - 42 or the director's designee.



- 1 (D) The director of the department of child services or the
- 2 director's designee.
- 3 (8) Representatives of nonpublic schools and freeway schools.
- 4 (9) One (1) or more representatives of vocational, community, or
- 5 business organizations concerned with the provision of
- 6 transitional services to children with disabilities.
- 7 (10) Representatives of the department of correction.
- 8 (11) A representative from each of the following:
- 9 (A) The Indiana School for the Blind and Visually Impaired
- 10 board.
- 11 (B) The Indiana School for the Deaf board.
- 12 **(12) A representative from the Arc of Indiana.**
- 13 (d) The responsibilities of the state advisory council are as follows:
- 14 (1) To advise the state superintendent and the state board
- 15 regarding all rules pertaining to children with disabilities.
- 16 (2) To recommend approval or rejection of completed
- 17 comprehensive plans submitted by school corporations acting
- 18 individually or on a joint school services program basis with other
- 19 corporations.
- 20 (3) To advise the department of unmet needs within Indiana in the
- 21 education of children with disabilities.
- 22 (4) To provide public comment on rules proposed by the state
- 23 board regarding the education of children with disabilities.
- 24 (5) To advise the department in developing evaluations and
- 25 reporting data to the United States Secretary of Education under
- 26 20 U.S.C. 1418.
- 27 (6) To advise the department in developing corrective action
- 28 plans to address findings identified in federal monitoring reports
- 29 under 20 U.S.C. 1400 et seq.
- 30 (7) To advise the department in developing and implementing
- 31 policies related to the coordination of services for children with
- 32 disabilities.
- 33 (e) The state advisory council shall do the following:
- 34 (1) Organize with a chairperson selected by the state
- 35 superintendent.
- 36 (2) Meet as often as necessary to conduct the council's business
- 37 at the call of the chairperson, upon ten (10) days written notice,
- 38 but not less than four (4) times a year.
- 39 (f) Members of the state advisory council are entitled to reasonable
- 40 amounts for expenses necessarily incurred in the performance of their
- 41 duties.
- 42 (g) The state superintendent shall do the following:



- 1 (1) Designate the director to act as executive secretary of the state  
2 advisory council.
- 3 (2) Furnish all professional and clerical assistance necessary for  
4 the performance of the state advisory council's powers and duties.
- 5 (h) The affirmative votes of a majority of the members appointed to  
6 the state advisory council are required for the state advisory council to  
7 take action.
- 8 SECTION 24. IC 36-1-11-1, AS AMENDED BY P.L.286-2013,  
9 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
10 [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) Except as provided in  
11 subsection (b), this chapter applies to the disposal of property by:  
12 (1) political subdivisions; and  
13 (2) agencies of political subdivisions.
- 14 (b) This chapter does not apply to the following:  
15 (1) The disposal of property under an urban homesteading  
16 program under IC 36-7-17 or IC 36-7-17.1.  
17 (2) The lease of school buildings under IC 20-47.  
18 (3) The sale of land to a lessor in a lease-purchase contract under  
19 IC 36-1-10.  
20 (4) The disposal of property by a redevelopment commission  
21 established under IC 36-7.  
22 (5) The leasing of property by a board of aviation commissioners  
23 established under IC 8-22-2 or an airport authority established  
24 under IC 8-22-3.  
25 (6) The disposal of a municipally owned utility under IC 8-1.5.  
26 (7) **Except as provided in sections 5.5 and 5.6 of this chapter,**  
27 the sale or lease of property by a unit to an Indiana nonprofit  
28 corporation organized for educational, literary, scientific,  
29 religious, or charitable purposes that is exempt from federal  
30 income taxation under Section 501 of the Internal Revenue Code  
31 or the sale or reletting of that property by the nonprofit  
32 corporation.  
33 (8) The disposal of surplus property by a hospital established and  
34 operated under IC 16-22-1 through IC 16-22-5, IC 16-22-8,  
35 IC 16-23-1, or IC 16-24-1.  
36 (9) The sale or lease of property acquired under IC 36-7-13 for  
37 industrial development.  
38 (10) The sale, lease, or disposal of property by a local hospital  
39 authority under IC 5-1-4.  
40 (11) The sale or other disposition of property by a county or  
41 municipality to finance housing under IC 5-20-2.  
42 (12) The disposition of property by a soil and water conservation





- 1 district under IC 14-32.
- 2 (13) The sale, lease, or disposal of property by the health and  
3 hospital corporation established and operated under IC 16-22-8.
- 4 (14) The disposal of personal property by a library board under  
5 IC 36-12-3-5(c).
- 6 (15) The sale or disposal of property by the historic preservation  
7 commission under IC 36-7-11.1.
- 8 (16) The disposal of an interest in property by a housing authority  
9 under IC 36-7-18.
- 10 (17) The disposal of property under IC 36-9-37-26.
- 11 (18) The disposal of property used for park purposes under  
12 IC 36-10-7-8.
- 13 (19) The disposal of curricular materials that will no longer be  
14 used by school corporations under IC 20-26-12.
- 15 (20) The disposal of residential structures or improvements by a  
16 municipal corporation without consideration to:
- 17 (A) a governmental entity; or
- 18 (B) a nonprofit corporation that is organized to expand the  
19 supply or sustain the existing supply of good quality,  
20 affordable housing for residents of Indiana having low or  
21 moderate incomes.
- 22 (21) The disposal of historic property without consideration to a  
23 nonprofit corporation whose charter or articles of incorporation  
24 allows the corporation to take action for the preservation of  
25 historic property. As used in this subdivision, "historic property"  
26 means property that is:
- 27 (A) listed on the National Register of Historic Places; or
- 28 (B) eligible for listing on the National Register of Historic  
29 Places, as determined by the division of historic preservation  
30 and archeology of the department of natural resources.
- 31 (22) The disposal of real property without consideration to:
- 32 (A) a governmental agency; or
- 33 (B) a nonprofit corporation that exists for the primary purpose  
34 of enhancing the environment;  
35 when the property is to be used for compliance with a permit or  
36 an order issued by a federal or state regulatory agency to mitigate  
37 an adverse environmental impact.
- 38 (23) The disposal of property to a person under an agreement  
39 between the person and a political subdivision or an agency of a  
40 political subdivision under IC 5-23.
- 41 (24) The disposal of residential real property pursuant to a federal  
42 aviation regulation (14 CFR 150) Airport Noise Compatibility



1           Planning Program as approved by the Federal Aviation  
2           Administration.  
3           SECTION 25. [EFFECTIVE UPON PASSAGE] (a) **IC 20-26-7.1,**  
4           **as added by this act, applies to a school building that:**  
5                 **(1) was included on the list compiled by the department of**  
6                 **education under IC 20-26-7-1(f), before the amendment of**  
7                 **IC 20-26-7-1 by this act; or**  
8                 **(2) was required to be added to the list not later than August**  
9                 **1, 2019, under IC 20-26-7-1(f), before the amendment of**  
10                **IC 20-26-7-1 by this act.**  
11           **(b) This SECTION expires July 1, 2024.**  
12           SECTION 26. An emergency is declared for this act.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1641, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 11, strike "and".

Page 4, line 16, delete "." and insert "; and".

Page 4, between lines 16 and 17, begin a new line block indented and insert:

**"(6) allow each student who attends a charter school that is co-located with the charter school to receive preference for admission to the charter school if the preference is specifically provided for in the charter school's charter and is approved by the charter school's authorizer."**

Page 4, delete lines 41 through 42.

Page 5, delete lines 1 through 21.

Page 13, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 11. IC 20-26-5-32.2, AS AMENDED BY P.L.6-2012, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 32.2. (a) Notwithstanding IC 22-2-5-1, a school corporation, **educational service center**, or charter school and:

- (1) an employee if there is no representative described under subdivision (2) or (3) for that employee;
- (2) the exclusive representative of its certificated employees with respect to those employees; or
- (3) a labor organization representing its noncertificated employees with respect to those employees;

may agree in writing to a wage payment arrangement.

(b) A wage payment arrangement under subsection (a) may provide that compensation earned during a school year may be paid:

- (1) using equal installments or any other method; and
- (2) over:

(A) all or part of that school year; or

(B) any other period that begins not earlier than the first day of that school year and ends not later than thirteen (13) months after the wage payment arrangement period begins.

Such an arrangement may provide that compensation earned in a calendar year is paid in the next calendar year, so long as all the compensation is paid within the thirteen (13) month period beginning with the first day of the school year.



(c) A wage payment arrangement under subsection (a) must be structured in such a manner so that it is not considered:

- (1) a nonqualified deferred compensation plan for purposes of Section 409A of the Internal Revenue Code; or
- (2) deferred compensation for purposes of Section 457(f) of the Internal Revenue Code.

(d) Absent an agreement under subsection (a), a school corporation, **educational service center**, or charter school remains subject to IC 22-2-5-1.

(e) Wage payments required under a wage payment arrangement entered into under subsection (a) are enforceable under IC 22-2-5-2.

(f) If an employee leaves employment for any reason, either permanently or temporarily, the amount due the employee under IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and unpaid. If the employment relationship ends at the conclusion of a school year, the school corporation, **educational service center**, or charter school may pay the employee the remaining wages owed as provided in the written wage payment arrangement.

(g) Employment with a school corporation, **educational service center**, or charter school may not be conditioned upon the acceptance of a wage payment arrangement under subsection (a).

(h) An employee may revoke a wage payment arrangement under subsection (a) at the beginning of each school year.

(i) A wage payment arrangement under this chapter may not contain any terms beyond those permitted to be bargained under IC 20-29-6-4."

Page 13, line 34, after "not" insert "**enter into a lease agreement or**".

Page 17, delete lines 7 through 42, begin a new paragraph and insert:

"SECTION 12. IC 20-26-7.1 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

**Chapter 7.1. Transfers of Vacant School Buildings to Charter Schools or Neighboring School Corporations.**

**Sec. 1. This chapter does not apply to a school building that on July 1, 2011, is leased or loaned by the school corporation that owns the school building to another entity, if the entity is not a building corporation or other entity that is related in any way to, or created by, the school corporation or the governing body.**

**Sec. 2. The following definitions apply throughout this chapter:**

- (1) "Charter school" has the meaning set forth in IC 20-24-1-4



and includes an entity that has filed an application with an authorizer and is seeking approval from the authorizer to operate a charter school under IC 20-24-3.

(2) "Neighboring school corporation" refers to a school corporation that shares a common boundary with the school corporation that owns a vacant or unused school building under this chapter.

**Sec. 3. (a)** Before a governing body may sell or exchange a building described in this section in accordance with IC 20-25-4-14, IC 20-26-5-4(7), or IC 20-26-7-1, and except as provided in subsections (b), (c), and (d), a governing body shall make available for lease or purchase to any charter school or neighboring school corporation any school building owned by the school corporation or any other entity that is related in any way to, or created by, the school corporation or the governing body, including but not limited to a building corporation, that:

(1) is not used in whole or in part for classroom instruction at the time the charter school or neighboring school corporation seeks to lease the building; and

(2) was previously used for classroom instruction;

in order for the charter school or neighboring school corporation to conduct classroom instruction.

(b) The following are not required to comply with the requirements provided in section 4 of this chapter:

(1) A governing body that vacates a school building in order to renovate or demolish the school building and build a new school building on the same site as the demolished building.

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

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

(c) Notwithstanding subsection (a), a lease entered into by a governing body under IC 20-26-5-4(7) prior to July 1, 2019, with an accredited nonpublic school shall remain in full force and effect. In addition, the governing body may, during or at the expiration of the term of such lease, sell the school building leased under IC 20-26-5-4(7) to the nonpublic school at a purchase price mutually agreed to by the governing body and the nonpublic school.

(d) This subsection applies to a vacant or unused school building with more than two hundred fifty thousand (250,000) gross square



feet. A school corporation shall make appropriate space available as part of the school corporation's disposition of the school building, or to cause the acquirer of the school building to make appropriate space available as part of the acquirer's initial development of the school building site, for lease by the charter school or neighboring school corporation on the real estate occupied by the unused or vacant school building at fifty percent (50%) or less than the current market rate for similar property. In the event that the charter school or neighboring school corporation does not enter into a lease for the appropriate space as part of the initial development of the school building parcel, the school corporation or the acquirer of the school building is not required to make the space available for use by another charter school or neighboring school corporation.

**Sec. 4. (a)** Not later than ten (10) days after passing a resolution or taking other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction, the governing body shall:

- (1) notify the department of the official action and the effective date that the school building will be closed, no longer used, or no longer occupied;
- (2) make the school building available for inspection by a charter school or neighboring school corporation that notifies the department that it is interested in leasing or purchasing the school building described under section 3 of this chapter; and
- (3) make the following information available to a charter school or neighboring school corporation described in subdivision (2):
  - (A) Estimates of the operating expenses for the school building for the past three (3) years.
  - (B) Written information regarding the condition of the building, including the age of the roof and the HVAC system, and any known conditions which, in the governing body's opinion, require prompt repair or replacement.
  - (C) A description of the property as shown on the current tax statement.

(b) Within five (5) days of receiving notice under subsection (a)(1), the department shall provide written notification to each neighboring school corporation, each charter school authorizer (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)), and statewide organizations representing



charter schools in Indiana of the school corporation's resolution or official action described in subsection (a), including the date when the school building will close, no longer be used, or become vacant.

(c) A charter school or neighboring school corporation may lease the school building for one dollar (\$1) per year for as long as the charter school or neighboring school corporation uses the school building for classroom instruction or for a term at the neighboring school corporation or charter school's discretion, or purchase the school building from the school corporation for one dollar (\$1), if the charter school or neighboring school corporation does the following:

(1) Within thirty (30) days of receiving the department's notice under subsection (b), a charter school or neighboring school corporation must submit a preliminary request to purchase or lease the school building.

(2) Subject to subsection (d), within ninety (90) days of receiving the department's notice under subsection (b), a charter school or neighboring school corporation must submit to the school corporation the following information:

(A) The name of the charter school or neighboring school corporation that is interested in leasing or purchasing the vacant or unused school building.

(B) A time frame, which may not exceed two (2) years from the date that the school building is to be closed, no longer used, or no longer occupied, in which the charter school or neighboring school corporation intends to begin providing classroom instruction in the vacant or unused school building.

(C) A resolution, adopted by the board of the charter school or a resolution of the governing body of a neighboring school corporation stating that the board has determined that, after the charter school or neighboring school corporation has made any necessary repairs or modifications, the school building will be sufficient to meet the neighboring school corporation or charter school's needs and can be operated within the neighboring school corporation or charter school's budget.

(D) This clause applies to a vacant or unused school building with more than two hundred fifty thousand (250,000) gross square feet. In addition to the information provided in clauses (A) through (C), a charter school shall submit the following:



(i) The charter school's projected enrollment when all of the grade levels are added.

(ii) A letter from the charter school's authorizer or prospective authorizer that indicates that the charter school's authorizer or prospective authorizer has reviewed the items described in clauses (B) through (D) and that the projected enrollment of the charter school when all of the grade levels are added or fully implemented will be fifty percent (50%) or greater than the capacity of the school building as validated by the state fire marshal.

(d) If the department does not receive any preliminary requests to purchase or lease a school building within the time frame described in subsection (c)(1) and except as provided in section 7 of this chapter, the department shall send notification to the school corporation that the department has not received any preliminary requests to purchase or lease the school building. Upon receipt of the notification under this subsection, the school corporation may sell or otherwise dispose of the school building in accordance with IC 36-1-11.

(e) In the event that two (2) or more charter schools submit a preliminary request to purchase or lease a charter school within the time frame described in subsection (c)(1), the department shall send notification to an authorizer described in IC 20-24-1-2.5(3) and each statewide charter school authorizer and statewide organization representing charter schools in Indiana (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)) and the school corporation that the department has received two (2) or more preliminary requests under this section. An authorizer committee shall be established, with each statewide authorizer appointing a representative, with the committee to establish the chair person, and procedures for the committee. Within sixty (60) days of receiving notice under this subsection, the committee shall select which charter school may proceed to purchase or lease the school building or determine if two (2) or more charter schools should co-locate within the school building. In the event that the committee determines that two (2) or more charter schools should co-locate in the school building, the charter school or charter schools have sixty (60) days to submit a memorandum of understanding stating that the charter schools shall be jointly and severally liable for the obligations related to the sale or lease of the school building, and specifying how the charter schools will utilize





the school building and share responsibility for operational, maintenance, and renovation expenses.

(f) A school corporation shall lease the school building for one dollar (\$1) per year for as long as the charter school or neighboring school corporation uses the school building for classroom instruction or for a term at the neighboring school corporation or charter school's discretion, or sell the school building to the charter school or neighboring school corporation for one dollar (\$1), if the charter school or neighboring school corporation has met the requirements set forth in subsection (c). If a charter school or neighboring school corporation has not met the requirements under subsection (c), the school corporation may, subject to section 7 of this chapter, sell or otherwise dispose of the school building in accordance with IC 36-1-11.

Sec. 5. (a) If a school building is sold to a charter school or neighboring school corporation under section 4 of this chapter and the neighboring school corporation, charter school, or any entity related to the neighboring school corporation or charter school subsequently sells or transfers the school building to a third party, the charter school, neighboring school corporation, or related entity must transfer an amount equal to the gain in the property minus the adjusted basis (including costs of improvements to the school building) to the school corporation that initially sold the vacant school building to the charter school. Gain and adjusted basis shall be determined in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service regulations and guidelines.

(b) In the event a charter school or neighboring school corporation does not use the school building for classroom instruction within two (2) years after acquiring the school building, the school building shall revert to the school corporation, which may sell or otherwise dispose of the school building under IC 36-1-11.

Sec. 6. During the term of a lease under section 4 of this chapter, the charter school or neighboring school corporation is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. The school corporation is responsible for any debt incurred for or liens that attached to the school building before the charter school or neighboring school corporation leased the school building.

Sec. 7. Notwithstanding IC 36-1-11, if the school corporation



does receive notification from the department that the department has not received any preliminary requests to purchase or lease a vacant or unused school building under section 4(c)(1) of this chapter or a charter school or neighboring school corporation has not met the requirements under section 4(c)(2) or 4(e) of this chapter, the school corporation must sell a vacant school building to a nonpublic school, postsecondary educational institution, or nonprofit organization that sends a letter of intent to the school corporation to purchase the vacant or unused school building for an amount not more than the fair market value of the vacant or unused school building determined in accordance with IC 36-1-11. The nonpublic school, postsecondary educational institution, or nonprofit organization must submit its letter of intent to purchase the school building within thirty (30) days of the date the school corporation passing a resolution or taking other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction. However, in the event that a charter school or neighboring school corporation has submitted a preliminary request to purchase or lease a school building, the nonpublic school, postsecondary educational institution, or nonprofit organization may send a letter of intent to purchase or lease the school building within ninety (90) days of the date that the school corporation passed a resolution or took official action to close, no longer use, or no longer occupy a school building.

**Sec. 8. If a school corporation does not comply with the requirements provided in this chapter, the school corporation shall submit any proceeds from the sale of the vacant school building to the state board to provide grants under the charter school and innovation grant program under IC 20-24-13."**

Delete pages 18 through 20.

Page 21, delete lines 1 through 19.

Page 21, between lines 19 and 20, begin a new paragraph and insert:  
**"SECTION 13. IC 20-26-16-1, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. This chapter applies to a school corporation, including a school city (as defined in IC 20-25-2-12) and a charter school.**

**SECTION 14. IC 20-26-16-2, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. The governing body of a school corporation or charter school may establish a school corporation or charter school**



police department under this chapter.

SECTION 15. IC 20-26-16-3, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. The governing body of a school corporation **or the equivalent for a charter school** may do the following for the school corporation **or charter school** police department:

- (1) Appoint school corporation **or charter school** police officers.
- (2) Prescribe the duties and direct the conduct of school corporation **or charter school** police officers.
- (3) Prescribe distinctive uniforms.
- (4) Provide emergency vehicles.

SECTION 16. IC 20-26-16-4, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. An individual appointed as a school corporation **or charter school** police officer must successfully complete at least:

- (1) the pre-basic training course established under IC 5-2-1-9(f); and
- (2) the minimum basic training and educational requirements adopted by the law enforcement training board under IC 5-2-1-9 as necessary for employment as a law enforcement officer.

SECTION 17. IC 20-26-16-5, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) Notwithstanding section 4 of this chapter and IC 5-2-1-9, an individual appointed as a school corporation police officer before July 1, 2007, must complete, not later than July 1, 2010, at least:

- (1) the pre-basic training course established under IC 5-2-1-9(f); and
- (2) the minimum basic training and educational requirements adopted by the law enforcement training board under IC 5-2-1-9 as necessary for employment as a law enforcement officer.

(b) As set forth in IC 5-2-1-9, an individual appointed as a school corporation **or charter school** police officer may not:

- (1) make an arrest;
- (2) conduct a search or a seizure of a person or property; or
- (3) carry a firearm;

unless the school corporation **or charter school** police officer successfully completes a pre-basic training course under IC 5-2-1-9(f).

SECTION 18. IC 20-26-16-6, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) A school corporation **or charter school** police officer appointed under this chapter:



- (1) is a law enforcement officer (as defined in IC 5-2-1-2(1));
- (2) must take an appropriate oath of office in a form and manner prescribed by the governing body **or the equivalent for a charter school**;
- (3) serves at the governing body's (**or the equivalent for a charter school**) pleasure; and
- (4) performs the duties that the governing body **or the equivalent for a charter school** assigns.

(b) School corporation **or charter school** police officers appointed under this chapter have general police powers, including the power to arrest, without process, all persons who within their view commit any offense. They have the same common law and statutory powers, privileges, and immunities as sheriffs and constables, except that they are empowered to serve civil process only to the extent authorized by the employing governing body **or the equivalent for a school corporation**; however, any powers may be expressly forbidden them by the governing body (**or the equivalent for a charter school**) employing them. In addition to any other powers or duties, such police officers shall enforce and assist the educators and administrators of their school corporation **or charter school** in the enforcement of the rules and regulations of the school corporation **or charter school** and assist and cooperate with other law enforcement agencies and officers.

(c) Such police officers may exercise the powers granted under this section only upon any property owned, leased, or occupied by the school corporation **or charter school**, including the streets passing through and adjacent to the property. Additional jurisdiction may be established by agreement with the chief of police of the municipality or sheriff of the county or the appropriate law enforcement agency where the property is located, dependent upon the jurisdiction involved.

SECTION 19. IC 20-27-9-2, AS ADDED BY P.L.1-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. The governing body of a school corporation may allow, by written authorization, the use of a school bus **or a special purpose bus** for the transportation of adults at least sixty-five (65) years of age **or disabled adults**.

SECTION 14. IC 20-27-9-5, AS AMENDED BY P.L.228-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) A special purpose bus may be used:

- (1) by a school corporation to provide regular transportation of a student between one (1) school and another school but not between the student's residence and the school;



(2) to transport students and their supervisors, including coaches, managers, and sponsors to athletic or other extracurricular school activities and field trips;

(3) by a school corporation to provide transportation between an individual's residence and the school for an individual enrolled in a special program for the habilitation or rehabilitation of persons with a developmental or physical disability, and, if applicable, the individual's sibling; ~~and~~

(4) to transport homeless students under IC 20-27-12; **and**

**(5) to transport adults under section 2 of this chapter.**

(b) The mileage limitation of section 3 of this chapter does not apply to special purpose buses.

(c) The operator of a special purpose bus must be at least twenty-one (21) years of age, be authorized by the school corporation, and meet the following requirements:

(1) If the special purpose bus has a capacity of less than sixteen (16) passengers, the operator must hold a valid:

(A) operator's;

(B) chauffeur's;

(C) public passenger chauffeur's; or

(D) commercial driver's;

license.

(2) If the special purpose bus has a capacity of more than fifteen (15) passengers, the operator must meet the requirements for a school bus driver set out in IC 20-27-8.

(d) A special purpose bus is not required to be constructed, equipped, or painted as specified for school buses under this article or by the rules of the committee.

(e) An owner or operator of a special purpose bus, other than a special purpose bus owned or operated by a school corporation or a nonpublic school, is subject to IC 8-2.1."

Page 23, delete line 42.

Delete pages 24 through 26.

Page 27, delete lines 1 through 31.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1641 as introduced.)

BEHNING

Committee Vote: yeas 9, nays 4.

**EH 1641—LS 7242/DI 116**



## HOUSE MOTION

Mr. Speaker: I move that House Bill 1641 be amended to read as follows:

Page 18, line 30, after "conduct" insert "**kindergarten through grade 12**".

Page 22, line 14, delete "or" and insert "**for any combination of kindergarten through grade 12**".

Page 22, line 18, delete "(c)." and insert "**(c) and uses the vacant or unused school building to provide classroom instruction to students in any combination of kindergarten through grade 12.**".

Page 22, line 36, after "(b)" insert "**A charter school or neighboring school corporation that purchases a school building assumes total control of the school building and must ensure that the charter school or neighboring school corporation maintains the school building, including utilities, insurance, maintenance, and repairs.**".

(Reference is to HB 1641 as printed February 12, 2019.)

BEHNING

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 HOUSE MOTION

Mr. Speaker: I move that House Bill 1641 be amended to read as follows:

Page 3, between lines 19 and 20, begin a new paragraph and insert: "SECTION 3. IC 20-24-4-1, AS AMENDED BY P.L.192-2018, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) A charter must meet the following requirements:

- (1) Be a written instrument.
- (2) Be executed by an authorizer and an organizer.
- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.
- (4) Confirm the status of a charter school as a public school.
- (5) Subject to subdivision (6)(E), be granted for:
  - (A) not less than three (3) years or more than ~~seven (7)~~ **five (5)** years; and
  - (B) a fixed number of years agreed to by the authorizer and the organizer.
- (6) Provide for the following:

**EH 1641—LS 7242/DI 116**



- (A) A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect.
- (B) Renewal, if the authorizer and the organizer agree to renew the charter.
- (C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.
- (D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:
- (i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;
  - (ii) describe improvements undertaken or planned for the charter school; and
  - (iii) detail the charter school's PLANS for the next charter term.
- (E) Not later than the end of the calendar year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer. The authorizer shall make a final ruling on the renewal application not later than April 1 after the filing of the renewal application. A renewal granted under this clause is not subject to the three (3) year minimum described in subdivision (5). The April 1 deadline does not apply to any review or appeal of a final ruling. After the final ruling is issued, the charter school may obtain further review by the authorizer of the authorizer's final ruling in accordance with the terms of the charter school's charter and the protocols of the authorizer.
- (7) Specify the grounds for the authorizer to:
- (A) revoke the charter before the end of the term for which the charter is granted; or
  - (B) not renew a charter.
- (8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:
- (A) Evidence of improvement in:
    - (i) assessment measures, including the statewide assessment



program measures;

(ii) attendance rates;

(iii) graduation rates (if appropriate);

(iv) increased numbers of Indiana diplomas with a Core 40 designation and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);

(v) increased numbers of Indiana diplomas with Core 40 with academic honors and technical honors designations (if appropriate);

(vi) student academic growth;

(vii) financial performance and stability; and

(viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.

(B) Evidence of progress toward reaching the educational goals set by the organizer.

(9) Describe the method to be used to monitor the charter school's:

(A) compliance with applicable law; and

(B) performance in meeting targeted educational performance.

(10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.

(11) Describe specific operating requirements, including all the matters set forth in the application for the charter.

(12) Specify a date when the charter school will:

(A) begin school operations; and

(B) have students attending the charter school.

(13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.

(14) Specify that records provided by the charter school to the department or authorizer that relate to compliance by the organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.

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

(16) This subdivision applies to a charter established or renewed





for an adult high school after June 30, 2014. The charter must require:

- (A) that the school will offer flexible scheduling;
- (B) that students will not complete the majority of instruction of the school's curriculum online or through remote instruction;
- (C) that the school will offer dual credit or industry certification course work that aligns with career pathways as recommended by the Indiana career council established by IC 22-4.5-9-3; and
- (D) a plan:
  - (i) to support successful program completion and to assist transition of graduates to the workforce or to a postsecondary education upon receiving a diploma from the adult high school; and
  - (ii) to review individual student accomplishments and success after a student receives a diploma from the adult high school.

(b) A charter school shall set annual performance targets in conjunction with the charter school's authorizer. The annual performance targets shall be designed to help each school meet applicable federal, state, and authorizer expectations."

Renumber all SECTIONS consecutively.

(Reference is to HB 1641 as printed February 12, 2019.)

SMITH V

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#### COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred House Bill No. 1641, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective date in SECTION 1 with "[EFFECTIVE UPON PASSAGE]".

Replace the effective dates in SECTIONS 5 through 10 with "[EFFECTIVE UPON PASSAGE]".

Replace the effective date in SECTION 12 with "[EFFECTIVE UPON PASSAGE]".

**EH 1641—LS 7242/DI 116**



Replace the effective date in SECTION 22 with "[EFFECTIVE UPON PASSAGE]".

Page 2, between lines 13 and 14, begin a new paragraph and insert:  
 "SECTION 2. IC 20-23-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

**Chapter 5.5. Pilot Program for Annexation and Disannexation of a Township**

**Sec. 0.5. (a)** A two (2) year pilot program is established to monitor, measure, and gather data concerning the financial impacts, including on transportation costs, of the disannexation of a territory from a relinquishing school corporation to an acquiring school corporation. The state board shall administer the pilot program.

**(b)** A disannexation under the pilot program may be initiated under section 9(a)(2) of this chapter only by the fiscal body and township executive of Greene Township, in St. Joseph County.

**Sec. 1. (a)** A disannexation may not occur under the pilot program if any of the following apply on the date a resolution is adopted under section 9 of this chapter:

**(1)** A building is located within the territory proposed to be disannexed that is being used as a school by the relinquishing school corporation.

**(2)** A building is located within the territory proposed to be disannexed on which there is bond indebtedness owed by the relinquishing school corporation.

**(3)** A building is located within the territory proposed to be disannexed that is the subject of a lease entered into by the relinquishing school corporation before April 15, 2019, to allow the relinquishing school corporation to use the building as a school.

**(b)** This chapter does not limit the ability of a school corporation to proceed in an annexation under IC 20-23-5.

**Sec. 2.** As used in this chapter, "acquiring school corporation" means a school corporation that acquires territory as a result of disannexation under the pilot program established by section 0.5 of this chapter.

**Sec. 3.** As used in this chapter, "annex", "annexing", "annexation", and "school annexation" mean any action whereby the boundaries of an acquiring school corporation are changed so that additional territory, constituting all or part of any one (1) or more relinquishing school corporations, is transferred to the



acquiring school corporation under the pilot program established by section 0.5 of this chapter.

**Sec. 4.** As used in this chapter, "disannex", "disannexing", "disannexation", and "school disannexation" mean any action whereby:

- (1) the boundaries of a school corporation are changed by removing territory from a relinquishing school corporation; and
- (2) the territory is transferred to an acquiring school corporation by annexation;

under the pilot program established by section 0.5 of this chapter.

**Sec. 5.** As used in this chapter, "relinquishing school corporation" means a school corporation that relinquishes territory to an acquiring school corporation by disannexation under the pilot program established by section 0.5 of this chapter.

**Sec. 6.** As used in this chapter, "school corporation" has the meaning set forth in IC 20-18-2-16(a).

**Sec. 7.** As used in this chapter, "territory" means the entire territory of a township.

**Sec. 8.** Except as provided in section 1 of this chapter, territory may be disannexed from a school corporation under the pilot program established by section 0.5 of this chapter.

**Sec. 9. (a)** Subject to approval of a plan described in subsection (c), a disannexation may be initiated by the adoption of a substantially identical disannexation resolution by:

- (1) an acquiring school corporation's governing body; and
- (2) the fiscal body of the township that is to be disannexed, with approval of the township executive.

**(b)** The resolution described in subsection (a) must contain the following items:

- (1) The name of the school corporation from which the territory is to be disannexed.
- (2) A description of the territory to be disannexed.
- (3) The name of the acquiring school corporation.
- (4) The date the disannexation takes place.
- (5) Any terms and conditions facilitating education of students in the acquiring school corporation.

**(c)** Subject to section 14 of this chapter, the resolution must be supported by a plan for the organization of the acquiring school corporation that includes the following information:

- (1) The willingness and ability of the acquiring school corporation to accommodate and provide efficient and



equitable educational opportunity to students from the territory.

(2) Proposed disposition of assets and liabilities of the relinquishing school corporation to the acquiring school corporation.

(3) Proposed allocation between the acquiring and relinquishing school corporations of subsequently collected school taxes levied on property in the annexed territory.

(4) Proposed amount, if any, to be paid by the acquiring school corporation to the relinquishing school corporation on account of property received from the relinquishing school corporation.

(5) Additional information as required by the state board.

Dispositions, allocations, and amounts transferred under this subsection must be equitable, as determined by the state board. Dispositions, allocations, and amounts transferred shall be considered equitable if the plan is approved by the state board under section 10(a)(4) of this chapter.

(d) After adoption of the resolution:

(1) the resolution; and

(2) the plan for the organization of the acquiring school corporation;

must be filed with the state board.

Sec. 10. (a) The state board shall:

(1) receive and examine each resolution and plan submitted under section 9 of this chapter and approve each plan that meets the standards of the state board;

(2) adopt a set of minimum considerations for a plan that include:

(A) ensuring efficient and equitable educational opportunities for all students of the acquiring school corporation and relinquishing school corporation;

(B) the positive and negative effects on the acquiring and relinquishing school corporations;

(C) the economic interests of the acquiring and relinquishing school corporations related to changing the boundaries of the school corporations; and

(D) a determination of whether the disannexation is prohibited under section 1 of this chapter;

(3) not later than ninety (90) days after receipt of a plan, hold a public hearing in the county in which the largest part of the territory to be disannexed is located to allow residents of the



affected territory to testify; and

(4) not later than sixty (60) days after the public hearing:

(A) approve or disapprove in writing all or part of the plan; and

(B) notify in writing, by certified mail with return receipt requested, the acquiring school corporation, the relinquishing school corporation, and the fiscal body of the township.

(b) The state board is not required to hold a public hearing on a plan that does not meet the minimum considerations required by the state board. If the state board determines a plan does not meet the minimum considerations required, the state board shall notify in writing, by certified mail with return receipt requested, the acquiring school corporation and the fiscal body of the township.

Sec. 11. (a) If the state board approves the plan under section 10(a)(4) of this chapter, the acquiring school corporation and fiscal body of the township proposed to be disannexed may:

(1) within sixty (60) days of the state board approval of the plan, file a petition in favor of the proposed disannexation of the territory (including the name of the territory) from the relinquishing school corporation (including the name of the relinquishing school corporation) to the acquiring school corporation (including the name of the acquiring school corporation) that is signed by at least fifty-one percent (51%) of the registered voters residing in the territory proposed to be disannexed with the clerk of the circuit court of the county or counties in which the territory proposed to be disannexed is located under section 12 of this chapter; or

(2) after approval of the plan, request that the state board certify the approved plan to the clerk of the circuit court of the county or counties in which the territory proposed to be disannexed is located under section 13 of this chapter. The state board shall certify the approved plan to the clerk of the circuit court of the county or counties in which the territory proposed to be disannexed is located under section 13 of this chapter.

(b) If a petition described in subsection (a)(1) is not filed within sixty (60) days of the state board approval of the plan and a request for certification under subsection (a)(2) has not already been made, the state board shall certify the approved plan to the clerk of the circuit court of the county or counties in which the territory proposed to be disannexed is located under section 13 of this



chapter.

**Sec. 12. (a)** If a petition described in section 11(a)(1) of this chapter is filed with the clerk of the circuit court of the county or counties in which the territory proposed to be disannexed is located, the clerk of the circuit court shall make a certification under the clerk's hand and seal of the clerk's office as to whether the petition is signed by at least fifty-one percent (51%) of the registered voters residing in the territory proposed to be disannexed.

**(b)** If the clerk of the circuit court certifies under subsection (a) that the petition is signed by at least fifty-one percent (51%) of the registered voters residing in the territory proposed to be disannexed, the state board shall:

- (1)** immediately cause notice of the result to be published in the county or counties where the disannexation will take place; and
- (2)** declare the disannexation final and approve the annexation of the territory to the acquiring school corporation by adopting a resolution to that effect.

**(c)** Notice of the adoption of a resolution under subsection (b)(2) must be published at least once in one (1) newspaper of general circulation published in the county or counties where the disannexation will take place.

**Sec. 13. (a)** If a petition is not filed as described in section 11(a)(1) of this chapter, or following a request described in section 11(a)(2) of this chapter, the state board shall certify the approved plan to the clerk of the circuit court of the county or counties in which the territory proposed to be disannexed is located.

**(b)** After receiving a certified plan under subsection (a), the clerk of the circuit court shall make a certification under the clerk's hand and seal of the clerk's office as to:

- (1)** the number of registered voters residing in:
  - (A)** the territory proposed to be disannexed; or
  - (B)** the part of the territory proposed to be disannexed that is located in the county, as disclosed by the voter registration records of the county; and
- (2)** the date of the filing of the plan with the clerk.

If a territory proposed to be disannexed includes only part of a voting precinct, the clerk of the circuit court shall ascertain, from any means available, the number of registered voters residing in the part of the voting precinct that is within the territory proposed to be disannexed.



**(c) The clerk of the circuit court shall do the following:**

**(1) Certify to the county election board the public question of whether the disannexation should take place.**

**(2) Order the county election board to place the following question on the ballot in the territory of the proposed disannexation:**

**"Shall \_\_\_\_\_ (insert the name of the territory) be transferred from \_\_\_\_\_ (insert the relinquishing school corporation) to \_\_\_\_\_ (insert the acquiring school corporation)?"**

**(d) The county election board shall place the question set forth in subsection (c)(2) on the ballot for the next primary election or general election under IC 3-10-9 as a local public question.**

**(e) The county election board, under IC 5-3-1, shall give notice of the public question on the ballot at the primary election or general election. The notice must:**

**(1) clearly state that the election is being held to provide the registered voters an opportunity to approve or reject a proposal for the disannexation of territory from an existing school corporation;**

**(2) state the name of the existing school corporation to which the territory is proposed to be annexed; and**

**(3) designate the date, time, and voting place or places at which the election will be held.**

**(f) The county election board shall place the public question on the ballot in the form prescribed by IC 3-10-9-4. Except as otherwise provided in this chapter, the election is governed by IC 3.**

**(g) The certified result of the local public question shall be filed with the state board.**

**(h) If the majority of the voters voting in an election under this section vote "yes" on the question of disannexation, the state board shall:**

**(1) immediately cause notice of the result to be published in the county or counties where the disannexation will take place; and**

**(2) declare the disannexation final and approve the annexation of the territory to the acquiring school corporation by adopting a resolution to that effect.**

**(i) Notice of the adoption of a resolution under subsection (h)(2) must be published at least once in one (1) newspaper of general circulation published in the county or counties where the disannexation will take place.**



**Sec. 14. (a) A disannexation and annexation to an acquiring school corporation under section 12 or 13 of this chapter take effect on the July 1 following the date of the publication of the notice in section 12(c) or 13(i) of this chapter by the state board, except that the disannexed territory is considered part of the acquiring school corporation for purposes of determining budgets, property tax rates, and property tax levies beginning with the acquiring school corporation's budget year beginning on the January 1 immediately following the July 1 effective date of the disannexation.**

**(b) Except as provided in subsection (c), the relinquishing school corporation and taxpayers of the disannexed territory remain liable for any indebtedness of the relinquishing school corporation in effect on the date the disannexation is effective under this chapter. The amount of outstanding indebtedness for which taxpayers of the disannexed territory that has been transferred remain liable under this section consists of the portion of indebtedness that is in the same proportion as the assessed valuation of the real property in the disannexed territory bears to the assessed valuation of all the real property in the relinquishing school corporation, as determined for the last assessment date before the disannexation occurs. The department of local government finance shall determine the amount, if any, of outstanding indebtedness for which taxpayers of the disannexed territory that has been transferred remain liable under this section. The disannexed territory constitutes a special taxing district for only the purposes of imposing and collecting a property tax levy for payment of the amount of the disannexed territory's portion of the outstanding indebtedness. The relinquishing school corporation shall each year impose and collect the property tax levy in the disannexed territory in an amount determined by the department of local government finance to be used only for payment of the disannexed territory's portion of the outstanding indebtedness.**

**(c) After a disannexation is effective under this chapter, the following apply to debt incurred by the relinquishing school corporation during the period beginning on the date on which a resolution is adopted by an acquiring school corporation under section 9 of this chapter and ending on the date the disannexation is effective under subsection (a):**

**(1) The acquiring school corporation to which the territory is transferred is not liable for and is not required to pay any part of that indebtedness.**





(2) A property tax may not be imposed on the taxpayers of the transferred territory to pay any part of that indebtedness.

(3) The territory that is transferred does not constitute a special taxing district for purposes of paying any part of that indebtedness.

**Sec. 15.** If the relinquishing school corporation owns a building that is located within the territory to be disannexed that:

(1) is not used in whole or in part for classroom instruction at the time a disannexation is initiated; and

(2) was previously used for classroom instruction;

the relinquishing school corporation shall comply with IC 20-26-7.1, including making the building available for lease or purchase to any charter school or neighboring school corporation for one dollar (\$1) per year, before the relinquishing school corporation may sell or exchange, in accordance with IC 20-25-4-14, IC 20-26-5-4(7), or IC 20-26-7-1, the building.

**Sec. 16. (a)** Within sixty (60) days after a disannexation takes place, the governing body of the acquiring school corporation and relinquishing school corporation shall adopt a plan determining the manner in which each governing body shall be constituted. The plan shall be adopted in accordance with the requirements and procedures of IC 20-23-8, except as set out in subsection (b).

(b) The adoption of a plan by the governing body in accordance with IC 20-23-8-10 and its submission to the state board under IC 20-23-8-15 are the only procedures required when an existing plan is changed as follows:

(1) All governing body members are elected at large, and there are no governing body member residency districts.

(2) Governing body members are elected from governing body member residency districts, and the annexed territory is added to or deleted from one (1) or more districts.

(3) A governing body member is appointed from a given area or district, and the annexed territory is added to or deleted from one (1) or more districts or areas.

(4) A governing body member is elected solely by the voters in a school governing body member district, but the addition or deletion of the annexed territory to or from an existing district does not constitute a denial of equal protection of the laws.

If a school corporation elects or appoints members of its governing body both from a school governing body member district encompassing the entire school corporation and from smaller



**districts, the governing body of the acquiring school corporation shall add the annexed territory both to the district consisting of the entire school corporation and to one (1) or more smaller districts. In a comparable situation, the relinquishing school corporation shall delete the annexed territory both from the district consisting of the entire school corporation and from any smaller district or districts. The change in the plan becomes effective upon its approval by the state board. The application of this subsection does not limit the initiation of, or further changes in, any plan under IC 20-23-8.**

**Sec. 17. A disannexation that takes effect under this chapter during the period of the pilot program remains in effect after the expiration of the pilot program.**

**Sec. 18. Before July 1, 2021, the state board shall report any data and information gathered from the pilot program to the legislative council in an electronic format under IC 5-14-6.**

**Sec. 19. This chapter expires July 1, 2021."**

Page 3, delete lines 20 through 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 14.

Page 7, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 5. IC 20-24-8-1, AS ADDED BY P.L.1-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. A charter school may do the following:

- (1) Sue and be sued in its own name.
- (2) For educational purposes, acquire real and personal property or an interest in real and personal property by purchase, gift, grant, devise, or bequest, **or interlocal cooperation under IC 36-1-7.**
- (3) Convey property.
- (4) Enter into contracts in its own name, including contracts for services."

Page 20, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 14. IC 20-26-7.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 7.1. Transfers of Vacant School Buildings to Charter Schools**

**Sec. 1. This chapter does not apply to a school building that on July 1, 2011, is leased or loaned by the school corporation that owns the school building to another entity, if the entity is not a**



building corporation or other entity that is related in any way to, or created by, the school corporation or the governing body.

**Sec. 2.** As used in this chapter, "charter school" has the meaning set forth in IC 20-24-1-4 and includes an entity that has filed an application with an authorizer and is seeking approval from the authorizer to operate a charter school under IC 20-24-3.

**Sec. 3. (a)** Before a governing body may sell or exchange a building described in this section in accordance with IC 20-25-4-14, IC 20-26-5-4(7), or IC 20-26-7-1, and except as provided in this chapter, a governing body shall make available for lease or purchase to any charter school any school building owned by the school corporation or any other entity that is related in any way to, or created by, the school corporation or the governing body, including but not limited to a building corporation, that:

(1) is vacant or unused; and

(2) was previously used for classroom instruction;

in order for the charter school to conduct kindergarten through grade 12 classroom instruction.

**(b)** The following are not required to comply with the requirements provided in section 4 of this chapter:

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

(A) renovate the school building for future use by the school corporation; or

(B) demolish the school building and build a new school building on the same site as the demolished building.

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

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

**(c)** Notwithstanding subsection (a), a lease entered into by a governing body under IC 20-26-5-4(7) prior to July 1, 2019, with an accredited nonpublic school shall remain in full force and effect. In addition, the governing body may, during or at the expiration of the term of such lease, sell the school building leased under IC 20-26-5-4(7) to the nonpublic school at a purchase price mutually agreed to by the governing body and the nonpublic school.

**Sec. 4. (a)** Not later than ten (10) days after passing a resolution or taking other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom



instruction, the governing body shall:

- (1) notify the department of the official action and the effective date that the school building will be closed, no longer used, or no longer occupied;
- (2) make the school building available for inspection by a charter school that notifies the department that it is interested in leasing or purchasing the school building described under section 3 of this chapter; and
- (3) make the following information available to a charter school described in subdivision (2):
  - (A) Estimates of the operating expenses for the school building for the past three (3) years.
  - (B) Written information regarding the condition of the building, including the age of the roof and the HVAC system, and any known conditions which, in the governing body's opinion, require prompt repair or replacement.
  - (C) A description of the property as shown on the current tax statement.

(b) Within five (5) days of receiving notice under subsection (a)(1), the department shall provide written notification to each charter school authorizer (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)) and statewide organizations representing charter schools in Indiana of the school corporation's resolution or official action described in subsection (a), including the date when the school building will close, no longer be used, or become vacant.

(c) The school corporation shall lease the school building to a charter school for one dollar (\$1) per year for as long as the charter school uses the school building for classroom instruction for a term at the charter school's discretion, or sell the school building for one dollar (\$1), if the charter school does the following:

- (1) Within thirty (30) days of receiving the department's notice under subsection (b), a charter school must submit a preliminary request to purchase or lease the school building.
- (2) Subject to subsection (d), within ninety (90) days of receiving the department's notice under subsection (b), a charter school must submit to the school corporation the following information:
  - (A) The name of the charter school that is interested in leasing or purchasing the vacant or unused school building.
  - (B) A time frame, which may not exceed two (2) years from



the date that the school building is to be closed, no longer used, or no longer occupied, in which the charter school intends to begin providing classroom instruction in the vacant or unused school building.

(C) A resolution, adopted by the board of the charter school stating that the board has determined that, after the charter school has made any necessary repairs or modifications, the school building will be sufficient to meet the charter school's needs and can be operated within the charter school's budget.

(D) This clause applies to a vacant or unused school building with more than two hundred thousand (200,000) gross square feet. In addition to the information provided in clauses (A) through (C), a charter school shall submit the following:

(i) The charter school's projected enrollment when all of the grade levels are added.

(ii) A letter from the charter school's authorizer or prospective authorizer that indicates that the charter school's authorizer or prospective authorizer has reviewed the items described in clauses (B) through (C).

(d) If the department does not receive any preliminary requests to purchase or lease a school building within the time frame described in subsection (c)(1) and except as provided in section 7 of this chapter, the department shall send notification to the school corporation that the department has not received any preliminary requests to purchase or lease the school building. Upon receipt of the notification under this subsection, the school corporation may sell or otherwise dispose of the school building in accordance with IC 36-1-11, IC 20-25-4-14, IC 20-26-5-4(7), and section 8 of this chapter.

(e) In the event that two (2) or more charter schools submit a preliminary request to purchase or lease a school building within the time frame described in subsection (c)(1), the department shall send notification to an authorizer described in IC 20-24-1-2.5(3) and each statewide charter school authorizer and statewide organization representing charter schools in Indiana (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)) and the school corporation that the department has received two (2) or more preliminary requests under this section. An authorizer committee shall be established, with each statewide authorizer that has authorized one (1) or more charter schools appointing a



representative, and the committee shall establish the chairperson and procedures for the committee. Within sixty (60) days of receiving notice under this subsection, the committee shall select which charter school may proceed to purchase or lease the school building or determine if two (2) or more charter schools should co-locate within the school building. The committee shall give priority to a charter school located within one (1) mile of the vacant or unused school building. In the event that the committee determines that two (2) or more charter schools should co-locate in the school building, the charter schools have sixty (60) days to submit a memorandum of understanding stating that the charter schools shall be jointly and severally liable for the obligations related to the sale or lease of the school building, and specifying how the charter schools will utilize the school building and share responsibility for operational, maintenance, and renovation expenses. If the charter schools are unable to agree, the charter schools shall be deemed to have revoked their prior request regarding the lease or sale of the school building.

(f) A school corporation shall lease the school building for one dollar (\$1) per year for as long as the charter school uses the school building for classroom instruction for any combination of kindergarten through grade 12 for a term at the charter school's discretion, or sell the school building to the charter school for one dollar (\$1), if the charter school has met the requirements set forth in subsection (c) and uses the vacant or unused school building to provide classroom instruction to students in any combination of kindergarten through grade 12. If a charter school has not met the requirements under subsection (c), the school corporation may, subject to section 7 of this chapter, sell or otherwise dispose of the school building in accordance with IC 36-1-11, IC 20-25-4-14, IC 20-26-5-4(7), and section 8 of this chapter.

Sec. 5. (a) If a school building is sold to a charter school under section 3 or 4 of this chapter and the charter school, or any subsequent owner, subsequently sells or transfers the school building to a third party, the charter school or subsequent owner must transfer an amount equal to the gain in the property minus the adjusted basis (including costs of improvements to the school building) to the school corporation that initially sold the vacant school building to the charter school. Gain and adjusted basis shall be determined in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service regulations and guidelines.



**(b) A charter school that purchases a school building assumes total control of the school building and must maintain the school building, including utilities, insurance, maintenance, and repairs. In the event a charter school does not use the school building for classroom instruction within two (2) years after acquiring the school building, the school building shall revert to the school corporation, which may sell or otherwise dispose of the school building under IC 36-1-11.**

**Sec. 6. During the term of a lease under section 4 of this chapter, the charter school is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. If the lease involves co-locating charter schools, the obligations under the lease of the school building shall be joint and several. The school corporation is responsible for any debt incurred for or liens that attached to the school building before the charter school leased the school building.**

**Sec. 7. (a) This section applies to a school building with a gross square footage of two hundred thousand (200,000) square feet or less.**

**(b) If the school corporation receives notification from the department that the department has not received any preliminary requests to purchase or lease a vacant or unused school building under section 4(c)(1) of this chapter or a charter school has not met the requirements under section 4(c)(2) or 4(e) of this chapter, the school corporation must sell the school building to an accredited nonpublic school or postsecondary educational institution that sends a letter of intent to the school corporation to purchase the vacant or unused school building for an amount not more than the minimum bid for the vacant or unused school building determined in accordance with IC 36-1-11, or an amount agreed to by both parties.**

**(c) The accredited nonpublic school or postsecondary educational institution must submit its letter of intent to purchase the school building within thirty (30) days of the date the school corporation passes a resolution or takes other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction. However, in the event that a charter school has submitted a preliminary request to purchase or lease a school building, the accredited nonpublic school or postsecondary educational institution may send a letter of intent to purchase or lease the school building within ninety (90)**



days of the date that the school corporation passed a resolution or took official action to close, no longer use, or no longer occupy a school building.

(d) Within forty-five (45) days of notice of the minimum bid, the accredited nonpublic school or postsecondary educational institution must provide a binding offer to the school corporation to purchase the property in its current condition and provide a nonrefundable down payment equal to five percent (5%) of the minimum bid or an amount agreed to by both parties. In the event that two (2) or more binding offers are submitted to the school corporation under this subsection, the school corporation may select which offer to accept.

(e) If the sale of the property does not close within one hundred eighty (180) days of the school corporation's receipt of the binding offer, and the delay in closing is not caused by the school corporation or its representatives, the school corporation may refund the down payment and sell or otherwise dispose of the school building under IC 20-25-4-14, IC 20-26-5-4(7), or IC 36-1-11.

Sec. 8. (a) This section applies to the sale of a vacant or unused school building with more than two hundred thousand (200,000) gross square feet under IC 36-1-11, as permitted by this chapter.

(b) In determining whether to accept a proposal to purchase and redevelop the school building and any adjacent property, the governing body must ensure that a charter school that has notified the governing body in writing of its interest in locating the charter school on the redeveloped site is provided adequate facilities on the redeveloped site.

(c) In the event that a charter school does not enter into a lease for the appropriate facilities as part of the initial development of the school building parcel, this section shall no longer be binding on the school corporation or the purchaser of the property, which shall not be required to make the space available for use by another charter school.

Sec. 9. If a school corporation does not comply with the requirements provided in this chapter, the school corporation shall submit any proceeds from the sale of the vacant school building to the state board to provide grants under the charter school and innovation grant program under IC 20-24-13."

Delete pages 21 through 25.

Page 26, delete lines 1 through 40.

Page 30, between lines 19 and 20, begin a new paragraph and insert:





**"(e) If the state board directs the special management team to apply for charter school status under subsection (a)(2), the state board shall notify the charter school authorizer selected for application by the special management team of the state board's decision to direct the school to apply for charter status."**

Page 34, after line 13, begin a new paragraph and insert:

**"SECTION 26. [EFFECTIVE UPON PASSAGE] (a) IC 20-26-7.1, as added by this act, applies to a school building that:**

**(1) was included on the list compiled by the department of education under IC 20-26-7-1(f), before the amendment of IC 20-26-7-1 by this act; or**

**(2) was required to be added to the list not later than August 1, 2019, under IC 20-26-7-1(f), before the amendment of IC 20-26-7-1 by this act.**

**(b) This SECTION expires July 1, 2024.**

**SECTION 27. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1641 as reprinted February 15, 2019.)

RAATZ, Chairperson

Committee Vote: Yeas 7, Nays 2.

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#### SENATE MOTION

Madam President: I move that Engrossed House Bill 1641 be amended to read as follows:

Page 2, delete lines 14 through 42.

Delete pages 3 through 9.

Page 10, delete lines 1 through 27.

Page 29, line 8, delete "." and insert **"and that the projected enrollment of the charter school when all of the grade levels are added or fully implemented will be at least sixty percent (60%) of the maximum annual student enrollment of the school building during the past twenty-five (25) years as validated by records maintained or created by the department."**

Page 29, line 33, after "proceed" insert **"under subsection (c)(2)"**.

Page 29, line 39, delete "building," and insert **"building and, if applicable, that the combined enrollment of the charter schools will**

**EH 1641—LS 7242/DI 116**



**meet or exceed the requirements in subsection (c)(2)(D),".**

Page 32, line 12, after "school that" insert **"is located within one (1) mile of the site to be redeveloped and"**.

Page 32, line 14, after "provided" insert **"with the opportunity to lease"**.

Page 32, line 15, delete "site." and insert **"site at fifty percent (50%) or less than the current market rate for the redeveloped property or a rate agreed upon by the parties."**.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1641 as printed April 12, 2019.)

RAATZ

