



Reprinted
February 20, 2024

ENGROSSED SENATE BILL No. 270

DIGEST OF SB 270 (Updated February 19, 2024 4:53 pm - DI 152)

Citations Affected: IC 20-26; IC 20-46; IC 21-18.

Synopsis: Various education matters. Establishes limitations regarding the lease of school property. Amends the enrollment threshold regarding when a school building is considered underutilized. Makes changes regarding requiring (instead of allowing) a school building to
(Continued next page)

Effective: Upon passage; May 4, 2023 (retroactive); May 10, 2024; July 1, 2024.

**Rogers, Raatz, Donato, Buchanan,
Randolph Lonnie M**

(HOUSE SPONSORS — BEHNING, TESHKA, CARBAUGH, MCGUIRE)

January 16, 2024, read first time and referred to Committee on Education and Career Development.

January 25, 2024, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

February 1, 2024, amended, reported favorably — Do Pass.

February 5, 2024, read second time, amended, ordered engrossed.

February 6, 2024, engrossed. Read third time, passed. Yeas 36, nays 11.

HOUSE ACTION

February 12, 2024, read first time and referred to Committee on Education.

February 15, 2024, amended, reported — Do Pass.

February 19, 2024, read second time, amended, ordered engrossed.

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Digest Continued

be closed or made available for lease or purchase. Provides that school corporations that meet certain requirements regarding sharing operating referendum tax levy and school safety referendum tax levy revenue are not subject to the transfer of vacant school building provisions. Provides that no resolution, referenda, or distributed revenue prior to May 10, 2023, are effective to provide exemption from the transfer of vacant school building provisions. Exempts school corporations that have had a designation as a distressed political subdivision within the previous three years from the transfer of vacant school building provisions. Establishes additional requirements regarding notice, determinations, and appeals under the transfer of vacant school building provisions. Amends requirements with regard to: (1) bringing a civil action to enforce a final order to make a covered school building available for purchase or lease; (2) the time frame for which a school building must be used; and (3) transferring a school building back to a school corporation. Provides that, if a school corporation transfers a covered school building in violation of the transfer of vacant school building provisions, the transfer is void and allows for a court action with the award of attorney's fees. Changes certain formulas to reference property tax levies collected (current law references property tax levies imposed). Requires the commission for higher education to: (1) study and make recommendations; and (2) submit a report; regarding allowing Ivy Tech Community College to award bachelor's degrees and Vincennes University to offer additional programs that lead to a bachelor's degree. Makes conforming changes.



Reprinted
February 20, 2024

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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2023 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 270

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 20-26-5-4, AS AMENDED BY P.L.201-2023,
2 SECTION 160, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) In carrying out the school
4 purposes of a school corporation, the governing body acting on the
5 school corporation's behalf has the following specific powers:
6 (1) In the name of the school corporation, to sue and be sued and
7 to enter into contracts in matters permitted by applicable law.
8 However, a governing body may not use funds received from the
9 state to bring or join in an action against the state, unless the
10 governing body is challenging an adverse decision by a state
11 agency, board, or commission.
12 (2) To take charge of, manage, and conduct the educational affairs of
13 the school corporation and to establish, locate, and provide the
14 necessary schools, school libraries, other libraries where
15 permitted by law, other buildings, facilities, property, and

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- 1 equipment.
- 2 (3) To appropriate from the school corporation's general fund
- 3 (before January 1, 2019) or the school corporation's operations
- 4 fund (after December 31, 2018) an amount, not to exceed the
- 5 greater of three thousand dollars (\$3,000) per budget year or one
- 6 dollar (\$1) per pupil, not to exceed twelve thousand five hundred
- 7 dollars (\$12,500), based on the school corporation's ADM of the
- 8 previous year (as defined in IC 20-43-1-7) to promote the best
- 9 interests of the school corporation through:
- 10 (A) the purchase of meals, decorations, memorabilia, or
- 11 awards;
- 12 (B) provision for expenses incurred in interviewing job
- 13 applicants; or
- 14 (C) developing relations with other governmental units.
- 15 (4) To do the following:
- 16 (A) Acquire, construct, erect, maintain, hold, and contract for
- 17 construction, erection, or maintenance of real estate, real estate
- 18 improvements, or an interest in real estate or real estate
- 19 improvements, as the governing body considers necessary for
- 20 school purposes, including buildings, parts of buildings,
- 21 additions to buildings, rooms, gymnasiums, auditoriums,
- 22 playgrounds, playing and athletic fields, facilities for physical
- 23 training, buildings for administrative, office, warehouse, repair
- 24 activities, or housing school owned buses, landscaping, walks,
- 25 drives, parking areas, roadways, easements and facilities for
- 26 power, sewer, water, roadway, access, storm and surface
- 27 water, drinking water, gas, electricity, other utilities and
- 28 similar purposes, by purchase, either outright for cash (or
- 29 under conditional sales or purchase money contracts providing
- 30 for a retention of a security interest by the seller until payment
- 31 is made or by notes where the contract, security retention, or
- 32 note is permitted by applicable law), by exchange, by gift, by
- 33 devise, by eminent domain, by lease with or without option to
- 34 purchase, or by lease under IC 20-47-2, IC 20-47-3, or
- 35 IC 20-47-5.
- 36 (B) Repair, remodel, remove, or demolish, or to contract for
- 37 the repair, remodeling, removal, or demolition of the real
- 38 estate, real estate improvements, or interest in the real estate
- 39 or real estate improvements, as the governing body considers
- 40 necessary for school purposes.
- 41 (C) Provide for conservation measures through utility
- 42 efficiency programs or under a guaranteed savings contract as



- 1 described in IC 36-1-12.5.
- 2 (5) To acquire personal property or an interest in personal
 3 property as the governing body considers necessary for school
 4 purposes, including buses, motor vehicles, equipment, apparatus,
 5 appliances, books, furniture, and supplies, either by cash purchase
 6 or under conditional sales or purchase money contracts providing
 7 for a security interest by the seller until payment is made or by
 8 notes where the contract, security, retention, or note is permitted
 9 by applicable law, by gift, by devise, by loan, or by lease with or
 10 without option to purchase and to repair, remodel, remove,
 11 relocate, and demolish the personal property. All purchases and
 12 contracts specified under the powers authorized under subdivision
 13 (4) and this subdivision are subject solely to applicable law
 14 relating to purchases and contracting by municipal corporations
 15 in general and to the supervisory control of state agencies as
 16 provided in section 6 of this chapter.
- 17 (6) To sell or exchange real or personal property or interest in real
 18 or personal property that, in the opinion of the governing body, is
 19 not necessary for school purposes, in accordance with IC 20-26-7
 20 and IC 20-26-7.1, to demolish or otherwise dispose of the
 21 property if, in the opinion of the governing body, the property is
 22 not necessary for school purposes and is worthless, and to pay the
 23 expenses for the demolition or disposition.
- 24 (7) **Except as provided under subsections (c) and (d)**, to lease
 25 any school property for a rental that the governing body considers
 26 reasonable or to permit the free use of school property for:
- 27 (A) civic or public purposes; or
- 28 (B) the operation of a school age child care program for
 29 children who are at least five (5) years of age and less than
 30 fifteen (15) years of age that operates before or after the school
 31 day, or both, and during periods when school is not in session;
 32 **if the property is not needed for school purposes. the school**
 33 **property continues to be used primarily for classroom**
 34 **instruction by the school corporation, is not subject to closure**
 35 **under IC 20-26-7-47, and is not a covered school building that**
 36 **must be made available for lease or purchase under**
 37 **IC 20-26-7.1.** Under this subdivision, the governing body may
 38 enter into a ~~long term~~ **lease or use agreement** with a nonprofit
 39 corporation, community service organization, or other
 40 governmental entity, if the corporation, organization, or other
 41 governmental entity will use the property to be leased for civic or
 42 public purposes or for a school age child care program. However,



1 if payment for the property subject to a ~~long term~~ lease **or use**
 2 **agreement** is made from money in the school corporation's debt
 3 service fund, all proceeds from the ~~long term~~ lease **or use**
 4 **agreement** must be deposited in the school corporation's debt
 5 service fund so long as payment for the property has not been
 6 made. The governing body may, at the governing body's option,
 7 use the procedure specified in IC 36-1-11-10 in leasing property
 8 under this subdivision. **If the school property is not being used**
 9 **primarily for classroom instruction or is subject to closure**
 10 **under IC 20-26-7-47, the governing body must first comply**
 11 **with IC 20-26-7 and IC 20-26-7.1 before leasing the school**
 12 **property under this subdivision.**

13 (8) To do the following:

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

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

32 (C) Classify persons or services described in this subdivision
 33 and to adopt a compensation plan with a salary range that is
 34 consistent with IC 20-28-9-1.5.

35 (D) Determine the number of the persons or the amount of the
 36 services employed or contracted for as provided in this
 37 subdivision.

38 (E) Determine the nature and extent of the duties of the
 39 persons described in this subdivision.

40 The compensation, terms of employment, and discharge of
 41 teachers are, however, subject to and governed by the laws
 42 relating to employment, contracting, compensation, and discharge



- 1 of teachers. The compensation, terms of employment, and
2 discharge of bus drivers are subject to and governed by laws
3 relating to employment, contracting, compensation, and discharge
4 of bus drivers.
- 5 (9) Notwithstanding the appropriation limitation in subdivision
6 (3), when the governing body by resolution considers a trip by an
7 employee of the school corporation or by a member of the
8 governing body to be in the interest of the school corporation,
9 including attending meetings, conferences, or examining
10 equipment, buildings, and installation in other areas, to permit the
11 employee to be absent in connection with the trip without any loss
12 in pay and to reimburse the employee or the member the
13 employee's or member's reasonable lodging and meal expenses
14 and necessary transportation expenses. To pay teaching personnel
15 for time spent in sponsoring and working with school related trips
16 or activities.
- 17 (10) Subject to IC 20-27-13, to transport children to and from
18 school, when in the opinion of the governing body the
19 transportation is necessary, including considerations for the safety
20 of the children. The transportation must be otherwise in
21 accordance with applicable law.
- 22 (11) To provide a lunch program for a part or all of the students
23 attending the schools of the school corporation, including the
24 establishment of kitchens, kitchen facilities, kitchen equipment,
25 lunch rooms, the hiring of the necessary personnel to operate the
26 lunch program, and the purchase of material and supplies for the
27 lunch program, charging students for the operational costs of the
28 lunch program, fixing the price per meal or per food item. To
29 operate the lunch program as an extracurricular activity, subject
30 to the supervision of the governing body. To participate in a
31 surplus commodity or lunch aid program.
- 32 (12) To:
- 33 (A) purchase curricular materials and to furnish curricular
34 materials without cost; and
- 35 (B) assess and collect a reasonable fee for lost or significantly
36 damaged curricular materials.
- 37 (13) To accept students transferred from other school corporations
38 and to transfer students to other school corporations in accordance
39 with applicable law.
- 40 (14) To make budgets, to appropriate funds, and to disburse the
41 money of the school corporation in accordance with applicable
42 law. To borrow money against current tax collections and



1 otherwise to borrow money, in accordance with IC 20-48-1.

2 (15) To purchase insurance or to establish and maintain a
3 program of self-insurance relating to the liability of the school
4 corporation or the school corporation's employees in connection
5 with motor vehicles or property and for additional coverage to the
6 extent permitted and in accordance with IC 34-13-3-20. To
7 purchase additional insurance or to establish and maintain a
8 program of self-insurance protecting the school corporation and
9 members of the governing body, employees, contractors, or agents
10 of the school corporation from liability, risk, accident, or loss
11 related to school property, school contract, school or school
12 related activity, including the purchase of insurance or the
13 establishment and maintenance of a self-insurance program
14 protecting persons described in this subdivision against false
15 imprisonment, false arrest, libel, or slander for acts committed in
16 the course of the persons' employment, protecting the school
17 corporation for fire and extended coverage and other casualty
18 risks to the extent of replacement cost, loss of use, and other
19 insurable risks relating to property owned, leased, or held by the
20 school corporation. In accordance with IC 20-26-17, to:

21 (A) participate in a state employee health plan under
22 IC 5-10-8-6.7;

23 (B) purchase insurance; or

24 (C) establish and maintain a program of self-insurance;
25 to benefit school corporation employees, including accident,
26 sickness, health, or dental coverage, provided that a plan of
27 self-insurance must include an aggregate stop-loss provision.

28 (16) To make all applications, to enter into all contracts, and to
29 sign all documents necessary for the receipt of aid, money, or
30 property from the state, the federal government, or from any other
31 source.

32 (17) To defend a member of the governing body or any employee
33 of the school corporation in any suit arising out of the
34 performance of the member's or employee's duties for or
35 employment with, the school corporation, if the governing body
36 by resolution determined that the action was taken in good faith.
37 To save any member or employee harmless from any liability,
38 cost, or damage in connection with the performance, including the
39 payment of legal fees, except where the liability, cost, or damage
40 is predicated on or arises out of the bad faith of the member or
41 employee, or is a claim or judgment based on the member's or
42 employee's malfeasance in office or employment.



- 1 (18) To prepare, make, enforce, amend, or repeal rules,
 2 regulations, and procedures:
 3 (A) for the government and management of the schools,
 4 property, facilities, and activities of the school corporation, the
 5 school corporation's agents, employees, and pupils and for the
 6 operation of the governing body; and
 7 (B) that may be designated by an appropriate title such as
 8 "policy handbook", "bylaws", or "rules and regulations".
 9 (19) To ratify and approve any action taken by a member of the
 10 governing body, an officer of the governing body, or an employee
 11 of the school corporation after the action is taken, if the action
 12 could have been approved in advance, and in connection with the
 13 action to pay the expense or compensation permitted under
 14 IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-26-12-1,
 15 IC 20-40-12, and IC 20-48-1 or any other law.
 16 (20) To exercise any other power and make any expenditure in
 17 carrying out the governing body's general powers and purposes
 18 provided in this chapter or in carrying out the powers delineated
 19 in this section which is reasonable from a business or educational
 20 standpoint in carrying out school purposes of the school
 21 corporation, including the acquisition of property or the
 22 employment or contracting for services, even though the power or
 23 expenditure is not specifically set out in this chapter. The specific
 24 powers set out in this section do not limit the general grant of
 25 powers provided in this chapter except where a limitation is set
 26 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12,
 27 IC 20-40-18 (after December 31, 2018), and IC 20-48-1 by
 28 specific language or by reference to other law.
 29 (b) A superintendent hired under subsection (a)(8):
 30 (1) is not required to hold a teacher's license under IC 20-28-5;
 31 and
 32 (2) is required to have obtained at least a master's degree from an
 33 accredited postsecondary educational institution.
 34 **(c) The governing body acting on the school corporation's behalf**
 35 **may renew a lease or memorandum of understanding described in**
 36 **IC 20-26-7.1-3(d) with a nonprofit organization as described in**
 37 **IC 20-26-7.1-3(d).**
 38 **(d) The governing body acting on the school corporation's**
 39 **behalf may lease any school property for a rental to one (1) or both**
 40 **of the following:**
 41 **(1) The Indiana School for the Blind and Visually Impaired**
 42 **established by IC 20-21-2-1.**



1 **(2) The Indiana School for the Deaf established by**
 2 **IC 20-22-2-1.**

3 **This subsection expires June 30, 2030.**

4 SECTION 2. IC 20-26-7-47, AS ADDED BY P.L.189-2023,
 5 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2024]: Sec. 47. (a) The following definitions apply throughout
 7 this section:

8 (1) "Covered school building" has the meaning set forth in
 9 IC 20-26-7.1-2.1.

10 (2) "Current school year" refers to a year in which the governing
 11 body is required to conduct a review of school building usage
 12 under subsection (c).

13 (3) "Enrollment" refers to the following:

14 (A) Except as provided in clause (B), students counted in
 15 ADM (as defined in IC 20-43-1-6) in the first count date for a
 16 school year fixed under IC 20-43-4-3.

17 (B) With regard to a school corporation, students counted in a
 18 school corporation's fall count of ADM minus all students
 19 counted in the fall count of ADM who are enrolled in eligible
 20 schools that:

21 (i) have entered into an agreement with the school
 22 corporation to participate as a participating innovation
 23 network charter school under IC 20-25.7-5; and

24 (ii) are included in the school corporation's fall ADM count.

25 (4) "Interested person" has the meaning set forth in
 26 IC 20-26-7.1-2.2.

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

28 (1) the total student enrollment for in-person instruction in the
 29 school corporation in the current school year is at least ten percent
 30 (10%) less than the student enrollment for in-person instruction
 31 in the school corporation in a school year that precedes the
 32 current school year by five (5); and

33 (2) the school corporation in the current school year has more
 34 than one (1) school building serving the same grade level as the
 35 school building subject to closure under this section.

36 (c) Each school year, the governing body of a school corporation
 37 shall review the usage of school buildings used by the school
 38 corporation to determine whether any school building should be closed
 39 for the ensuing school year and subsequent school years.

40 (d) A school corporation ~~may~~ **shall** close a school building for the
 41 ensuing school year (and subsequent school years) if:

42 (1) at any time the school building had been used for classroom



- 1 instruction;
- 2 (2) in the current school year and the two (2) school years
- 3 immediately preceding the current school year the school building
- 4 was underutilized for classroom instruction purposes or other
- 5 allowable uses specified by this section;
- 6 (3) as of the end of the school year before the school building is
- 7 required to be closed under this section, the school corporation
- 8 was not subject to a transitional plan adopted by the governing
- 9 body and approved by the department to use the school building
- 10 for an allowable use not later than the next school year after the
- 11 school building is otherwise required to be closed under this
- 12 section;
- 13 (4) in the case of a school building that was used in any part in the
- 14 current school year for instructional purposes, the school
- 15 corporation has another school building:
- 16 (A) with sufficient capacity to take the students using the
- 17 school building being considered for closure; and
- 18 (B) that does not require more than twenty (20) minutes of
- 19 travel time by car or bus from the school building being
- 20 considered for closure; and
- 21 (5) the school building is not a school building described in
- 22 IC 20-26-7.1-1, IC 20-26-7.1-3(b), IC 20-26-7.1-3(c), or
- 23 IC 20-26-7.1-3(d).
- 24 (e) For purposes of this section, a school building is underutilized
- 25 in a school year if the school building is not used for any of the
- 26 following allowable uses:
- 27 (1) The number of full-time equivalent students enrolled for
- 28 in-person instruction in the school building on instructional days
- 29 (as determined under IC 20-30-2) for instructional purposes,
- 30 averaged over the current school year and the two (2) school years
- 31 immediately preceding the current school year, is at least ~~sixty~~
- 32 ~~percent (60%)~~ **fifty percent (50%)** of:
- 33 (A) the known classroom design capacity of the school
- 34 building; or
- 35 (B) if the design capacity is not known, the average maximum
- 36 full-time equivalent enrollment in any of the last twenty-five
- 37 (25) years, as validated by records created or maintained by
- 38 the department.
- 39 (2) The school corporation demonstrates through facts included
- 40 in a resolution that the school building is being used and that it is
- 41 financially prudent to continue to use the school building,
- 42 considering all community resources, for a distinct student



1 population that reasonably cannot be served through integration
 2 with the general school population, such as students attending an
 3 alternative education program (as defined in IC 20-30-8-1).
 4 However, to be an allowable use under this subdivision, the
 5 average number of full-time equivalent students using the school
 6 building in a school year for instructional purposes must be at
 7 least thirty percent (30%) of:

8 (A) the known classroom design capacity of the school
 9 building; or

10 (B) if the design capacity is not known, the average maximum
 11 full-time equivalent enrollment in any of the last twenty-five
 12 (25) years, as validated by records created or maintained by
 13 the department; and

14 (if multiple school buildings are used for the same purposes)
 15 combining the student populations into fewer school buildings is
 16 not reasonably feasible.

17 (3) The school corporation demonstrates through facts included
 18 in a resolution that the school building is being used and that it is
 19 financially prudent to continue to use the school building,
 20 considering all community resources, for administrative or other
 21 school offices. However, to be an allowable use under this
 22 subdivision, at least fifty percent (50%) of the square footage of
 23 the school building must be used for offices, the personnel
 24 headquartered in the school building must consistently use the
 25 space for office purposes, and the occupancy cost of using the
 26 school building cannot be more than comparable office space that
 27 is available in the school district.

28 (4) The school corporation demonstrates through facts included
 29 in a resolution that the school building is being used and that it is
 30 financially prudent to continue to use the school building,
 31 considering all community resources, for storage. However, to be
 32 an allowable use under this subdivision, at least fifty percent
 33 (50%) of the square footage of the school building must be used
 34 for storage, on average the storage space must be used to capacity,
 35 and the cost of using the school building for storage must be less
 36 than comparable storage space that is available in the school
 37 district.

38 (5) The school corporation demonstrates through facts included
 39 in a resolution that the school building is being used and that it is
 40 financially prudent to continue to use the school building,
 41 considering all community resources, for a combination of office
 42 space and storage. However, to be an allowable use under this



1 subdivision, at least fifty percent (50%) of the square footage of
 2 the school building must be used for a combination of office
 3 space and storage and:

4 (A) the personnel headquartered in the school building must
 5 consistently use the office space for office purposes, and the
 6 occupancy cost of using the office space, calculated using the
 7 costs of operating the school building, cannot be more than
 8 comparable office space that is available in the school district;
 9 and

10 (B) on average, the storage space must be used to capacity and
 11 the cost of using the school building for storage must be less
 12 than comparable storage space that is available in the school
 13 district.

14 (f) Closure of a school building that is:

15 (1) owned by the school corporation or any other entity that is
 16 related in any way to, or created by, the school corporation or the
 17 governing body; or

18 (2) jointly owned in the same manner by two (2) or more school
 19 corporations;

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

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

27 (h) If an agreement is not reached within forty-five (45) days after
 28 the date that the school corporation receives the notice under
 29 subsection (g), the charter school or state educational institution may
 30 petition the department to initiate or the department on its own may
 31 initiate a proceeding for a determination as to whether a school
 32 building meets the criteria for closure under this section or a covered
 33 school building that is no longer used for classroom instruction by a
 34 school corporation should be made available under IC 20-26-7.1. If a
 35 charter school or state educational institution petitions the department
 36 under this subsection, the charter school or state educational institution
 37 must provide a copy of the petition to the applicable school
 38 corporation.

39 (i) An interested person that is not otherwise a party to the
 40 proceeding may intervene in the proceeding under subsection (h) as a
 41 party. The school corporation has the burden of going forward with the
 42 evidence and the burden of proof to demonstrate that the school



1 building does not meet the criteria for closure or the covered school
2 building is not required to be made available under IC 20-26-7.1.

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

5 (1) file a response to the petition that notifies the department that
6 the school corporation:

7 (A) is not contesting the petition; or

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

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

12 (k) If the school corporation:

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

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

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

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

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

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

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

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

34 (o) Upon the issuance of a final unappealable order granting a
35 petition, the school corporation ~~may~~ **shall** make the school building
36 available for lease or purchase in accordance with IC 20-26-7.1.

37 SECTION 3. IC 20-26-7.1-1, AS AMENDED BY P.L.189-2023,
38 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 MAY 4, 2023 (RETROACTIVE)]: Sec. 1. **(a) For purposes of this
40 section, "charter school" does not include a virtual charter school
41 or an adult high school.**

42 **(b)** This chapter does not apply to the following:



- 1 (1) A school building that since July 1, 2011, is leased or loaned
- 2 by the school corporation that owns the school building to another
- 3 entity, if the entity is not a building corporation or other entity that
- 4 is related in any way to, or created by, the school corporation or
- 5 the governing body.
- 6 ~~(2) A school corporation that distributes money that is received as~~
- 7 ~~part of a tax levy collected under IC 20-46-1 or IC 20-46-9 to an~~
- 8 ~~applicable charter school.~~
- 9 **(2) A school corporation to which all of the following apply:**
- 10 **(A) The county auditor distributes revenue after May 10,**
- 11 **2023, as required under IC 20-46-1-21 to each charter**
- 12 **school described in IC 20-46-1-21(b).**
- 13 **(B) If the school corporation listed in IC 20-46-9-22**
- 14 **receives revenue from a school safety referendum tax levy**
- 15 **under IC 20-46-9, the county auditor distributes revenue**
- 16 **after May 10, 2023, as required under IC 20-46-9-22 to**
- 17 **each charter school described in IC 20-46-9-22(b).**
- 18 **The above subdivisions are intended to apply retroactively.**
- 19 **No referendums or distributed revenue prior to May 10, 2023,**
- 20 **are effective to provide exemption from this chapter.**
- 21 **(3) A school corporation to which all of the following apply:**
- 22 **(A) The school corporation approves a resolution after**
- 23 **May 10, 2023, to impose an operating referendum tax levy**
- 24 **under IC 20-46-1 after May 10, 2023, that includes sharing**
- 25 **the revenue from the referendum tax levy in the amounts**
- 26 **described in clause (B) with each charter school that:**
- 27 **(i) a student who resides within the attendance area of**
- 28 **the school corporation attends; and**
- 29 **(ii) elects to participate in the referendum.**
- 30 **The above subdivisions are intended to apply retroactively.**
- 31 **No resolutions, referendums, or distributed revenue prior to**
- 32 **May 10, 2023, are effective to provide exemption from this**
- 33 **chapter.**
- 34 **(B) The amount of referendum tax levy revenue that the**
- 35 **school corporation is required to share with each charter**
- 36 **school under the resolution described in clause (A) is equal**
- 37 **to the amount determined applying the formula under**
- 38 **IC 20-46-1-21(d).**
- 39 **(C) The referendum tax levy described in clause (A) is**
- 40 **approved by the voters.**
- 41 **(D) The school corporation distributes the amounts**
- 42 **described in clause (B) to each charter school described in**



- 1 clause (A).
- 2 **(E) If the school corporation receives revenue from a**
- 3 **school safety referendum tax levy under IC 20-46-9, the**
- 4 **school corporation shares the revenue from the school**
- 5 **safety referendum tax levy with each charter school that:**
- 6 **(i) a student who resides within the attendance area of**
- 7 **the school corporation attends; and**
- 8 **(ii) elects to participate in the referendum;**
- 9 **in an amount equal to the amount determined applying the**
- 10 **formula under IC 20-46-9-22(d).**
- 11 **(c) In order for any payment to a charter school to qualify as**
- 12 **sharing of proceeds from a referendum for purposes of exemption**
- 13 **from IC 20-26-7.1, the referendum must have been passed with**
- 14 **prior notice to voters of all amounts of referendum proceeds to be**
- 15 **paid to charter schools. Any claim of exemption based on payment**
- 16 **of proceeds from a referendum passed without such notice is void.**
- 17 SECTION 4. IC 20-26-7.1-3, AS AMENDED BY P.L.189-2023,
- 18 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 19 JULY 1, 2024]: Sec. 3. (a) Except as provided in section 1 of this
- 20 chapter or subsection (b), (c), or (d), before a governing body may sell,
- 21 exchange, lease, demolish, hold without operating, or dispose of a
- 22 covered school building, a governing body shall make available for
- 23 lease or purchase by a charter school or state educational institution
- 24 any covered school building owned by the school corporation or any
- 25 other entity that is related in any way to, or created by, the school
- 26 corporation or the governing body, including a building corporation,
- 27 that the governing body elects to close or the school corporation is
- 28 required to close under IC 20-26-7-47, in order for the covered school
- 29 building to be used by a:
 - 30 (1) charter school to conduct prekindergarten through grade 12
 - 31 classroom instruction; or
 - 32 (2) state educational institution for an academic purpose.
- 33 (b) The following are not required to comply with this chapter:
 - 34 (1) A governing body that vacates a covered school building in
 - 35 order to:
 - 36 (A) renovate the covered school building for a future
 - 37 allowable use by the school corporation as permitted under
 - 38 IC 20-26-7-47; or
 - 39 (B) demolish the covered school building, in whole or part,
 - 40 and build a new school building or an addition to a school
 - 41 building on the same site as the demolished building.
 - 42 (2) An emergency manager of a distressed school corporation



1 under IC 6-1.1-20.3.
 2 (3) The governing body of the School City of East Chicago school
 3 corporation for the Carrie Gosch Elementary School building.
 4 **(4) A school corporation that has had a designation as a**
 5 **distressed political subdivision under IC 6-1.1-20.3 within the**
 6 **previous three (3) years.**
 7 (c) This section does not apply to a covered school building in
 8 which a governing body under IC 20-26-5-4(a)(7) entered a lease prior
 9 to January 1, 2019, with a state accredited nonpublic school. In
 10 addition, the governing body may, during or at the expiration of the
 11 term of such lease, sell the school building leased under
 12 IC 20-26-5-4(a)(7) to the nonpublic school at a purchase price mutually
 13 agreed to by the governing body and the nonpublic school.
 14 (d) This section does not apply to a covered school building of a
 15 school corporation to which the following apply:
 16 (1) The school corporation had, before January 1, 2023, entered
 17 into a lease or memorandum of understanding with a nonprofit
 18 organization exempt from federal taxation under Section
 19 501(c)(3) through 501(c)(7) of the Internal Revenue Code for the
 20 use of the covered school building.
 21 (2) The lease or memorandum of understanding described in
 22 subdivision (1):
 23 (A) continues in effect;
 24 (B) is renewed; or
 25 (C) is replaced by a new lease or memorandum of
 26 understanding that is entered into between the school
 27 corporation and the nonprofit organization described in
 28 subdivision (1).
 29 (3) The nonprofit organization described in subdivision (1) uses
 30 the covered school building for an educational purpose
 31 throughout the term of any lease or memorandum of
 32 understanding.
 33 If at any time the conditions under subdivisions (2) and (3) are not met,
 34 the covered school building is subject to IC 20-26-7-47 and this
 35 chapter.
 36 (e) A covered school building that a school corporation closes or is
 37 required to close may not be retained by the school corporation for
 38 storage or office use unless the conditions of IC 20-26-7-47(e)(3),
 39 IC 20-26-7-47(e)(4), or IC 20-26-7-47(e)(5) are met.
 40 SECTION 5. IC 20-26-7.1-4, AS AMENDED BY P.L.189-2023,
 41 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2024]: Sec. 4. (a) ~~A school corporation shall notify the~~



1 department Not later than thirty (30) days after the date the a governing
 2 body elects to close of a school corporation determines at a public
 3 meeting to cease using a covered school building and include with the
 4 notification whether the school corporation contends that the building
 5 should or should not be made available as provided by this chapter.
 6 The school corporation shall notify the department in the annual report
 7 required under IC 20-26-7-48 that the school corporation elects to or
 8 is required under IC 20-26-7-47 to close a covered school building. The
 9 notice must be in the annual report submitted under IC 20-26-7-48 after
 10 the school elects to or is required to close the covered school building.
 11 The department shall notify interested persons concerning the
 12 availability of a covered school building under subsection (d): for
 13 classroom instruction on student instructional days (as described
 14 in IC 20-30-2-2) for a school year as required under IC 20-30-2-3,
 15 a school corporation shall provide written notice to the department
 16 regarding the date that the covered school building has ceased or
 17 will cease being used for classroom instruction as described in this
 18 subsection.

19 (b) If the school corporation does not intend to make a covered
 20 school building available for lease or purchase in accordance with
 21 this chapter, the school corporation shall state in the notice
 22 required under subsection (a) the factual and legal basis for the
 23 school corporation's contention that the covered school building is
 24 not required to be made available under this chapter. Any claim
 25 for exclusion from a requirement to make the covered school
 26 building available under this chapter which is not stated in the
 27 notice under this subsection is waived.

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

32 (d) Not later than fifteen (15) days after the date that the
 33 department receives a notice from a school corporation under
 34 subsection (a), the department shall provide written notice to all
 35 interested persons regarding the notice from the school
 36 corporation submitted under subsection (a).

37 (e) If a notice from a school corporation under subsection (a)
 38 acknowledges that the covered school building will be made
 39 available in accordance with this chapter, the department's notice
 40 to interested persons shall provide that any notice of interest by an
 41 interested person for the covered school building must be
 42 submitted to the department not later than sixty (60) days after the



1 date the interested person receives the department's notice under
2 subsection (d).

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

11 (g) The department shall, not later than sixty (60) days after the
12 date that a rebuttal is due under subsection (f), issue a
13 determination to the school corporation and interested persons as
14 to whether the covered school building must be made available
15 under this chapter. The department shall publish a copy of the
16 department's determination on the department's website.

17 (h) Not later than thirty (30) days after the date that the
18 department issues a determination under subsection (g), a school
19 corporation or interested person may appeal the determination to
20 the state board. An appeal to the state board shall be subject to the
21 procedure described in IC 20-26-11-15(b).

22 (b) (i) Not later than fifteen (15) days after:

23 (1) the department receives the earliest notice under subsection
24 (a); or

25 (2) if the department determines that a covered school building
26 qualifies for closure under IC 20-26-7-47, the date a final order to
27 close a covered school building is issued under IC 20-26-7-47;
28 the governing body shall take the actions specified by this subsection
29 and subsection (c). The department shall order a school corporation to
30 comply with this subsection and subsection (c) and request that the
31 attorney general enforce the order under section 9(a) of this chapter.

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

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

38 the governing body shall take the actions specified by subsection
39 (j). If the governing body fails to take the actions, the department
40 shall request that the attorney general enforce the order under
41 section 9(a) of this chapter.

42 (c) (j) If a covered school building is to be made available, the



- 1 governing body shall do the following:
- 2 (1) Make the covered school building available for inspection by
- 3 a charter school or state educational institution that notifies the
- 4 department that it is interested in leasing or purchasing the
- 5 covered school building.
- 6 (2) Make the following information available to a charter school
- 7 or state educational institution described in subdivision (1):
- 8 (A) Estimates of the operating expenses for the covered school
- 9 building for the past three (3) years.
- 10 (B) Written information regarding the condition of the covered
- 11 school building, including the age of the roof and the HVAC
- 12 system, and any known conditions which, in the governing
- 13 body's opinion, require prompt repair or replacement.
- 14 (C) A legal description of the property.
- 15 (d) Not later than fifteen (15) days after the earlier of:
- 16 (1) receiving the earliest notice under subsection (a); or
- 17 (2) if the department determines that a covered school building
- 18 qualifies for closure under IC 20-26-7-47, the date a final
- 19 unappealable order to close a covered school building is issued
- 20 under IC 20-26-7-47;
- 21 the department shall place a notice on the department's website that the
- 22 covered school building is available for purchase or lease under this
- 23 chapter and provide written notification to each interested person;
- 24 including the date when the covered school building will close, no
- 25 longer be used, or become vacant.
- 26 **(k) If the governing body fails to take the actions required under**
- 27 **subsection (j), a charter school having notified the school**
- 28 **corporation of its interest in the covered school building is entitled**
- 29 **to an injunction requiring the governing body to take the actions**
- 30 **under subsection (j).**
- 31 (e) (l) The school corporation shall lease the covered school
- 32 building to a charter school or state educational institution for one
- 33 dollar (\$1) per year for as long as the state educational institution uses
- 34 the covered school building for an academic purpose or the charter
- 35 school uses the covered school building for classroom instruction, for
- 36 a term at the state educational institution's or charter school's
- 37 discretion, or sell the covered school building for one dollar (\$1), if the
- 38 charter school or state educational institution does the following:
- 39 (1) Within ninety (90) days of receiving the department's notice
- 40 under subsection (d), a charter school or state educational
- 41 institution must submit a preliminary request to purchase or lease
- 42 the covered school building.



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

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

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

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

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

15 (C) A resolution, adopted by the board of the charter school or
 16 state educational institution stating that the board of the
 17 charter school or state educational institution has determined
 18 that, after the charter school or state educational institution has
 19 made any necessary repairs or modifications, the covered
 20 school building will be sufficient to meet the charter school's
 21 or state educational institution's needs and can be operated
 22 within the charter school's or state educational institution's
 23 budget.

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

33 ~~(g)~~ **(n)** If only one (1) charter school submits a preliminary request
 34 to purchase or lease the covered school building, the department shall
 35 notify the school corporation of the identity of the charter school and
 36 direct the school corporation to complete a sale or lease to the charter
 37 school in accordance with subsection ~~(k)~~; **(r)**. In the event that two (2)
 38 or more charter schools submit a preliminary request to purchase or
 39 lease a covered school building within the time frame described in
 40 subsection ~~(e)(1)~~; **(l)(1)**, the department shall send notification to each
 41 interested person and the school corporation that the department has
 42 received two (2) or more preliminary requests under this section. An



1 authorizer committee shall be established, with each statewide
 2 authorizer that has authorized one (1) or more charter schools
 3 appointing a representative, and the committee shall establish the
 4 chairperson and procedures for the committee. Within sixty (60) days
 5 of receiving notice under this subsection, the committee shall select
 6 which charter school may proceed under subsection ~~(k)~~ (r) to purchase
 7 or lease the covered school building or determine if two (2) or more
 8 charter schools should co-locate within the covered school building.
 9 The committee shall base the committee's decision on the following
 10 criteria:

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

13 (2) If two (2) or more charter schools of proven academic
 14 performance are competing and only one (1) charter school is
 15 operating in the county in which the covered school building is
 16 located, the charter school in the same county as the covered
 17 school building shall be given preference.

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

36 ~~(h)~~ (o) If a charter school does not submit a preliminary request to
 37 purchase or lease the covered school building and only one (1) state
 38 educational institution submits a preliminary request to purchase or
 39 lease the covered school building, the department shall:

40 (1) notify the school corporation of the identity of the state
 41 educational institution; and

42 (2) direct the school corporation to complete a sale or lease to the



- 1 state educational institution in accordance with subsection ~~(k)~~:
 2 **(r)**.
- 3 ~~(i)~~ **(p)** If one (1) or more state educational institutions submit
 4 preliminary requests to purchase or lease a covered school building, a
 5 selection committee shall be established consisting of one (1) member
 6 appointed by the executive of the largest city or town in the county in
 7 which the covered school building is located, one (1) member
 8 appointed by the city or town council of the largest city or town in the
 9 county in which the covered school building is located, one (1) member
 10 appointed by the county commissioners of the county in which the
 11 covered school building is located, one (1) member appointed by the
 12 county council of the county in which the covered school building is
 13 located, and one (1) member appointed by the chamber of commerce
 14 of the county in which the covered school building is located.
- 15 ~~(j)~~ **(q)** Not later than sixty (60) days after the date that a member is
 16 appointed under subsection ~~(i)~~, **(p)**, the committee shall:
- 17 (1) select which state educational institution may proceed to
 18 purchase or lease the covered school building; or
 19 (2) determine whether more than one (1) state educational
 20 institution should co-locate within the covered school building.
- 21 In making the committee's determination, the committee shall give
 22 preference to a state educational institution whose proposed use of the
 23 covered school building is assessed as having the greatest educational
 24 benefit for prekindergarten through grade 12 education. A committee
 25 determination under this subsection may not be appealed.
- 26 ~~(k)~~ **(r)** A school corporation shall lease the covered school building
 27 for one dollar (\$1) per year to the charter school or state educational
 28 institution for as long as the:
- 29 (1) charter school uses the covered school building for classroom
 30 instruction for any combination of kindergarten through grade 12;
 31 or
 32 (2) state educational institution uses the covered school building
 33 for an academic purpose.
- 34 The term of the lease shall be established at the charter school's or state
 35 educational institution's discretion and include an option for the state
 36 educational institution or charter school to purchase the covered school
 37 building for one dollar (\$1). Alternatively, the school corporation shall
 38 sell the covered school building to the charter school or state
 39 educational institution for one dollar (\$1), if the charter school or state
 40 educational institution has met the requirements set forth in subsection
 41 ~~(e)~~ **(l)** and uses the covered school building in the manner prescribed
 42 by this subsection. If the charter school or state educational institution



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

15 SECTION 6. IC 20-26-7.1-5, AS AMENDED BY P.L.189-2023,
 16 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2024]: Sec. 5. (a) If:

- 18 (1) a covered school building is sold to a charter school or state
 19 educational institution under section 4 of this chapter; and
 20 (2) the charter school or state educational institution described in
 21 subdivision (1) no longer intends to use the covered school
 22 building for the purposes described in section ~~4(e)~~ **4(I)** of this
 23 chapter;

24 the charter school or state educational institution shall offer to transfer
 25 the covered school building back to the school corporation that initially
 26 sold the covered school building to the charter school or state
 27 educational institution.

28 (b) If a school corporation described in subsection (a) declines the
 29 offer to transfer a covered school building back to the school
 30 corporation, the charter school or state educational institution may sell
 31 or transfer the covered school building to a third party. If a charter
 32 school or state educational institution sells or transfers a covered
 33 school building to a third party under this subsection, the charter school
 34 or state educational institution must transfer an amount equal to the
 35 gain in the property minus the adjusted basis (including costs of
 36 improvements to the covered school building) to the school corporation
 37 that initially sold the covered school building to the charter school or
 38 state educational institution. Gain and adjusted basis shall be
 39 determined in the manner prescribed by the Internal Revenue Code and
 40 the applicable Internal Revenue Service regulations and guidelines.

41 (c) A charter school or state educational institution that purchases
 42 a covered school building assumes total control of the covered school



1 building and must maintain the covered school building, including
 2 utilities, insurance, maintenance, and repairs. In the event a:

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

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

7 within two (2) years after acquiring the covered school building, the
 8 covered school building shall revert to the school corporation, which
 9 may sell or otherwise dispose of the covered school building under
 10 IC 36-1-11.

11 SECTION 7. IC 20-26-7.1-5.3, AS ADDED BY P.L.189-2023,
 12 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2024]: Sec. 5.3. (a) This section applies to a covered school
 14 building to which the following apply:

15 (1) **The covered school building was purchased or leased by a**
 16 **charter school under this chapter.**

17 (2) **The total student enrollment for in-person instruction in**
 18 **the school building in the current school year is at least ten**
 19 **percent (10%) less than the student enrollment for in-person**
 20 **instruction in the school building in a school year that**
 21 **precedes the current school year by five (5).**

22 (b) A school corporation may not petition the department under
 23 subsection (c) within the first five (5) years after a charter school
 24 purchased or initially leased a covered school building under this
 25 chapter.

26 (c) **Subject to subsection (f)**, if the number of full-time equivalent
 27 students enrolled for in-person instruction in a school building on
 28 instructional days (as determined under IC 20-30-2) for instructional
 29 purposes for a school year is not at least ~~sixty fifty~~ percent ~~(60%)~~
 30 **(50%)** of

31 ~~(1) the known~~ classroom design capacity of the school building,
 32 ~~or~~

33 ~~(2) if the design capacity is not known; the average maximum~~
 34 ~~full-time equivalent enrollment in any of the last twenty-five (25)~~
 35 ~~years; as validated by records created or maintained by the~~
 36 ~~department;~~

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

41 (d) Before filing a petition under subsection (c), the school
 42 corporation must give written notice to the charter school to determine



1 whether an agreement can be reached regarding transferring the school
2 building to the school corporation.

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

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

12 SECTION 8. IC 20-26-7.1-9, AS AMENDED BY P.L.189-2023,
13 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2024]: Sec. 9. (a) The attorney general, in consultation with
15 the department and state board, is authorized to take any action
16 necessary to enforce a department or state board order under
17 IC 20-26-7-47 or this chapter (or an order issued by the attorney
18 general under this chapter (as effective before July 1, 2023)), including
19 equitable actions to enjoin or mandate an action of a school
20 corporation. No final court order shall be issued until the school
21 corporation has had ninety (90) days after the department or state board
22 has issued a final order to complete a sale or lease of the covered
23 school building.

24 **(b) If the attorney general does not commence legal action for an**
25 **injunction to enforce a final order to make a covered school building**
26 **available for purchase or lease under this chapter within one hundred**
27 **(100) days after the date the final order was issued, the a charter school**
28 **or state educational institution that submitted the preliminary notice of**
29 **interest to acquire or lease the covered school building provides, any**
30 **time before one hundred (100) days after the date the final order**
31 **was issued, a written notice of interest to purchase or lease the**
32 **school building to the:**

33 **(1) school corporation;**

34 **(2) department; and**

35 **(3) office of the attorney general;**

36 may file a civil action to enforce this chapter.

37 ~~(b)~~ **(c) In addition to the remedy under subsections (a)**
38 **and (b), if a school corporation does not comply with the requirements**
39 **to sell or lease a covered school building under this chapter, the school**
40 **corporation shall submit any proceeds from the sale of the covered**
41 **school building to the state board, which shall be distributed equally**
42 **between each charter school located in the attendance area of the**



1 school corporation. If no charter schools are located in the attendance
 2 area, the state board must use the proceeds to provide grants under the
 3 charter school and innovation grant program under IC 20-24-13. The
 4 attorney general is authorized to initiate any legal action necessary to
 5 ensure compliance with this chapter, **including ensuring compliance**
 6 **by the department regarding providing notification to interested**
 7 **persons under section 4 of this chapter.**

8 **(d) If a school corporation transfers a covered school building**
 9 **in violation of this chapter, the transfer is void. The attorney**
 10 **general or a charter school may bring an action in court against**
 11 **the school corporation and the transferee to enjoin the violation of**
 12 **this chapter and void the transfer of the covered school building.**
 13 **If a charter school brings an action under this subsection and the**
 14 **court finds a school corporation transferred a covered school**
 15 **building in violation of this chapter, the court shall award**
 16 **reasonable attorney's fees to the charter school.**

17 SECTION 9. IC 20-26-7.1-11 IS ADDED TO THE INDIANA
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2024]: **Sec. 11. IC 20-26-7-47 and this**
 20 **chapter shall be liberally construed to serve the legislative purpose**
 21 **of making closed covered school buildings available for use by**
 22 **charter schools.**

23 SECTION 10. IC 20-46-1-8, AS AMENDED BY P.L.189-2023,
 24 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 MAY 10, 2024]: Sec. 8. (a) Subject to subsections (e), (f), and (g) and
 26 this chapter, the governing body of a school corporation may adopt a
 27 resolution to place a referendum under this chapter on the ballot for any
 28 of the following purposes:

29 (1) The governing body of the school corporation determines that
 30 it cannot, in a calendar year, carry out its public educational duty
 31 unless it imposes a referendum tax levy under this chapter.

32 (2) The governing body of the school corporation determines that
 33 a referendum tax levy under this chapter should be imposed to
 34 replace property tax revenue that the school corporation will not
 35 receive because of the application of the credit under
 36 IC 6-1.1-20.6.

37 (3) Except for resolutions described in subsection (b), the
 38 governing body makes the determination required under
 39 subdivision (1) or (2) and determines to share a portion of the
 40 referendum proceeds with a charter school, excluding a virtual
 41 charter school, in the manner prescribed in subsection (e).

42 (b) A resolution for a referendum for a county described in section



1 21 of this chapter that is adopted after May 10, 2023, shall specify that
 2 a portion of the proceeds collected from the proposed levy will be
 3 distributed to applicable charter schools in the manner described under
 4 section 21 of this chapter.

5 (c) The governing body of the school corporation shall certify a
 6 copy of the resolution to place a referendum on the ballot to the
 7 following:

8 (1) The department of local government finance, including:

9 (A) the language for the question required by section 10 of this
 10 chapter, or in the case of a resolution to extend a referendum
 11 levy certified to the department of local government finance
 12 after March 15, 2016, section 10.1 of this chapter; and

13 (B) a copy of the revenue spending plan adopted under
 14 subsection (g).

15 The language of the public question must include the estimated
 16 average percentage increases certified by the county auditor under
 17 section 10(e) or 10.1(f) of this chapter, as applicable. The
 18 governing body of the school corporation shall also provide the
 19 county auditor's certification described in section 10(e) or 10.1(f)
 20 of this chapter, as applicable. The department of local government
 21 finance shall post the values certified by the county auditor to the
 22 department's website. The department shall review the language
 23 for compliance with section 10 or 10.1 of this chapter, whichever
 24 is applicable, and either approve or reject the language. The
 25 department shall send its decision to the governing body of the
 26 school corporation not more than ten (10) days after the resolution
 27 is submitted to the department. If the language is approved, the
 28 governing body of the school corporation shall certify a copy of
 29 the resolution, including the language for the question and the
 30 department's approval.

31 (2) The county fiscal body of each county in which the school
 32 corporation is located (for informational purposes only).

33 (3) The circuit court clerk of each county in which the school
 34 corporation is located.

35 (d) If a school safety referendum tax levy under IC 20-46-9 has been
 36 approved by the voters in a school corporation at any time in the
 37 previous three (3) years, the school corporation may not:

38 (1) adopt a resolution to place a referendum under this chapter on
 39 the ballot; or

40 (2) otherwise place a referendum under this chapter on the ballot.

41 (e) Except as provided in section 21 of this chapter, the resolution
 42 described in subsection (a) must indicate whether proceeds in the



1 school corporation's education fund collected from a tax levy under this
 2 chapter will be used to provide a distribution to a charter school or
 3 charter schools, excluding a virtual charter school, under IC 20-40-3-5
 4 as well as the amount that will be distributed to the particular charter
 5 school or charter schools. A school corporation may request from the
 6 designated charter school or charter schools any financial
 7 documentation necessary to demonstrate the financial need of the
 8 charter school or charter schools. **Distribution to a charter school of
 9 proceeds from a referendum held before May 10, 2023, does not
 10 provide exemption from this chapter.**

11 (f) This subsection applies to a resolution described in subsection
 12 (a) for a county described in section 21(a) of this chapter that is
 13 adopted after May 10, 2023. The resolution described in subsection (a)
 14 shall include a projection of the amount that the school corporation
 15 expects to be distributed to a particular charter school, excluding
 16 virtual charter schools or adult high schools, under section 21 of this
 17 chapter if the charter school voluntarily elects to participate in the
 18 referendum in the manner described in subsection (i). At least sixty
 19 (60) days before the resolution described in subsection (a) is voted on
 20 by the governing body, the school corporation shall contact the
 21 department to determine the number of students in kindergarten
 22 through grade 12 who have legal settlement in the school corporation
 23 but attend a charter school, excluding virtual charter schools or adult
 24 high schools, and who receive not more than fifty percent (50%) virtual
 25 instruction. The department shall provide the school corporation with
 26 the number of students with legal settlement in the school corporation
 27 who attend a charter school and who receive not more than fifty percent
 28 (50%) virtual instruction, which shall be disaggregated for each
 29 particular charter school, excluding a virtual charter school or adult
 30 high school. The projection may include an expected increase in
 31 charter schools during the term the levy is imposed under this chapter.
 32 The department of local government finance shall prescribe the manner
 33 in which the projection shall be calculated. The governing body shall
 34 take into consideration the projection when adopting the revenue
 35 spending plan under subsection (g).

36 (g) As part of the resolution described in subsection (a), the
 37 governing body of the school corporation shall adopt a revenue
 38 spending plan for the proposed referendum tax levy that includes:

- 39 (1) an estimate of the amount of annual revenue expected to be
 40 collected if a levy is imposed under this chapter;
- 41 (2) the specific purposes for which the revenue collected from a
 42 levy imposed under this chapter will be used;



1 (3) an estimate of the annual dollar amounts that will be expended
2 for each purpose described in subdivision (2); and

3 (4) for a resolution for a referendum that is adopted after May 10,
4 2023, for a county described in section 21(a) of this chapter, the
5 projected revenue that shall be distributed to charter schools as
6 provided in subsections (f) and (i). The revenue spending plan
7 shall also take into consideration deviations in the proposed
8 revenue spending plan if the actual charter school distributions
9 exceed or are lower than the projected charter school distributions
10 described in subsection (f). The resolution shall include for each
11 charter school that elects to participate under subsection (i)
12 information described in subdivisions (1) through (3).

13 (h) A school corporation shall specify in its proposed budget the
14 school corporation's revenue spending plan adopted under subsection
15 (g) and annually present the revenue spending plan at its public hearing
16 on the proposed budget under IC 6-1.1-17-3.

17 (i) This subsection applies to a resolution described in subsection
18 (a) for a county described in section 21(a) of this chapter that is
19 adopted after May 10, 2023. At least forty-five (45) days before the
20 resolution described in subsection (a) is voted on by the governing
21 body, the school corporation shall contact each charter school,
22 excluding virtual charter schools or adult high schools, disclosed by the
23 department to the school corporation under subsection (f) to determine
24 whether the charter school will participate in the referendum. The
25 charter school must respond in writing to the school corporation at least
26 fifteen (15) days prior to the date that the resolution described in
27 subsection (a) is to be voted on by the governing body. If the charter
28 school elects to not participate in the referendum, the school
29 corporation may exclude distributions to the charter school under
30 section 21 of this chapter and from the projection described in
31 subsection (f). If the charter school elects to participate in the
32 referendum, the charter school may receive distributions under section
33 21 of this chapter and must be included in the projection described in
34 subsection (f). In addition, a charter school that elects to participate in
35 the referendum under this subsection shall contribute a proportionate
36 share of the cost to conduct the referendum based on the total
37 combined ADM of the school corporation and any participating charter
38 schools.

39 (j) This subsection applies to a resolution described in subsection
40 (a) for a county described in section 21(a) of this chapter that is
41 adopted after May 10, 2023. At least thirty (30) days before the
42 resolution described in subsection (a) is voted on by the governing



1 body, the school corporation that is pursuing the resolution and any
 2 charter school that has elected to participate under subsection (i), shall
 3 post a referendum disclosure statement on each school's respective
 4 website that contains the following information:

- 5 (1) The salaries of all employees employed by the school
 6 corporation or charter school listed from highest salary to lowest
 7 salary.
- 8 (2) An acknowledgment that the school corporation or charter
 9 school is not committing any crime described in IC 35-44.1-1.
- 10 (3) A link to the school corporation's or charter school's most
 11 recent state board of accounts audit on the state board of accounts'
 12 website.
- 13 (4) The current enrollment of the school corporation or charter
 14 school disaggregated by student group and race.
- 15 (5) The school corporation's or charter school's high school
 16 graduation rate.
- 17 (6) The school corporation's or charter school's annual retention
 18 rate for teachers for the previous five (5) years.

19 SECTION 11. IC 20-46-8-11.2, AS ADDED BY P.L.201-2023,
 20 SECTION 214, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2024]: Sec. 11.2. (a) This section applies only
 22 to revenue collected after June 30, 2024, from a tax levy imposed under
 23 this chapter by a school corporation located in:

- 24 (1) Lake County;
- 25 (2) Marion County;
- 26 (3) St. Joseph County; or
- 27 (4) Vanderburgh County.

28 However, this section does not apply to, and distributions are not
 29 required for, a school corporation that is designated as a distressed
 30 political subdivision under IC 6-1.1-20.3.

31 (b) Beginning in calendar year 2025, and each year thereafter, and
 32 subject to subsections (c) and (h), the county auditor shall distribute,
 33 as provided under subsection (f), an amount of revenue received from
 34 a tax levy imposed by a school corporation under this chapter to each
 35 charter school that is eligible for a distribution under subsection (d) and
 36 as set forth in subsection (f).

37 (c) The following schools are not eligible to receive a distribution
 38 under this section:

- 39 (1) A virtual charter school.
- 40 (2) An adult high school.

41 (d) Not later than thirty (30) days before the date that the county
 42 auditor distributes money for a school corporation's operations fund



1 (IC 20-40-18) under IC 6-1.1-27, the department, in consultation with
 2 the department of local government finance, shall determine the
 3 corresponding percentages of revenue received from the tax levy that
 4 must be distributed among the school corporation and each eligible
 5 charter school according to the following formula:

6 STEP ONE: Determine each charter school that:

7 (A) is located in the same county as the school corporation;
 8 and

9 (B) provides not more than fifty percent (50%) virtual
 10 instruction for its students.

11 STEP TWO: Determine, for each charter school described in
 12 STEP ONE, the number of students who:

13 (A) have legal settlement within the school corporation;

14 (B) are currently included in the fall ADM for the charter
 15 school; and

16 (C) receive not more than fifty percent (50%) virtual
 17 instruction.

18 STEP THREE: Determine the sum of:

19 (A) the aggregate of the STEP TWO results for all applicable
 20 charter schools; plus

21 (B) the fall ADM count for the school corporation for students
 22 receiving not more than fifty percent (50%) virtual instruction.

23 STEP FOUR: For each charter school described in STEP ONE,
 24 determine the result of:

25 (A) the applicable STEP TWO amount; divided by

26 (B) the STEP THREE amount;

27 expressed as a percentage.

28 STEP FIVE: Determine the sum of all the amounts computed
 29 under STEP FOUR and subtract the result from one hundred
 30 percent (100%).

31 (e) The department shall provide to the county auditor, immediately
 32 after calculation under subsection (d), and in the form prescribed by the
 33 county auditor:

34 (1) each charter school determined under STEP ONE of
 35 subsection (d) and the charter school's corresponding percentage
 36 calculated under STEP FOUR of subsection (d); and

37 (2) the percentage calculated under STEP FIVE of subsection (d)
 38 for the school corporation.

39 (f) The county auditor shall distribute to the school corporation and
 40 each applicable charter school the amount determined in the last STEP
 41 of the following STEPS:

42 STEP ONE: For each school corporation, determine a base



- 1 property tax levy amount calculated as:
- 2 (A) the sum of the school corporation's operations fund
- 3 property tax levies ~~imposed~~ **collected** under this chapter in
- 4 calendar years 2021, 2022, and 2023; divided by
- 5 (B) three (3).
- 6 STEP TWO: For each school corporation, determine an
- 7 incremental property tax levy amount calculated as:
- 8 (A) the school corporation's operations fund property tax levy
- 9 **collections** for the current calendar year; minus
- 10 (B) the school corporation's base property tax levy **collections**
- 11 determined under STEP ONE.
- 12 STEP THREE: For the school corporation and each applicable
- 13 charter school, determine the result of:
- 14 (A) the incremental amount determined under STEP TWO;
- 15 multiplied by
- 16 (B) the following percentage:
- 17 (i) In the case of an applicable charter school, the charter
- 18 school's percentage under STEP FOUR of subsection (d).
- 19 (ii) In the case of the school corporation, the school
- 20 corporation's percentage under STEP FIVE of subsection
- 21 (d).
- 22 (g) Before October 1, 2024, and before October 1 of each year
- 23 thereafter, the department shall provide to each school corporation and
- 24 each eligible charter school an estimate of the amount of property tax
- 25 levy revenue the school corporation and charter school are expected to
- 26 receive under this section.
- 27 (h) In order to receive a distribution under this section, the
- 28 governing body of an eligible charter school shall, before November 1,
- 29 2024, and before November 1 of each year thereafter, adopt a budget
- 30 for the school year. Not later than ten (10) days before its adoption, the
- 31 budget must be fixed and presented to the charter board in a public
- 32 meeting in the county in which the charter school is incorporated. A
- 33 budget that is adopted under this subsection must be submitted to the
- 34 charter authorizer for review and to the department of local government
- 35 finance to be posted publicly on the computer gateway under
- 36 IC 6-1.1-17-3.
- 37 (i) Before April 1, 2025, and before April 1 of each year thereafter,
- 38 the county auditor shall provide each school corporation and each
- 39 eligible charter school the actual amount of property tax levy revenue
- 40 the school corporation and charter school are expected to receive under
- 41 this section.
- 42 SECTION 12. IC 21-18-6-8 IS ADDED TO THE INDIANA CODE



1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: **Sec. 8. (a) The commission shall do the**
3 **following:**
4 **(1) Study and make recommendations regarding allowing:**
5 **(A) Ivy Tech Community College to award bachelor's**
6 **degrees; and**
7 **(B) Vincennes University to offer additional programs that**
8 **lead to a bachelor's degree.**
9 **(2) Not later than October 31, 2024, do the following:**
10 **(A) Prepare a report regarding the study and**
11 **recommendations described in subdivision (1).**
12 **(B) Submit the report to the general assembly in an**
13 **electronic format under IC 5-14-6.**
14 **(b) This section expires January 1, 2025.**
15 **SECTION 13. An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 270, 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:

- Page 1, delete lines 1 through 15.
- Delete page 2.
- Page 3, delete lines 1 through 25.
- Page 4, delete lines 10 through 19.
- Page 29, delete lines 12 through 39.
- Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 270 as introduced.)

RAATZ, Chairperson

Committee Vote: Yeas 9, Nays 4.

 COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 270, 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:

- Page 2, line 11, delete "general assembly" and insert "**legislative council**".
- Page 31, delete lines 13 through 42.
- Page 32, delete lines 1 through 26.
- Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 270 as printed January 26, 2024.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 3.

ES 270—LS 6975/DI 110



SENATE MOTION

Madam President: I move that Senate Bill 270 be amended to read as follows:

Page 1, line 1, delete "IC 20-19-3-33" and insert "IC 20-19-3-34".

Page 1, line 3, delete "Sec. 33." and insert "**Sec. 34.**".

Page 20, line 25, reset in roman "(d)".

Page 20, line 25, delete "(i)".

Page 33, line 35, beginning with "(g)" begin a new paragraph.

(Reference is to SB 270 as printed February 2, 2024.)

ROGERS

 SENATE MOTION

Madam President: I move that Senate Bill 270 be amended to read as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 20-19-3-34 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]: **Sec. 34. (a) The department shall study the following:**

(1) Creating clearinghouses for each region of Indiana that enable all high schools, approved postsecondary educational institutions (as defined in IC 21-7-13-6(a)), and employers in the applicable region to exchange information through websites regarding internship opportunities and for which each user of a clearinghouse uses information forms that are standardized for that region.

(2) Selecting an organization to design, operate, and maintain regional clearinghouses described in subdivision (1).

(3) Defining regional clearinghouse reporting requirements.

(b) In carrying out subsection (a), the department shall consult with the department of workforce development, the commission for higher education, and regional groups of employers, schools, and workforce development boards.

(c) Not later than October 31, 2024, the department shall do the following:

(1) Prepare a report regarding:

(A) information concerning the study under subsection (a), including the costs of implementation, recognition or



creation of; and
(B) any recommendations regarding the implementation, recognition, or creation of; clearinghouses for each region as described in subsection (a).
(2) Submit the report prepared under subdivision (1) to the legislative council in an electronic format under IC 5-14-6."

Delete page 2.

Page 3, delete lines 1 through 21.

Page 15, line 6, delete "IC 20-46-1-21(c)" and insert "**IC 20-46-1-21(b)**".

Page 15, between lines 11 and 12, begin a new line block indented and insert:

"The above subdivisions are intended to apply retroactively. No referendums or distributed revenue prior to May 10, 2023, are effective to provide exemption from this chapter."

Page 15, between lines 20 and 21, begin a new line block indented and insert:

"The above subdivisions are intended to apply retroactively. No resolutions, referendums, or distributed revenue prior to May 10, 2023, are effective to provide exemption from this chapter."

Page 15, line 25, delete "IC 20-46-1-21(e)" and insert "**IC 20-46-1-21(d)**".

Page 15, between lines 39 and 40, begin a new paragraph and insert:

"(c) In order for any payment to a charter school to qualify as sharing of proceeds from a referendum for purposes of exemption from IC 20-26-7.1, the referendum must have been passed with prior notice to voters of all amounts of referendum proceeds to be paid to charter schools. Any claim of exemption based on payment of proceeds from a referendum passed without such notice is void."

Page 31, delete lines 13 through 42, begin a new paragraph and insert:

"SECTION 16. IC 20-46-1-8, AS AMENDED BY P.L.189-2023, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 10, 2024]: Sec. 8. (a) Subject to subsections (e), (f), and (g) and this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for any of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.



(2) The governing body of the school corporation determines that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.

(3) Except for resolutions described in subsection (b), the governing body makes the determination required under subdivision (1) or (2) and determines to share a portion of the referendum proceeds with a charter school, excluding a virtual charter school, in the manner prescribed in subsection (e).

(b) A resolution for a referendum for a county described in section 21 of this chapter that is adopted after May 10, 2023, shall specify that a portion of the proceeds collected from the proposed levy will be distributed to applicable charter schools in the manner described under section 21 of this chapter.

(c) The governing body of the school corporation shall certify a copy of the resolution to place a referendum on the ballot to the following:

(1) The department of local government finance, including:

(A) the language for the question required by section 10 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance after March 15, 2016, section 10.1 of this chapter; and

(B) a copy of the revenue spending plan adopted under subsection (g).

The language of the public question must include the estimated average percentage increases certified by the county auditor under section 10(e) or 10.1(f) of this chapter, as applicable. The governing body of the school corporation shall also provide the county auditor's certification described in section 10(e) or 10.1(f) of this chapter, as applicable. The department of local government finance shall post the values certified by the county auditor to the department's website. The department shall review the language for compliance with section 10 or 10.1 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school



corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(d) If a school safety referendum tax levy under IC 20-46-9 has been approved by the voters in a school corporation at any time in the previous three (3) years, the school corporation may not:

(1) adopt a resolution to place a referendum under this chapter on the ballot; or

(2) otherwise place a referendum under this chapter on the ballot.

(e) Except as provided in section 21 of this chapter, the resolution described in subsection (a) must indicate whether proceeds in the school corporation's education fund collected from a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-3-5 as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools. **Distribution to a charter school of proceeds from a referendum held before May 10, 2023, does not provide exemption from this chapter.**

(f) This subsection applies to a resolution described in subsection (a) for a county described in section 21(a) of this chapter that is adopted after May 10, 2023. The resolution described in subsection (a) shall include a projection of the amount that the school corporation expects to be distributed to a particular charter school, excluding virtual charter schools or adult high schools, under section 21 of this chapter if the charter school voluntarily elects to participate in the referendum in the manner described in subsection (i). At least sixty (60) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact the department to determine the number of students in kindergarten through grade 12 who have legal settlement in the school corporation but attend a charter school, excluding virtual charter schools or adult high schools, and who receive not more than fifty percent (50%) virtual instruction. The department shall provide the school corporation with the number of students with legal settlement in the school corporation who attend a charter school and who receive not more than fifty percent (50%) virtual instruction, which shall be disaggregated for each particular charter school, excluding a virtual charter school or adult high school. The projection may include an expected increase in charter schools during the term the levy is imposed under this chapter.



The department of local government finance shall prescribe the manner in which the projection shall be calculated. The governing body shall take into consideration the projection when adopting the revenue spending plan under subsection (g).

(g) As part of the resolution described in subsection (a), the governing body of the school corporation shall adopt a revenue spending plan for the proposed referendum tax levy that includes:

- (1) an estimate of the amount of annual revenue expected to be collected if a levy is imposed under this chapter;
- (2) the specific purposes for which the revenue collected from a levy imposed under this chapter will be used;
- (3) an estimate of the annual dollar amounts that will be expended for each purpose described in subdivision (2); and
- (4) for a resolution for a referendum that is adopted after May 10, 2023, for a county described in section 21(a) of this chapter, the projected revenue that shall be distributed to charter schools as provided in subsections (f) and (i). The revenue spending plan shall also take into consideration deviations in the proposed revenue spending plan if the actual charter school distributions exceed or are lower than the projected charter school distributions described in subsection (f). The resolution shall include for each charter school that elects to participate under subsection (i) information described in subdivisions (1) through (3).

(h) A school corporation shall specify in its proposed budget the school corporation's revenue spending plan adopted under subsection (g) and annually present the revenue spending plan at its public hearing on the proposed budget under IC 6-1.1-17-3.

(i) This subsection applies to a resolution described in subsection (a) for a county described in section 21(a) of this chapter that is adopted after May 10, 2023. At least forty-five (45) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact each charter school, excluding virtual charter schools or adult high schools, disclosed by the department to the school corporation under subsection (f) to determine whether the charter school will participate in the referendum. The charter school must respond in writing to the school corporation at least fifteen (15) days prior to the date that the resolution described in subsection (a) is to be voted on by the governing body. If the charter school elects to not participate in the referendum, the school corporation may exclude distributions to the charter school under section 21 of this chapter and from the projection described in subsection (f). If the charter school elects to participate in the



referendum, the charter school may receive distributions under section 21 of this chapter and must be included in the projection described in subsection (f). In addition, a charter school that elects to participate in the referendum under this subsection shall contribute a proportionate share of the cost to conduct the referendum based on the total combined ADM of the school corporation and any participating charter schools.

(j) This subsection applies to a resolution described in subsection (a) for a county described in section 21(a) of this chapter that is adopted after May 10, 2023. At least thirty (30) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation that is pursuing the resolution and any charter school that has elected to participate under subsection (i), shall post a referendum disclosure statement on each school's respective website that contains the following information:

- (1) The salaries of all employees employed by the school corporation or charter school listed from highest salary to lowest salary.
- (2) An acknowledgment that the school corporation or charter school is not committing any crime described in IC 35-44.1-1.
- (3) A link to the school corporation's or charter school's most recent state board of accounts audit on the state board of accounts' website.
- (4) The current enrollment of the school corporation or charter school disaggregated by student group and race.
- (5) The school corporation's or charter school's high school graduation rate.
- (6) The school corporation's or charter school's annual retention rate for teachers for the previous five (5) years."

Delete pages 32 through 36.

Page 37, delete lines 1 through 10.

Re-number all SECTIONS consecutively.

(Reference is to SB 270 as printed February 2, 2024.)

ROGERS



SENATE MOTION

Madam President: I move that Senate Bill 270 be amended to read as follows:

Page 37, between lines 25 and 26, begin a new paragraph and insert:
"SECTION 20. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the appropriate study committee during the 2024 legislative interim the topic of studying the charter school authorization process to determine opportunities for efficiency and equity.

(b) This SECTION expires January 1, 2025."

Renumber all SECTIONS consecutively.

(Reference is to SB 270 as printed February 2, 2024.)

HUNLEY

 COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 270, 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 1, line 12, delete "an organization" and insert "**organizations**".

Page 2, line 3, delete "boards." and insert "**boards to identify best practices and establish service standards for regional clearinghouses.**".

Page 26, delete lines 10 through 42.

Delete pages 27 through 29.

Page 30, delete lines 1 through 18.

Page 34, between lines 14 and 15, begin a new paragraph and insert:
"SECTION 14. IC 20-46-8-11.2, AS ADDED BY P.L.201-2023, SECTION 214, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 11.2. (a) This section applies only to revenue collected after June 30, 2024, from a tax levy imposed under this chapter by a school corporation located in:

- (1) Lake County;
- (2) Marion County;
- (3) St. Joseph County; or
- (4) Vanderburgh County.

However, this section does not apply to, and distributions are not required for, a school corporation that is designated as a distressed

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political subdivision under IC 6-1.1-20.3.

(b) Beginning in calendar year 2025, and each year thereafter, and subject to subsections (c) and (h), the county auditor shall distribute, as provided under subsection (f), an amount of revenue received from a tax levy imposed by a school corporation under this chapter to each charter school that is eligible for a distribution under subsection (d) and as set forth in subsection (f).

(c) The following schools are not eligible to receive a distribution under this section:

- (1) A virtual charter school.
- (2) An adult high school.

(d) Not later than thirty (30) days before the date that the county auditor distributes money for a school corporation's operations fund (IC 20-40-18) under IC 6-1.1-27, the department, in consultation with the department of local government finance, shall determine the corresponding percentages of revenue received from the tax levy that must be distributed among the school corporation and each eligible charter school according to the following formula:

STEP ONE: Determine each charter school that:

- (A) is located in the same county as the school corporation; and
- (B) provides not more than fifty percent (50%) virtual instruction for its students.

STEP TWO: Determine, for each charter school described in STEP ONE, the number of students who:

- (A) have legal settlement within the school corporation;
- (B) are currently included in the fall ADM for the charter school; and
- (C) receive not more than fifty percent (50%) virtual instruction.

STEP THREE: Determine the sum of:

- (A) the aggregate of the STEP TWO results for all applicable charter schools; plus
- (B) the fall ADM count for the school corporation for students receiving not more than fifty percent (50%) virtual instruction.

STEP FOUR: For each charter school described in STEP ONE, determine the result of:

- (A) the applicable STEP TWO amount; divided by
- (B) the STEP THREE amount;

expressed as a percentage.

STEP FIVE: Determine the sum of all the amounts computed under STEP FOUR and subtract the result from one hundred



percent (100%).

(e) The department shall provide to the county auditor, immediately after calculation under subsection (d), and in the form prescribed by the county auditor:

- (1) each charter school determined under STEP ONE of subsection (d) and the charter school's corresponding percentage calculated under STEP FOUR of subsection (d); and
- (2) the percentage calculated under STEP FIVE of subsection (d) for the school corporation.

(f) The county auditor shall distribute to the school corporation and each applicable charter school the amount determined in the last STEP of the following STEPS:

STEP ONE: For each school corporation, determine a base property tax levy amount calculated as:

- (A) the sum of the school corporation's operations fund property tax levies ~~imposed~~ **collected** under this chapter in calendar years 2021, 2022, and 2023; divided by
- (B) three (3).

STEP TWO: For each school corporation, determine an incremental property tax levy amount calculated as:

- (A) the school corporation's operations fund property tax levy **collections** for the current calendar year; minus
- (B) the school corporation's base property tax levy **collections** determined under STEP ONE.

STEP THREE: For the school corporation and each applicable charter school, determine the result of:

- (A) the incremental amount determined under STEP TWO; multiplied by
- (B) the following percentage:
 - (i) In the case of an applicable charter school, the charter school's percentage under STEP FOUR of subsection (d).
 - (ii) In the case of the school corporation, the school corporation's percentage under STEP FIVE of subsection (d).

(g) Before October 1, 2024, and before October 1 of each year thereafter, the department shall provide to each school corporation and each eligible charter school an estimate of the amount of property tax levy revenue the school corporation and charter school are expected to receive under this section.

(h) In order to receive a distribution under this section, the governing body of an eligible charter school shall, before November 1, 2024, and before November 1 of each year thereafter, adopt a budget



for the school year. Not later than ten (10) days before its adoption, the budget must be fixed and presented to the charter board in a public meeting in the county in which the charter school is incorporated. A budget that is adopted under this subsection must be submitted to the charter authorizer for review and to the department of local government finance to be posted publicly on the computer gateway under IC 6-1.1-17-3.

(i) Before April 1, 2025, and before April 1 of each year thereafter, the county auditor shall provide each school corporation and each eligible charter school the actual amount of property tax levy revenue the school corporation and charter school are expected to receive under this section."

Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to SB 270 as reprinted February 6, 2024.)

BEHNING

Committee Vote: yeas 7, nays 4.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 270 be amended to read as follows:

Page 1, delete lines 1 through 15.

Page 2, delete lines 1 through 15.

Page 33, delete lines 3 through 8.

Renumber all SECTIONS consecutively.

(Reference is to ESB 270 as printed February 15, 2024.)

BEHNING

