



February 12, 2025

SENATE BILL No. 518

DIGEST OF SB 518 (Updated February 11, 2025 1:07 pm - DI 129)

Citations Affected: IC 6-1.1; IC 20-24; IC 20-25.7; IC 20-26; IC 20-40; IC 20-46.

Synopsis: School property taxes. Provides that all school corporations that adopt a resolution for a property tax levy for a controlled project or a school safety referendum tax levy after May 10, 2025, must share revenue received from the levy with certain charter schools. Specifies, for purposes of making distributions to charter schools from a property tax levy for a controlled project, that only charter schools located within the attendance area of the school corporation shall receive a distribution of revenue from that levy. Provides that all school corporations must share revenue received from a debt service levy with certain charter schools. Provides that all school corporations that adopt a resolution for an operating referendum tax levy after May 10, 2025, must share revenue received from the levy with certain charter schools. Provides that all school corporations must share revenue from the school corporation's operations fund levy with certain charter schools. Excludes school corporations meeting specified criteria from the sharing of property tax revenue received under the bill's provisions. Provides a calculation for determining the amount of an annual grant from the charter and innovation network school grant program based on the amount of property tax revenue received by a charter school from school corporations. Makes conforming changes.

Effective: May 10, 2025 (retroactive); July 1, 2025.

Rogers, Raatz, Gaskill

January 16, 2025, read first time and referred to Committee on Tax and Fiscal Policy.
February 11, 2025, amended, reported favorably — Do Pass.

SB 518—LS 7334/DI 125



February 12, 2025

First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

SENATE BILL No. 518

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 6-1.1-20-3.1, AS AMENDED BY P.L.136-2024,
2 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 MAY 10, 2025 (RETROACTIVE)]: Sec. 3.1. (a) Subject to section
4 3.5(a)(1)(C) of this chapter, this section applies only to the following:
5 (1) A controlled project (as defined in section 1.1 of this chapter
6 as in effect June 30, 2008) for which the proper officers of a
7 political subdivision make a preliminary determination in the
8 manner described in subsection (b) before July 1, 2008.
9 (2) An elementary school building, middle school building, high
10 school building, or other school building for academic instruction
11 that:
12 (A) is a controlled project;
13 (B) will be used for any combination of kindergarten through
14 grade 12; and
15 (C) will not cost more than the lesser of the following:
16 (i) The threshold amount determined under this item. In the
17 case of an ordinance or resolution adopted before January 1,

SB 518—LS 7334/DI 125



- 1 2018, making a preliminary determination to issue bonds or
 2 enter into a lease for the project, the threshold amount is ten
 3 million dollars (\$10,000,000). In the case of an ordinance or
 4 resolution adopted after December 31, 2017, and before
 5 January 1, 2019, making a preliminary determination to
 6 issue bonds or enter into a lease for the project, the threshold
 7 amount is fifteen million dollars (\$15,000,000). In the case
 8 of an ordinance or resolution adopted in a calendar year after
 9 December 31, 2018, making a preliminary determination to
 10 issue bonds or enter into a lease for the project, the threshold
 11 amount is an amount (as determined by the department of
 12 local government finance) equal to the result of the
 13 maximum levy growth quotient determined under
 14 IC 6-1.1-18.5-2 for the year multiplied by the threshold
 15 amount determined under this item for the preceding
 16 calendar year. In the case of a threshold amount determined
 17 under this item that applies for a calendar year after
 18 December 31, 2018, the department of local government
 19 finance shall publish the threshold in the Indiana Register
 20 under IC 4-22-7-7 not more than sixty (60) days after the
 21 date the budget agency releases the maximum levy growth
 22 quotient for the ensuing year under IC 6-1.1-18.5-2.
- 23 (ii) An amount equal to one percent (1%) of the total gross
 24 assessed value of property within the political subdivision
 25 on the last assessment date, if that total gross assessed value
 26 is more than one billion dollars (\$1,000,000,000), or ten
 27 million dollars (\$10,000,000), if the total gross assessed
 28 value of property within the political subdivision on the last
 29 assessment date is not more than one billion dollars
 30 (\$1,000,000,000).
- 31 (3) Any other controlled project that:
- 32 (A) is not a controlled project described in subdivision (1) or
 33 (2); and
- 34 (B) will not cost the political subdivision more than the lesser
 35 of the following:
- 36 (i) The threshold amount determined under this item. In the
 37 case of an ordinance or resolution adopted before January 1,
 38 2018, making a preliminary determination to issue bonds or
 39 enter into a lease for the project, the threshold amount is
 40 twelve million dollars (\$12,000,000). In the case of an
 41 ordinance or resolution adopted after December 31, 2017,
 42 and before January 1, 2019, making a preliminary



1 determination to issue bonds or enter into a lease for the
 2 project, the threshold amount is fifteen million dollars
 3 (\$15,000,000). In the case of an ordinance or resolution
 4 adopted in a calendar year after December 31, 2018, making
 5 a preliminary determination to issue bonds or enter into a
 6 lease for the project, the threshold amount is an amount (as
 7 determined by the department of local government finance)
 8 equal to the result of the maximum levy growth quotient
 9 determined under IC 6-1.1-18.5-2 for the year multiplied by
 10 the threshold amount determined under this item for the
 11 preceding calendar year. In the case of a threshold amount
 12 determined under this item that applies for a calendar year
 13 after December 31, 2018, the department of local
 14 government finance shall publish the threshold in the
 15 Indiana Register under IC 4-22-7-7 not more than sixty (60)
 16 days after the date the budget agency releases the maximum
 17 levy growth quotient for the ensuing year under
 18 IC 6-1.1-18.5-2.

19 (ii) An amount equal to one percent (1%) of the total gross
 20 assessed value of property within the political subdivision
 21 on the last assessment date, if that total gross assessed value
 22 is more than one hundred million dollars (\$100,000,000), or
 23 one million dollars (\$1,000,000), if the total gross assessed
 24 value of property within the political subdivision on the last
 25 assessment date is not more than one hundred million
 26 dollars (\$100,000,000).

27 (4) A controlled project funded by debt service if the scope of the
 28 project changes from the purpose of the project initially
 29 advertised to taxpayers as determined under section 4.2(c) of this
 30 chapter.

31 (5) This subdivision does not apply to a project for which a public
 32 hearing to issue bonds or enter into a lease has been conducted
 33 under IC 20-26-7-37 before July 1, 2023. Any other controlled
 34 project if both of the following apply:

35 (A) The political subdivision's total debt service tax rate is
 36 more than forty cents (\$0.40) per one hundred dollars (\$100)
 37 of assessed value, but less than eighty cents (\$0.80) per one
 38 hundred dollars (\$100) of assessed value.

39 (B) The controlled project is not otherwise described in section
 40 3.5(a)(1) of this chapter.

41 This subdivision expires December 31, 2025. For purposes of this
 42 subdivision, a political subdivision's total debt service tax rate



- 1 does not include a tax rate imposed in a referendum debt service
 2 levy approved by voters.
- 3 **(b) Subject to section 13.5 of this chapter**, a political subdivision
 4 may not impose property taxes to pay debt service on bonds or lease
 5 rentals on a lease for a controlled project without completing the
 6 following procedures:
- 7 (1) The proper officers of a political subdivision shall publish
 8 notice in accordance with IC 5-3-1 and send notice by first class
 9 mail to the circuit court clerk and to any organization that delivers
 10 to the officers, before January 1 of that year, an annual written
 11 request for such notices of any meeting to consider adoption of a
 12 resolution or an ordinance making a preliminary determination to
 13 issue bonds or enter into a lease and shall conduct at least two (2)
 14 public hearings on a preliminary determination before adoption
 15 of the resolution or ordinance. The political subdivision must at
 16 each of the public hearings on the preliminary determination
 17 allow the public to testify regarding the preliminary determination
 18 and must make the following information available to the public
 19 at each of the public hearings on the preliminary determination,
 20 in addition to any other information required by law:
- 21 (A) The result of the political subdivision's current and
 22 projected annual debt service payments divided by the net
 23 assessed value of taxable property within the political
 24 subdivision.
- 25 (B) The result of:
- 26 (i) the sum of the political subdivision's outstanding long
 27 term debt plus the outstanding long term debt of other taxing
 28 units that include any of the territory of the political
 29 subdivision; divided by
 30 (ii) the net assessed value of taxable property within the
 31 political subdivision.
- 32 **(C) In the case of a school corporation, a statement that a
 33 portion of the proceeds collected from the proposed levy
 34 will be distributed to a qualified charter school in the
 35 manner described in section 13.5 of this chapter unless the
 36 qualified charter school elects to not participate.**
- 37 ~~(D)~~ **(D)** The information specified in subdivision (3)(A)
 38 through (3)(H).
- 39 (2) When the proper officers of a political subdivision make a
 40 preliminary determination to issue bonds or enter into a lease for
 41 a controlled project, the officers shall give notice of the
 42 preliminary determination by:



- 1 (A) publication in accordance with IC 5-3-1; and
 2 (B) first class mail to the circuit court clerk and to the
 3 organizations described in subdivision (1).
 4 (3) A notice under subdivision (2) of the preliminary
 5 determination of the political subdivision to issue bonds or enter
 6 into a lease for a controlled project must include the following
 7 information:
 8 (A) The maximum term of the bonds or lease.
 9 (B) The maximum principal amount of the bonds or the
 10 maximum lease rental for the lease.
 11 (C) The estimated interest rates that will be paid and the total
 12 interest costs associated with the bonds or lease.
 13 (D) The purpose of the bonds or lease.
 14 (E) A statement that any owners of property within the
 15 political subdivision or registered voters residing within the
 16 political subdivision who want to initiate a petition and
 17 remonstrance process against the proposed debt service or
 18 lease payments must file a petition that complies with
 19 subdivisions (4) and (5) not later than thirty (30) days after
 20 publication in accordance with IC 5-3-1.
 21 (F) With respect to bonds issued or a lease entered into to
 22 open:
 23 (i) a new school facility; or
 24 (ii) an existing facility that has not been used for at least
 25 three (3) years and that is being reopened to provide
 26 additional classroom space;
 27 the estimated costs the school corporation expects to incur
 28 annually to operate the facility.
 29 (G) A statement of whether the school corporation expects to
 30 appeal for a new facility adjustment (as defined in
 31 IC 20-45-1-16 (repealed) before January 1, 2009) for an
 32 increased maximum permissible tuition support levy to pay the
 33 estimated costs described in clause (F).
 34 (H) The following information:
 35 (i) The political subdivision's current debt service levy and
 36 rate.
 37 (ii) The estimated increase to the political subdivision's debt
 38 service levy and rate that will result if the political
 39 subdivision issues the bonds or enters into the lease.
 40 (iii) The estimated amount of the political subdivision's debt
 41 service levy and rate that will result during the following ten
 42 (10) years if the political subdivision issues the bonds or



- 1 enters into the lease, after also considering any changes that
 2 will occur to the debt service levy and rate during that
 3 period on account of any outstanding bonds or lease
 4 obligations that will mature or terminate during that period.
 5 (I) The information specified in subdivision (1)(A) through
 6 ~~(I)(B)~~: **(I)(C)**.
 7 (4) After notice is given, a petition requesting the application of
 8 a petition and remonstrance process may be filed by the lesser of:
 9 (A) five hundred (500) persons who are either owners of
 10 property within the political subdivision or registered voters
 11 residing within the political subdivision; or
 12 (B) five percent (5%) of the registered voters residing within
 13 the political subdivision.
 14 (5) The state board of accounts shall design and, upon request by
 15 the county voter registration office, deliver to the county voter
 16 registration office or the county voter registration office's
 17 designated printer the petition forms to be used solely in the
 18 petition process described in this section. The county voter
 19 registration office shall issue to an owner or owners of property
 20 within the political subdivision or a registered voter residing
 21 within the political subdivision the number of petition forms
 22 requested by the owner or owners or the registered voter. Each
 23 form must be accompanied by instructions detailing the
 24 requirements that:
 25 (A) the carrier and signers must be owners of property or
 26 registered voters;
 27 (B) the carrier must be a signatory on at least one (1) petition;
 28 (C) after the signatures have been collected, the carrier must
 29 swear or affirm before a notary public that the carrier
 30 witnessed each signature; and
 31 (D) govern the closing date for the petition period.
 32 Persons requesting forms may be required to identify themselves
 33 as owners of property or registered voters and may be allowed to
 34 pick up additional copies to distribute to other owners of property
 35 or registered voters. Each person signing a petition must indicate
 36 whether the person is signing the petition as a registered voter
 37 within the political subdivision or is signing the petition as the
 38 owner of property within the political subdivision. A person who
 39 signs a petition as a registered voter must indicate the address at
 40 which the person is registered to vote. A person who signs a
 41 petition as an owner of property must indicate the address of the
 42 property owned by the person in the political subdivision.



1 (6) Each petition must be verified under oath by at least one (1)
2 qualified petitioner in a manner prescribed by the state board of
3 accounts before the petition is filed with the county voter
4 registration office under subdivision (7).

5 (7) Each petition must be filed with the county voter registration
6 office not more than thirty (30) days after publication under
7 subdivision (2) of the notice of the preliminary determination.

8 (8) The county voter registration office shall determine whether
9 each person who signed the petition is a registered voter.
10 However, after the county voter registration office has determined
11 that at least five hundred twenty-five (525) persons who signed
12 the petition are registered voters within the political subdivision,
13 the county voter registration office is not required to verify
14 whether the remaining persons who signed the petition are
15 registered voters. If the county voter registration office does not
16 determine that at least five hundred twenty-five (525) persons
17 who signed the petition are registered voters, the county voter
18 registration office shall, not more than fifteen (15) business days
19 after receiving a petition, forward a copy of the petition to the
20 county auditor. Not more than ten (10) business days after
21 receiving the copy of the petition, the county auditor shall provide
22 to the county voter registration office a statement verifying:

23 (A) whether a person who signed the petition as a registered
24 voter but is not a registered voter, as determined by the county
25 voter registration office, is the owner of property in the
26 political subdivision; and

27 (B) whether a person who signed the petition as an owner of
28 property within the political subdivision does in fact own
29 property within the political subdivision.

30 (9) The county voter registration office, not more than ten (10)
31 business days after determining that at least five hundred
32 twenty-five (525) persons who signed the petition are registered
33 voters or receiving the statement from the county auditor under
34 subdivision (8), as applicable, shall make the final determination
35 of the number of petitioners that are registered voters in the
36 political subdivision and, based on the statement provided by the
37 county auditor, the number of petitioners that own property within
38 the political subdivision. Whenever the name of an individual
39 who signs a petition form as a registered voter contains a minor
40 variation from the name of the registered voter as set forth in the
41 records of the county voter registration office, the signature is
42 presumed to be valid, and there is a presumption that the



1 individual is entitled to sign the petition under this section. Except
 2 as otherwise provided in this chapter, in determining whether an
 3 individual is a registered voter, the county voter registration office
 4 shall apply the requirements and procedures used under IC 3 to
 5 determine whether a person is a registered voter for purposes of
 6 voting in an election governed by IC 3. However, an individual is
 7 not required to comply with the provisions concerning providing
 8 proof of identification to be considered a registered voter for
 9 purposes of this chapter. A person is entitled to sign a petition
 10 only one (1) time in a particular petition and remonstrance
 11 process under this chapter, regardless of whether the person owns
 12 more than one (1) parcel of real property, mobile home assessed
 13 as personal property, or manufactured home assessed as personal
 14 property, or a combination of those types of property within the
 15 subdivision and regardless of whether the person is both a
 16 registered voter in the political subdivision and the owner of
 17 property within the political subdivision. Notwithstanding any
 18 other provision of this section, if a petition is presented to the
 19 county voter registration office within forty-five (45) days before
 20 an election, the county voter registration office may defer acting
 21 on the petition, and the time requirements under this section for
 22 action by the county voter registration office do not begin to run
 23 until five (5) days after the date of the election.

24 (10) The county voter registration office must file a certificate and
 25 each petition with:

26 (A) the township trustee, if the political subdivision is a
 27 township, who shall present the petition or petitions to the
 28 township board; or

29 (B) the body that has the authority to authorize the issuance of
 30 the bonds or the execution of a lease, if the political
 31 subdivision is not a township;

32 within thirty-five (35) business days of the filing of the petition
 33 requesting a petition and remonstrance process. The certificate
 34 must state the number of petitioners that are owners of property
 35 within the political subdivision and the number of petitioners who
 36 are registered voters residing within the political subdivision.

37 If a sufficient petition requesting a petition and remonstrance process
 38 is not filed by owners of property or registered voters as set forth in this
 39 section, the political subdivision may issue bonds or enter into a lease
 40 by following the provisions of law relating to the bonds to be issued or
 41 lease to be entered into.

42 (c) A political subdivision may not divide a controlled project in



1 order to avoid the requirements of this section and section 3.2 of this
 2 chapter. A person that owns property within a political subdivision or
 3 a person that is a registered voter residing within a political subdivision
 4 may file a petition with the department of local government finance
 5 objecting that the political subdivision has divided a controlled project
 6 in order to avoid the requirements of this section and section 3.2 of this
 7 chapter. The petition must be filed not more than ten (10) days after the
 8 political subdivision gives notice of the political subdivision's decision
 9 to issue bonds or enter into leases for a capital project that the person
 10 believes is the result of a division of a controlled project that is
 11 prohibited by this subsection. If the department of local government
 12 finance receives a petition under this subsection, the department shall
 13 not later than thirty (30) days after receiving the petition make a final
 14 determination on the issue of whether the political subdivision divided
 15 a controlled project in order to avoid the requirements of this section
 16 and section 3.2 of this chapter. If the department of local government
 17 finance determines that a political subdivision divided a controlled
 18 project in order to avoid the requirements of this section and section
 19 3.2 of this chapter and the political subdivision continues to desire to
 20 proceed with the project, the political subdivision shall fulfill the
 21 requirements of this section and section 3.2 of this chapter, if
 22 applicable, regardless of the cost of the project in dispute. A political
 23 subdivision shall be considered to have divided a capital project in
 24 order to avoid the requirements of this section and section 3.2 of this
 25 chapter if the result of one (1) or more of the subprojects cannot
 26 reasonably be considered an independently desirable end in itself
 27 without reference to another capital project. This subsection does not
 28 prohibit a political subdivision from undertaking a series of capital
 29 projects in which the result of each capital project can reasonably be
 30 considered an independently desirable end in itself without reference
 31 to another capital project.

32 SECTION 2. IC 6-1.1-20-3.5, AS AMENDED BY P.L.136-2024,
 33 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 MAY 10, 2025 (RETROACTIVE)]: Sec. 3.5. (a) This section applies
 35 only to a controlled project that meets the following conditions:

36 (1) The controlled project is described in one (1) of the following
 37 categories:

38 (A) An elementary school building, middle school building,
 39 high school building, or other school building for academic
 40 instruction that will be used for any combination of
 41 kindergarten through grade 12 and will cost more than the
 42 lesser of the following:



- 1 (i) The threshold amount determined under this item. In the
 2 case of an ordinance or resolution adopted before January 1,
 3 2018, making a preliminary determination to issue bonds or
 4 enter into a lease for the project, the threshold amount is ten
 5 million dollars (\$10,000,000). In the case of an ordinance or
 6 resolution adopted after December 31, 2017, and before
 7 January 1, 2019, making a preliminary determination to
 8 issue bonds or enter into a lease for the project, the threshold
 9 amount is fifteen million dollars (\$15,000,000). In the case
 10 of an ordinance or resolution adopted in a calendar year after
 11 December 31, 2018, making a preliminary determination to
 12 issue bonds or enter into a lease for the project, the threshold
 13 amount is an amount (as determined by the department of
 14 local government finance) equal to the result of the
 15 maximum levy growth quotient determined under
 16 IC 6-1.1-18.5-2 for the year multiplied by the threshold
 17 amount determined under this item for the preceding
 18 calendar year. In the case of a threshold amount determined
 19 under this item that applies for a calendar year after
 20 December 31, 2018, the department of local government
 21 finance shall publish the threshold in the Indiana Register
 22 under IC 4-22-7-7 not more than sixty (60) days after the
 23 date the budget agency releases the maximum levy growth
 24 quotient for the ensuing year under IC 6-1.1-18.5-2.
- 25 (ii) An amount equal to one percent (1%) of the total gross
 26 assessed value of property within the political subdivision
 27 on the last assessment date, if that total gross assessed value
 28 is more than one billion dollars (\$1,000,000,000), or ten
 29 million dollars (\$10,000,000), if the total gross assessed
 30 value of property within the political subdivision on the last
 31 assessment date is not more than one billion dollars
 32 (\$1,000,000,000).
- 33 (B) Any other controlled project that is not a controlled project
 34 described in clause (A) and will cost the political subdivision
 35 more than the lesser of the following:
- 36 (i) The threshold amount determined under this item. In the
 37 case of an ordinance or resolution adopted before January 1,
 38 2018, making a preliminary determination to issue bonds or
 39 enter into a lease for the project, the threshold amount is
 40 twelve million dollars (\$12,000,000). In the case of an
 41 ordinance or resolution adopted after December 31, 2017,
 42 and before January 1, 2019, making a preliminary



1 determination to issue bonds or enter into a lease for the
 2 project, the threshold amount is fifteen million dollars
 3 (\$15,000,000). In the case of an ordinance or resolution
 4 adopted in a calendar year after December 31, 2018, making
 5 a preliminary determination to issue bonds or enter into a
 6 lease for the project, the threshold amount is an amount (as
 7 determined by the department of local government finance)
 8 equal to the result of the maximum levy growth quotient
 9 determined under IC 6-1.1-18.5-2 for the year multiplied by
 10 the threshold amount determined under this item for the
 11 preceding calendar year. In the case of a threshold amount
 12 determined under this item that applies for a calendar year
 13 after December 31, 2018, the department of local
 14 government finance shall publish the threshold in the
 15 Indiana Register under IC 4-22-7-7 not more than sixty (60)
 16 days after the date the budget agency releases the maximum
 17 levy growth quotient for the ensuing year under
 18 IC 6-1.1-18.5-2.

19 (ii) An amount equal to one percent (1%) of the total gross
 20 assessed value of property within the political subdivision
 21 on the last assessment date, if that total gross assessed value
 22 is more than one hundred million dollars (\$100,000,000), or
 23 one million dollars (\$1,000,000), if the total gross assessed
 24 value of property within the political subdivision on the last
 25 assessment date is not more than one hundred million
 26 dollars (\$100,000,000).

27 (C) Any other controlled project for which a political
 28 subdivision adopts an ordinance or resolution making a
 29 preliminary determination to issue bonds or enter into a lease
 30 for the project, if the sum of:

- 31 (i) the cost of that controlled project; plus
- 32 (ii) the costs of all other controlled projects for which the
 33 political subdivision has previously adopted within the
 34 preceding three hundred sixty-five (365) days an ordinance
 35 or resolution making a preliminary determination to issue
 36 bonds or enter into a lease for those other controlled
 37 projects;

38 exceeds twenty-five million dollars (\$25,000,000).

39 (D) A controlled project funded by debt service if the scope of
 40 the project changes from the purpose of the project initially
 41 advertised to taxpayers as determined under section 4.3(c) of
 42 this chapter.



- 1 (E) This clause does not apply to a project for which a public
 2 hearing to issue bonds or enter into a lease has been conducted
 3 under IC 20-26-7-37 before July 1, 2023. Except as provided
 4 in section 4.5 of this chapter, any other controlled project if the
 5 political subdivision's total debt service tax rate is at least
 6 eighty cents (\$0.80) per one hundred dollars (\$100) of
 7 assessed value. This clause expires December 31, 2025. For
 8 purposes of this clause, a political subdivision's total debt
 9 service tax rate does not include a tax rate imposed in a
 10 referendum debt service tax levy approved by voters.
- 11 (2) The proper officers of the political subdivision make a
 12 preliminary determination after June 30, 2008, in the manner
 13 described in subsection (b) to issue bonds or enter into a lease for
 14 the controlled project.
- 15 (b) Subject to subsection (d) **and section 13.5 of this chapter**, a
 16 political subdivision may not impose property taxes to pay debt service
 17 on bonds or lease rentals on a lease for a controlled project without
 18 completing the following procedures:
- 19 (1) The proper officers of a political subdivision shall publish
 20 notice in accordance with IC 5-3-1 and send notice by first class
 21 mail to the circuit court clerk and to any organization that delivers
 22 to the officers, before January 1 of that year, an annual written
 23 request for notices of any meeting to consider the adoption of an
 24 ordinance or a resolution making a preliminary determination to
 25 issue bonds or enter into a lease and shall conduct at least two (2)
 26 public hearings on the preliminary determination before adoption
 27 of the ordinance or resolution. The political subdivision must at
 28 each of the public hearings on the preliminary determination
 29 allow the public to testify regarding the preliminary determination
 30 and must make the following information available to the public
 31 at each of the public hearings on the preliminary determination,
 32 in addition to any other information required by law:
- 33 (A) The result of the political subdivision's current and
 34 projected annual debt service payments divided by the net
 35 assessed value of taxable property within the political
 36 subdivision.
- 37 (B) The result of:
- 38 (i) the sum of the political subdivision's outstanding long
 39 term debt plus the outstanding long term debt of other taxing
 40 units that include any of the territory of the political
 41 subdivision; divided by
 42 (ii) the net assessed value of taxable property within the



- 1 political subdivision.
- 2 **(C) In the case of a school corporation, a statement that a**
- 3 **portion of the proceeds collected from the proposed levy**
- 4 **will be distributed to a qualified charter school in the**
- 5 **manner described in section 13.5 of this chapter unless the**
- 6 **qualified charter school elects to not participate.**
- 7 ~~(D)~~ **(D)** The information specified in subdivision (3)(A)
- 8 through (3)(G).
- 9 (2) If the proper officers of a political subdivision make a
- 10 preliminary determination to issue bonds or enter into a lease, the
- 11 officers shall give notice of the preliminary determination by:
- 12 (A) publication in accordance with IC 5-3-1; and
- 13 (B) first class mail to the circuit court clerk and to the
- 14 organizations described in subdivision (1).
- 15 (3) A notice under subdivision (2) of the preliminary
- 16 determination of the political subdivision to issue bonds or enter
- 17 into a lease must include the following information:
- 18 (A) The maximum term of the bonds or lease.
- 19 (B) The maximum principal amount of the bonds or the
- 20 maximum lease rental for the lease.
- 21 (C) The estimated interest rates that will be paid and the total
- 22 interest costs associated with the bonds or lease.
- 23 (D) The purpose of the bonds or lease.
- 24 (E) A statement that the proposed debt service or lease
- 25 payments must be approved in an election on a local public
- 26 question held under section 3.6 of this chapter.
- 27 (F) With respect to bonds issued or a lease entered into to
- 28 open:
- 29 (i) a new school facility; or
- 30 (ii) an existing facility that has not been used for at least
- 31 three (3) years and that is being reopened to provide
- 32 additional classroom space;
- 33 the estimated costs the school corporation expects to annually
- 34 incur to operate the facility.
- 35 (G) The following information:
- 36 (i) The political subdivision's current debt service levy and
- 37 rate.
- 38 (ii) The estimated increase to the political subdivision's debt
- 39 service levy and rate that will result if the political
- 40 subdivision issues the bonds or enters into the lease.
- 41 (iii) The estimated amount of the political subdivision's debt
- 42 service levy and rate that will result during the following ten



1 (10) years if the political subdivision issues the bonds or
 2 enters into the lease, after also considering any changes that
 3 will occur to the debt service levy and rate during that
 4 period on account of any outstanding bonds or lease
 5 obligations that will mature or terminate during that period.
 6 (H) The information specified in subdivision (1)(A) through
 7 ~~(1)(B)~~; **(1)(C)**.
 8 (4) This subdivision does not apply to a controlled project
 9 described in subsection (a)(1)(E) (before its expiration). After
 10 notice is given, a petition requesting the application of the local
 11 public question process under section 3.6 of this chapter may be
 12 filed by the lesser of:
 13 (A) five hundred (500) persons who are either owners of
 14 property within the political subdivision or registered voters
 15 residing within the political subdivision; or
 16 (B) five percent (5%) of the registered voters residing within
 17 the political subdivision.
 18 (5) This subdivision does not apply to a controlled project
 19 described in subsection (a)(1)(E) (before its expiration). The state
 20 board of accounts shall design and, upon request by the county
 21 voter registration office, deliver to the county voter registration
 22 office or the county voter registration office's designated printer
 23 the petition forms to be used solely in the petition process
 24 described in this section. The county voter registration office shall
 25 issue to an owner or owners of property within the political
 26 subdivision or a registered voter residing within the political
 27 subdivision the number of petition forms requested by the owner
 28 or owners or the registered voter. Each form must be
 29 accompanied by instructions detailing the requirements that:
 30 (A) the carrier and signers must be owners of property or
 31 registered voters;
 32 (B) the carrier must be a signatory on at least one (1) petition;
 33 (C) after the signatures have been collected, the carrier must
 34 swear or affirm before a notary public that the carrier
 35 witnessed each signature; and
 36 (D) govern the closing date for the petition period.
 37 Persons requesting forms may be required to identify themselves
 38 as owners of property or registered voters and may be allowed to
 39 pick up additional copies to distribute to other owners of property
 40 or registered voters. Each person signing a petition must indicate
 41 whether the person is signing the petition as a registered voter
 42 within the political subdivision or is signing the petition as the



1 owner of property within the political subdivision. A person who
 2 signs a petition as a registered voter must indicate the address at
 3 which the person is registered to vote. A person who signs a
 4 petition as an owner of property must indicate the address of the
 5 property owned by the person in the political subdivision.

6 (6) This subdivision does not apply to a controlled project
 7 described in subsection (a)(1)(E) (before its expiration). Each
 8 petition must be verified under oath by at least one (1) qualified
 9 petitioner in a manner prescribed by the state board of accounts
 10 before the petition is filed with the county voter registration office
 11 under subdivision (7).

12 (7) This subdivision does not apply to a controlled project
 13 described in subsection (a)(1)(E) (before its expiration). Each
 14 petition must be filed with the county voter registration office not
 15 more than thirty (30) days after publication under subdivision (2)
 16 of the notice of the preliminary determination.

17 (8) This subdivision does not apply to a controlled project
 18 described in subsection (a)(1)(E) (before its expiration). The
 19 county voter registration office shall determine whether each
 20 person who signed the petition is a registered voter. However,
 21 after the county voter registration office has determined that at
 22 least five hundred twenty-five (525) persons who signed the
 23 petition are registered voters within the political subdivision, the
 24 county voter registration office is not required to verify whether
 25 the remaining persons who signed the petition are registered
 26 voters. If the county voter registration office does not determine
 27 that at least five hundred twenty-five (525) persons who signed
 28 the petition are registered voters, the county voter registration
 29 office, not more than fifteen (15) business days after receiving a
 30 petition, shall forward a copy of the petition to the county auditor.
 31 Not more than ten (10) business days after receiving the copy of
 32 the petition, the county auditor shall provide to the county voter
 33 registration office a statement verifying:

34 (A) whether a person who signed the petition as a registered
 35 voter but is not a registered voter, as determined by the county
 36 voter registration office, is the owner of property in the
 37 political subdivision; and

38 (B) whether a person who signed the petition as an owner of
 39 property within the political subdivision does in fact own
 40 property within the political subdivision.

41 (9) This subdivision does not apply to a controlled project
 42 described in subsection (a)(1)(E) (before its expiration). The



1 county voter registration office, not more than ten (10) business
 2 days after determining that at least five hundred twenty-five (525)
 3 persons who signed the petition are registered voters or after
 4 receiving the statement from the county auditor under subdivision
 5 (8), as applicable, shall make the final determination of whether
 6 a sufficient number of persons have signed the petition. Whenever
 7 the name of an individual who signs a petition form as a
 8 registered voter contains a minor variation from the name of the
 9 registered voter as set forth in the records of the county voter
 10 registration office, the signature is presumed to be valid, and there
 11 is a presumption that the individual is entitled to sign the petition
 12 under this section. Except as otherwise provided in this chapter,
 13 in determining whether an individual is a registered voter, the
 14 county voter registration office shall apply the requirements and
 15 procedures used under IC 3 to determine whether a person is a
 16 registered voter for purposes of voting in an election governed by
 17 IC 3. However, an individual is not required to comply with the
 18 provisions concerning providing proof of identification to be
 19 considered a registered voter for purposes of this chapter. A
 20 person is entitled to sign a petition only one (1) time in a
 21 particular referendum process under this chapter, regardless of
 22 whether the person owns more than one (1) parcel of real
 23 property, mobile home assessed as personal property, or
 24 manufactured home assessed as personal property or a
 25 combination of those types of property within the political
 26 subdivision and regardless of whether the person is both a
 27 registered voter in the political subdivision and the owner of
 28 property within the political subdivision. Notwithstanding any
 29 other provision of this section, if a petition is presented to the
 30 county voter registration office within forty-five (45) days before
 31 an election, the county voter registration office may defer acting
 32 on the petition, and the time requirements under this section for
 33 action by the county voter registration office do not begin to run
 34 until five (5) days after the date of the election.

35 (10) This subdivision does not apply to a controlled project
 36 described in subsection (a)(1)(E) (before its expiration). The
 37 county voter registration office must file a certificate and each
 38 petition with:

- 39 (A) the township trustee, if the political subdivision is a
 40 township, who shall present the petition or petitions to the
 41 township board; or
- 42 (B) the body that has the authority to authorize the issuance of



1 the bonds or the execution of a lease, if the political
 2 subdivision is not a township;
 3 within thirty-five (35) business days of the filing of the petition
 4 requesting the referendum process. The certificate must state the
 5 number of petitioners who are owners of property within the
 6 political subdivision and the number of petitioners who are
 7 registered voters residing within the political subdivision.

8 (11) This subdivision does not apply to a controlled project
 9 described in subsection (a)(1)(E) (before its expiration). If a
 10 sufficient petition requesting the local public question process is
 11 not filed by owners of property or registered voters as set forth in
 12 this section, the political subdivision may issue bonds or enter
 13 into a lease by following the provisions of law relating to the
 14 bonds to be issued or lease to be entered into.

15 (c) If the proper officers of a political subdivision make a
 16 preliminary determination to issue bonds or enter into a lease, the
 17 officers shall provide to the county auditor:

- 18 (1) a copy of the notice required by subsection (b)(2); and
- 19 (2) any other information the county auditor requires to fulfill the
 20 county auditor's duties under section 3.6 of this chapter.

21 (d) In addition to the procedures in subsection (b), if any capital
 22 improvement components addressed in the most recent:

- 23 (1) threat assessment of the buildings within the school
 24 corporation; or
- 25 (2) school safety plan (as described in IC 20-26-18.2-2(b));

26 concerning a particular school have not been completed or require
 27 additional funding to be completed, before the school corporation may
 28 impose property taxes to pay debt service on bonds or lease rentals for
 29 a lease for a controlled project, and in addition to any other components
 30 of the controlled project, the controlled project must include any capital
 31 improvements necessary to complete those components described in
 32 subdivisions (1) and (2) that have not been completed or that require
 33 additional funding to be completed.

34 (e) In addition to the other procedures in this section, an ordinance
 35 or resolution making a preliminary determination to issue bonds or
 36 enter into leases that is considered for adoption must include a
 37 statement of:

- 38 (1) the maximum annual debt service for the controlled project for
 39 each year in which the debt service will be paid; and
- 40 (2) the schedule of the estimated annual tax levy and rate over a
 41 ten (10) year period;

42 factoring in changes that will occur to the debt service levy and tax rate



1 during the period on account of any outstanding bonds or lease
 2 obligations that will mature or terminate during the period.

3 SECTION 3. IC 6-1.1-20-13.5 IS ADDED TO THE INDIANA
 4 CODE AS A NEW SECTION TO READ AS FOLLOWS
 5 [EFFECTIVE MAY 10, 2025 (RETROACTIVE)]: **Sec. 13.5. (a) This**
 6 **section applies if the governing body of a school corporation**
 7 **intends to adopt a resolution under section 3.1 or 3.5 of this**
 8 **chapter after May 10, 2025, to impose property taxes to pay debt**
 9 **service on bonds or lease rentals for a controlled project. However,**
 10 **this section does not apply to a school corporation for which less**
 11 **than one hundred (100) students who have legal settlement in the**
 12 **school corporation attend a charter school.**

13 (b) The following definitions apply throughout this section:

14 (1) "ADM" has the meaning set forth in IC 20-18-2-2.

15 (2) "Qualified charter school" means a charter school located
 16 within the attendance area of the school corporation.

17 (c) A school corporation that adopts a resolution under section
 18 3.1 or 3.5 of this chapter after May 10, 2025, to impose property
 19 taxes to pay debt service on bonds or lease rentals for a controlled
 20 project shall distribute a portion of the revenue collected to
 21 qualified charter schools in the manner provided in this section.
 22 The following schools are not eligible to receive a distribution
 23 under this section:

24 (1) A virtual charter school.

25 (2) An adult high school.

26 (d) The resolution shall include a projection of the amount that
 27 the school corporation expects to be distributed to a qualified
 28 charter school, excluding virtual charter schools or adult high
 29 schools, unless the qualified charter school voluntarily elects to not
 30 participate in the manner described in subsection (e). At least sixty
 31 (60) days before the resolution is voted on by the governing body
 32 of the school corporation, the school corporation shall contact the
 33 department of education to determine the number of students in
 34 kindergarten through grade 12:

35 (1) who have legal settlement in the school corporation but
 36 attend a qualified charter school, excluding virtual charter
 37 schools or adult high schools; and

38 (2) who receive not more than fifty percent (50%) virtual
 39 instruction.

40 Not later than fifty (50) days before the resolution is voted on by
 41 the governing body of the school corporation, the department of
 42 education shall provide the school corporation with the number of



1 students with legal settlement in the school corporation who attend
2 a qualified charter school and who receive not more than fifty
3 percent (50%) virtual instruction, which shall be disaggregated for
4 each qualified charter school, excluding a virtual charter school or
5 adult high school.

6 (e) At least forty-five (45) days before the resolution is voted on
7 by the governing body of the school corporation, the school
8 corporation shall contact each qualified charter school, excluding
9 virtual charter schools or adult high schools, disclosed by the
10 department of education to the school corporation under
11 subsection (d) to determine whether the qualified charter school
12 will elect to not participate. The notice must include the total
13 amount of the school corporation's expected need, the
14 corresponding estimate for that amount divided by the number of
15 students enrolled in the school corporation, and the date on which
16 the governing body of the school corporation will vote on the
17 resolution. If the qualified charter school elects to not participate,
18 the qualified charter school must respond in writing to the
19 governing body of the school corporation, which may be by
20 electronic mail addressed to the superintendent of the school
21 corporation, at least thirty (30) days prior to the date that the
22 resolution is to be voted on by the governing body of the school
23 corporation. If the qualified charter school elects to not participate,
24 the school corporation may exclude distributions to the qualified
25 charter school under this section and from the projection described
26 in subsection (d). In addition, a qualified charter school that will
27 participate under this subsection shall contribute a proportionate
28 share of the cost to conduct the petition and remonstrance process
29 or referendum, as applicable, based on the total combined ADM of
30 the school corporation and any participating qualified charter
31 schools.

32 (f) The county auditor of the county in which the school
33 corporation is located shall distribute an amount under subsection
34 (g) to each qualified charter school, excluding virtual charter
35 schools or adult high schools, that a student who resides within the
36 attendance area of the school corporation attends unless the
37 qualified charter school elects to not participate under subsection
38 (e). The department of education shall provide the county auditor
39 with data and information necessary for the county auditor to
40 determine:

41 (1) which qualified charter schools are eligible to receive a
42 distribution under this section; and



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

- (2) the number of students who:**
 - (A) reside within the attendance area of the school corporation who are included in the ADM for each qualified charter school, excluding virtual charter schools or adult high schools, described in subdivision (1); and**
 - (B) receive not more than fifty percent (50%) virtual instruction.**

(g) For the purposes of the calculations made in this subsection, each eligible school that has entered into an agreement with a school corporation to participate as a participating innovation network charter school under IC 20-25.7-5 is considered to have an ADM that is separate from the school corporation. The amount that the county auditor shall distribute to a qualified charter school, excluding virtual charter schools or adult high schools, under this section is the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine, for each qualified charter school that is eligible to receive a distribution under this section, excluding virtual charter schools or adult high schools, the number of students who:

- (A) reside within the attendance area of the school corporation who are currently included in the ADM of the qualified charter school; and**
- (B) receive not more than fifty percent (50%) virtual instruction.**

STEP TWO: Determine the sum of:

- (A) the current ADM count for the school corporation, excluding students who:**
 - (i) receive more than fifty percent (50%) virtual instruction; and**
 - (ii) attend the school corporation but do not have legal settlement in the school corporation; plus**
- (B) the total number of all students who reside within the attendance area of the school corporation who are currently included in the ADM of a qualified charter school, excluding virtual charter schools or adult high schools, and receive not more than fifty percent (50%) virtual instruction.**

STEP THREE: For each qualified charter school, determine the result of:

- (A) the STEP ONE amount; divided by**
- (B) the STEP TWO amount.**



1 **STEP FOUR: To determine the distribution amount for a**
 2 **qualified charter school, determine:**

3 **(A) for the initial installment period in the first year in**
 4 **which property taxes are collected to pay debt service on**
 5 **bonds or lease rentals for the controlled project that**
 6 **follows the approval by the voters, the result of:**

7 **(i) the STEP THREE amount; multiplied by**

8 **(ii) the amount collected by the county auditor during**
 9 **the installment period; and**

10 **(B) for each subsequent installment period in each**
 11 **subsequent year in which property taxes are collected to**
 12 **pay debt service on bonds or lease rentals for the**
 13 **controlled project, the amount determined in clause (A).**

14 **(h) Not later than May 25, 2025, the department of local**
 15 **government finance shall prescribe the manner in which a**
 16 **projection described in subsection (d) shall be calculated.**

17 SECTION 4. IC 20-24-7-6, AS AMENDED BY P.L.189-2023,
 18 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 MAY 10, 2025 (RETROACTIVE)]: Sec. 6. ~~(a) With the approval of a~~
 20 ~~majority of the members of the governing body, a school corporation~~
 21 ~~may distribute a proportionate share of the school corporation's~~
 22 ~~operations fund to a charter school. A charter school may elect to~~
 23 ~~distribute a proportionate share of the charter school's operations fund~~
 24 ~~to the school corporation in whose district the charter school is located.~~

25 ~~(b) Except as provided in IC 20-46-1-21 and IC 20-46-9-22, a~~
 26 ~~governing body may distribute money that is received as part of a tax~~
 27 ~~levy collected under IC 20-46-1 from the school corporation's~~
 28 ~~education fund to a charter school, excluding a virtual charter school,~~
 29 ~~in the manner provided by IC 20-46-1-8(e).~~

30 ~~(c) Except as provided in IC 20-46-1-21 and IC 20-46-9-22, a~~
 31 ~~governing body may distribute money from the school safety~~
 32 ~~referendum tax levy fund to a charter school, excluding a virtual~~
 33 ~~charter school, in the manner prescribed by IC 20-46-9-6(b).~~

34 SECTION 5. IC 20-24-7-6.1, AS ADDED BY P.L.201-2023,
 35 SECTION 153, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2025]: Sec. 6.1. (a) This section applies to
 37 revenue collected:

38 **(1) after June 30, 2024, and before January 1, 2026, from a tax**
 39 **levy imposed under IC 20-46-8 by the governing body of a school**
 40 **corporation described in IC 20-46-8-11.2(a); and**

41 **(2) after December 31, 2025, from a tax levy imposed under**
 42 **IC 20-46-7 or IC 20-46-8 by the governing body of a school**



1 **corporation.**

2 (b) ~~Beginning~~ In calendar year 2025, ~~and each year thereafter~~, the
3 county auditor shall distribute money that is received as part of a tax
4 levy collected under IC 20-46-8 to an eligible charter school, excluding
5 a virtual charter school and adult high school, for deposit in the charter
6 school's operations fund created under IC 20-40-18-1. The distributions
7 shall be made at the same time that tax levy revenue is required to be
8 distributed to school corporations.

9 **(c) Beginning in calendar year 2026, and each year thereafter,**
10 **the county auditor shall distribute money that is received as part**
11 **of a tax levy collected under IC 20-46-7 or IC 20-46-8 to an eligible**
12 **charter school, excluding a virtual charter school and adult high**
13 **school, in the manner prescribed by IC 20-46-7-17 or**
14 **IC 20-46-8-13, as applicable, for deposit in the charter school's**
15 **operations fund created under IC 20-40-18-1. The distributions**
16 **shall be made at the same time that tax levy revenue is required to**
17 **be distributed to school corporations.**

18 SECTION 6. IC 20-24-7-6.2, AS ADDED BY P.L.189-2023,
19 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 MAY 10, 2025 (RETROACTIVE)]: Sec. 6.2. (a) This section applies
21 to a levy resulting from **a resolution adopted by the governing body**
22 **under IC 6-1.1-20 and** a resolution to place a referendum on the ballot
23 adopted by the governing body under IC 20-46-1-8, IC 20-46-1-8.5,
24 IC 20-46-9-6, or IC 20-46-9-7:

25 **(1) after May 10, 2023, and before May 11, 2025,** for counties
26 described in IC 20-46-1-21(a) and IC 20-46-9-22(a); **and**

27 **(2) after May 10, 2025, for all counties.**

28 (b) The county auditor in the county in which the applicable school
29 corporation is located shall distribute money that is received as part of
30 a tax levy collected under IC 20-46-1 to an applicable charter school,
31 excluding a virtual charter school, in the manner provided by
32 IC 20-46-1-21.

33 (c) The county auditor in the county in which the applicable school
34 corporation is located shall distribute money that is received as part of
35 a tax levy collected under IC 20-46-9 to an applicable charter school,
36 excluding a virtual charter school, in the manner prescribed by
37 IC 20-46-9-22.

38 **(d) The county auditor in the county in which the applicable**
39 **school corporation is located shall distribute money that is received**
40 **as part of a tax levy collected under IC 6-1.1-20 to a qualified**
41 **charter school (as defined in IC 6-1.1-20-13.5(b), excluding a**
42 **virtual charter school, in the manner prescribed by**



1 **IC 6-1.1-20-13.5.**

2 ~~(d)~~ (e) A charter school that may receive money from a **school**
 3 **corporation's tax levy collected under IC 6-1.1-20**, a school
 4 corporation's tax levy collected under IC 20-46-1, or a school safety
 5 referendum tax levy under IC 20-46-9 ~~may not promote a position on~~
 6 **is prohibited from promoting** a referendum in the same manner as a
 7 school corporation is prohibited from promoting a position on a
 8 referendum under IC 20-46-1-20.

9 ~~(e)~~ (f) If a charter school receives a distribution from a school
 10 corporation from a **school corporation's tax levy collected under**
 11 **IC 6-1.1-20**, the school corporation's tax levy collected under
 12 IC 20-46-1, or a school safety referendum tax levy under IC 20-46-9,
 13 the charter school must post the following on the charter school's
 14 website:

15 (1) The specific purposes for which the revenue received from the
 16 tax levy will be used.

17 (2) An estimate of the annual dollar amounts that will be
 18 expended for each purpose described in subdivision (1).

19 SECTION 7. IC 20-24-13-1, AS ADDED BY P.L.213-2015,
 20 SECTION 162, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) This chapter applies to the
 22 following:

23 (1) A charter school. ~~that does not receive a pro rata share of local~~
 24 ~~property tax revenue.~~

25 (2) An innovation network school located in a school city, as
 26 defined in IC 20-25-2-12, that existed on January 1, 2015 ~~that~~
 27 ~~does not receive a pro rata share of local property tax revenue~~
 28 (referred to as an innovation network school in this chapter).

29 (b) This chapter does not apply to a virtual charter school or an adult
 30 high school.

31 SECTION 8. IC 20-24-13-6, AS AMENDED BY P.L.201-2023,
 32 SECTION 158, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2025]: Sec. 6. (a) **Subject to section 7 of this**
 34 **chapter, the department, in collaboration with the state board,**
 35 **shall determine a school's annual grant amount for a grant under**
 36 **this chapter. A school shall provide the department with any**
 37 **information necessary, in the manner prescribed by the**
 38 **department, to determine a school's annual grant amount under**
 39 **this section.** The annual grant amount for a school for a state fiscal
 40 year is the following:

41 ~~(+)~~ For the state fiscal year beginning July 1, 2021:

42 ~~(A)~~ one thousand dollars (\$1,000); multiplied by



- 1 (B) the number of eligible pupils who are counted in the
- 2 current ADM of the school.
- 3 (2) For the state fiscal year beginning July 1, 2022:
- 4 (A) one thousand two hundred fifty dollars (\$1,250);
- 5 multiplied by
- 6 (B) the number of eligible pupils who are counted in the
- 7 current ADM of the school.
- 8 (3) **(1) For the state fiscal year beginning July 1, 2023, and each**
- 9 **state fiscal year thereafter; and for the state fiscal year**
- 10 **beginning July 1, 2024:**
- 11 (A) one thousand four hundred dollars (\$1,400); multiplied by
- 12 (B) the number of eligible pupils who are counted in the
- 13 current ADM of the school.
- 14 **(2) Subject to subsection (b) and section 7 of this chapter, for**
- 15 **the state fiscal year beginning July 1, 2025, and each state**
- 16 **fiscal year thereafter:**
- 17 (A) one thousand four hundred dollars (\$1,400); multiplied
- 18 by
- 19 (B) the number of eligible pupils who are counted in the
- 20 current ADM of the school.
- 21 **(b) Notwithstanding subsection (a), and subject to section 7 of**
- 22 **this chapter, the annual grant amount for a school for a state fiscal**
- 23 **year is determined in the last STEP of the following STEPS:**
- 24 **STEP ONE: Determine the aggregate sum of the property tax**
- 25 **revenue received by the school in the immediately preceding**
- 26 **calendar year from school corporations under IC 6-1.1-20 and**
- 27 **IC 20-46-7.**
- 28 **STEP TWO: Divide:**
- 29 (A) the STEP ONE result; by
- 30 (B) the number of eligible pupils who are counted in the
- 31 current ADM of the school.
- 32 **STEP THREE: Determine:**
- 33 (A) one thousand four hundred dollars (\$1,400); minus
- 34 (B) the STEP TWO result.
- 35 **STEP FOUR: Determine the greater of:**
- 36 (A) the STEP THREE result; or
- 37 (B) zero (0).
- 38 **STEP FIVE: Determine the result of:**
- 39 (A) the STEP FOUR result; multiplied by
- 40 (B) the number of eligible pupils who are counted in the
- 41 school's current ADM.
- 42 (c) A county auditor shall collaborate with the department to



1 **the extent necessary to carry out this section.**

2 SECTION 9. IC 20-24-13-7 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2025]: **Sec. 7. (a) Before the department may distribute a grant
5 under this chapter, the department shall determine the total
6 amount of:**

7 **(1) property tax revenue that the charter school is set to
8 receive from a particular school corporation in a year from
9 levies imposed under:**

10 **(A) IC 6-1.1-20, as a result of a resolution to impose
11 property taxes adopted by the governing body after May
12 10, 2025; and**

13 **(B) IC 20-46-7; plus**

14 **(2) the total amount of the grant to be awarded to the charter
15 school under this chapter for the school year.**

16 **If the sum of subdivisions (1) and (2) for a particular charter
17 school exceeds the amount of property tax revenue that the school
18 corporation, if not for the application of this section, would receive
19 after sharing amounts of property tax revenue as otherwise
20 required by law, the department shall reduce the amount of the
21 grant amount to the charter school that exceeds the amount the
22 school corporation would otherwise receive.**

23 **(b) A county auditor shall collaborate with other county
24 auditors and the department to the extent necessary to comply with
25 the requirements of this section.**

26 SECTION 10. IC 20-25.7-5-3, AS AMENDED BY P.L.162-2024,
27 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2025]: **Sec. 3. (a) For as long as a charter school remains a
29 participating innovation network charter school:**

30 **(1) the school corporation may provide transportation for students
31 attending the participating innovation network charter school;**

32 **(2) the school corporation may maintain and repair the buildings
33 and grounds used by the participating innovation network charter
34 school consistent with the maintenance and repair to the school
35 corporation's other buildings and grounds;**

36 **(3) the school corporation may enter into an agreement to transfer
37 the ownership of a school corporation facility to the organizer;
38 and**

39 **(4) the school corporation may not alter the use of the facility
40 occupied by the participating innovation network charter school
41 without agreement from the organizer.**

42 **(b) If an organizer contracts with a school corporation for goods or**



1 services, the school corporation may not charge the organizer more for
 2 the goods or services than the school corporation pays for the goods or
 3 services. A school corporation may not require an organizer to contract
 4 for specific goods or services provided by the school corporation or any
 5 other entity.

6 (c) A school corporation and an organizer may negotiate to require
 7 specific services with regard to a participating innovation network
 8 charter school during the term of an agreement. However, an organizer
 9 must be able to select the service provider for the services.

10 (d) For as long as a charter school remains a participating
 11 innovation network charter school, the school corporation may
 12 distribute money levied as property taxes to the charter school. Property
 13 taxes distributed to a charter school must be used only for a purpose for
 14 which the property taxes could have been used by the school
 15 corporation. Property taxes distributed under this subsection may
 16 supplement services and property provided under subsection (a) or (b).
 17 The parties may jointly modify an agreement described in section 2 of
 18 this chapter to implement this subsection.

19 (e) An agreement concerning the transfer of ownership of a school
 20 corporation facility described in subsection (a) is not subject to
 21 IC 20-26-7.1.

22 (f) Unless an agreement entered into before July 1, 2024, between
 23 a board and an organizer provides otherwise, a school corporation may
 24 not charge an organizer an amount for goods and services that is
 25 greater than the amount of the operations fund property tax levy the
 26 organizer receives under IC 20-46-8-11.2 or IC 20-46-8-13 for the
 27 participating innovation network charter school.

28 SECTION 11. IC 20-26-5-45 IS ADDED TO THE INDIANA
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2025]: **Sec. 45. If a school corporation is**
 31 **authorized by the general assembly to impose any new tax after**
 32 **June 30, 2025, within the school corporation's attendance area, the**
 33 **governing body of the school corporation shall determine a method**
 34 **for the sharing of revenue collected from the imposition of the tax**
 35 **with each charter school that has a student who:**

36 (1) resides in the school corporation's attendance area and is
 37 included in the current ADM of the charter school; and

38 (2) receives not more than fifty percent (50%) virtual
 39 instruction.

40 SECTION 12. IC 20-26-7.1-1, AS AMENDED BY P.L.36-2024,
 41 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 MAY 10, 2025 (RETROACTIVE)]: Sec. 1. (a) For purposes of this



1 section, "charter school" does not include a virtual charter school or an
2 adult high school.

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

4 (1) A school building that since July 1, 2011, is leased or loaned
5 by the school corporation that owns the school building to another
6 entity, if the entity is not a building corporation or other entity that
7 is related in any way to, or created by, the school corporation or
8 the governing body.

9 (2) A school corporation to which all of the following apply:

10 (A) The county auditor distributes revenue after May 10, 2023,
11 as required under IC 20-46-1-21 to each charter school
12 described in ~~IC 20-46-1-21(b)~~; **IC 20-46-1-21**.

13 (B) If the school corporation ~~listed in IC 20-46-9-22~~, receives
14 revenue from a school safety referendum tax levy under
15 IC 20-46-9, the county auditor distributes revenue after May
16 10, 2023, as required under IC 20-46-9-22 to each charter
17 school described in ~~IC 20-46-9-22(b)~~; **IC 20-46-9-22**.

18 The above subdivisions are intended to apply retroactively. No
19 referendums or distributed revenue prior to May 10, 2023, are
20 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 May
23 10, 2023, to impose an operating referendum tax levy under
24 IC 20-46-1 after May 10, 2023, that includes sharing the
25 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 the
28 school corporation attends; and

29 (ii) elects to participate in the referendum.

30 The above subdivisions are intended to apply retroactively. No
31 resolutions, referendums, or distributed revenue prior to May 10,
32 2023, are effective to provide exemption from this chapter.

33 (B) The amount of referendum tax levy revenue that the school
34 corporation is required to share with each charter school under
35 the resolution described in clause (A) is equal to the amount
36 determined applying the **applicable** formula under
37 ~~IC 20-46-1-21(d)~~; **IC 20-46-1-21**.

38 (C) The referendum tax levy described in clause (A) is
39 approved by the voters.

40 (D) The school corporation distributes the amounts described
41 in clause (B) to each charter school described in clause (A).

42 (E) If the school corporation receives revenue from a school



1 safety referendum tax levy under IC 20-46-9, the school
 2 corporation shares the revenue from the school safety
 3 referendum tax levy with each charter school that:

4 (i) a student who resides within the attendance area of the
 5 school corporation attends; and

6 (ii) elects to participate in the referendum;

7 in an amount equal to the amount determined applying the
 8 **applicable** formula under ~~IC 20-46-9-22(d)~~: **IC 20-46-9-22**.

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

15 SECTION 13. IC 20-40-2-2, AS AMENDED BY P.L.201-2023,
 16 SECTION 181, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The governing body of each
 18 school corporation shall establish an education fund for the payment of
 19 expenses that are allocated to student instruction and learning under
 20 IC 20-42.5.

21 (b) The governing body of a charter school that receives a
 22 distribution of revenue received from a tax levy under IC 20-46-8-11.2
 23 **or IC 20-46-8-13** shall establish an education fund for the payment of
 24 expenses that are allocated to student instruction and learning under
 25 IC 20-42.5.

26 SECTION 14. IC 20-40-3-5, AS AMENDED BY P.L.189-2023,
 27 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 MAY 10, 2025 (RETROACTIVE)]: Sec. 5. ~~(a)~~ Money in the fund may
 29 be used for any lawful school expenses, including making a transfer to
 30 the school corporation's education fund (IC 20-40-2) or operations fund
 31 (IC 20-40-18).

32 ~~(b) Except as provided in IC 20-46-1-21, a school corporation may~~
 33 ~~distribute proceeds of a tax levy collected under IC 20-46-1 that is~~
 34 ~~transferred to the school corporation's education fund to a charter~~
 35 ~~school, excluding a virtual charter school, that is located within the~~
 36 ~~attendance area of the school corporation.~~

37 SECTION 15. IC 20-40-18-1, AS AMENDED BY P.L.201-2023,
 38 SECTION 185, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) The governing body of each
 40 school corporation shall create an operations fund to be used by the
 41 school corporation after December 31, 2018.

42 (b) The governing body of each charter school that receives a



1 distribution of revenue received from a tax levy under **IC 20-46-7-17**,
 2 IC 20-46-8-11.2, or **IC 20-46-8-13** shall create an operations fund to
 3 be used by the charter school after December 31, 2024.

4 SECTION 16. IC 20-40-18-2, AS AMENDED BY P.L.201-2023,
 5 SECTION 186, IS AMENDED TO READ AS FOLLOWS
 6 [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The operations fund shall be
 7 used to deposit the following after December 31, 2018, in the case of
 8 a school corporation:

9 (1) Revenue from the school corporation's operations fund
 10 property tax levy under IC 20-46-8.

11 (2) The sum of the following excise tax revenue received for
 12 deposit in the fund in the calendar year in which the school year
 13 begins:

14 (A) Financial institutions excise tax (IC 6-5.5).

15 (B) Motor vehicle excise taxes (IC 6-6-5).

16 (C) Commercial vehicle excise taxes (IC 6-6-5.5).

17 (D) Boat excise tax (IC 6-6-11).

18 (E) Aircraft license excise tax (IC 6-6-6.5).

19 (3) Transfers from the education fund (IC 20-40-2) or the
 20 operating referendum tax levy fund (IC 20-40-3), if any.

21 (4) Allocations of local income taxes to the school corporation
 22 under IC 6-3.6-6, if any.

23 (b) **In the case of a charter school**, the operations fund shall be
 24 used to deposit amounts distributed to the charter school under
 25 **IC 20-46-7-17**, IC 20-46-8-11.2, or **IC 20-46-8-13** after December 31,
 26 2024.

27 SECTION 17. IC 20-40-18-10.5, AS ADDED BY P.L.201-2023,
 28 SECTION 187, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2025]: Sec. 10.5. (a) This section applies only
 30 to eligible charter schools that receive amounts distributed under
 31 **IC 20-46-7-17**, IC 20-46-8-11.2, or **IC 20-46-8-13**.

32 (b) For purposes of this section, "charter board" means the
 33 governing body of the organizer (as defined in IC 20-24-1-7) of an
 34 eligible charter school.

35 (c) The operations fund may be used only to do the following:

36 (1) Carry out a capital projects plan under the following
 37 conditions:

38 (A) The plan must include all proposed expenditures that
 39 exceed ten thousand dollars (\$10,000) and are for:

40 (i) capital assets; or

41 (ii) projects that are considered capital in nature, including
 42 technology related projects.



- 1 (B) If a charter school wants to use money in the operations
2 fund during the year to pay for any items listed in clause (E)
3 that are considered capital in nature, the charter board must
4 approve a plan following a public hearing. The charter school
5 shall post the proposed plan or proposed amended plan on the
6 charter school's website before the hearing. The charter school
7 shall submit the proposed capital projects plan to the
8 department of local government finance's computer gateway
9 at least ten (10) days before the public hearing. The
10 department of local government finance shall make the
11 proposed plan available at least ten (10) days before the
12 hearing, through the department's computer gateway. If an
13 amendment to a capital projects plan is proposed, the charter
14 board must declare the nature of and need for the amendment
15 in the plan amendment.
- 16 (C) If a charter board adopts a plan under clause (B), the
17 charter school must then submit the plan to the department of
18 local government finance for inclusion on the department's
19 computer gateway not later than thirty (30) days after adoption
20 of the plan. The department of local government finance shall
21 immediately make the proposed plan available through the
22 gateway website.
- 23 (D) This clause applies to an amendment to a plan that is
24 required because of an emergency that results in costs that
25 exceed the amount accumulated in the fund for repair,
26 replacement, or site acquisition that is necessitated by an
27 emergency. The charter board is not required to comply with
28 clause (C). If the charter board determines that an emergency
29 exists, the governing body may adopt an amendment to the
30 plan. An amendment to a plan is not subject to the deadline
31 and procedures for adoption of a plan described in this
32 subdivision.
- 33 (E) This clause sets forth an exclusive list of the expenditures
34 that may be made from the operations fund under clause (B),
35 as set forth in the charter board's plan or amended plan.
36 Subject to the expenditures that are identified in the charter
37 school's plan or amended plan, the operations fund shall be
38 used for the following:
- 39 (i) Site acquisition.
 - 40 (ii) Site development.
 - 41 (iii) Building acquisition, construction, replacement,
42 renovation, remodeling, improvement, and maintenance,



- 1 including building materials and employment services.
2 (iv) Rental of real estate, buildings, facilities, and
3 equipment.
4 (v) To repair and replace buildings and to repair and replace
5 building fixtures that are owned or leased by the charter
6 school and of a type constituting loss capable of being
7 covered by casualty insurance.
8 (vi) Purchase, lease, repair, or maintenance of equipment,
9 including maintenance vehicles to be used by the charter
10 school. However, the fund may not be used to pay for the
11 purchase, lease, repair, or maintenance of vehicles that are
12 not maintenance vehicles, or equipment to be used primarily
13 for interscholastic or extracurricular activities.
14 (vii) Service contracts for janitorial and custodial services,
15 maintenance services, snow and ice removal services, trash
16 removal services, mowing and lawn care services, pest
17 control services, and any other routine services normally
18 required in the maintenance or upkeep of charter school
19 facilities.
20 (viii) Repair, replacement, or site acquisition that is
21 necessitated by an emergency.
22 (ix) Construction, repair, replacement, remodeling, or
23 maintenance of a school sports facility.
24 (x) Utilities.
25 (xi) Property and casualty insurance.
26 (xii) Purchase, lease, upgrade, maintenance, or repair
27 technology that will not be allocated to student instruction
28 and learning, to include computer hardware, computer
29 software, wiring and computer networks, and
30 communication access systems used to connect with
31 computer networks or electronic gateways; services of
32 full-time or part-time computer maintenance employees;
33 conducting nonrecurring inservice technology training of
34 school employees; implementing the technology preparation
35 curriculum; participating in a program to provide
36 educational technologies, including computers in the homes
37 of students (commonly referred to as "the buddy system
38 project") under IC 20-20-13-6, the 4R's technology program,
39 or any other program under the educational technology
40 program described in IC 20-20-13; and obtaining any
41 combination of equipment or services in the preceding two
42 (2) categories of this item.



- 1 (xiii) Services of charter school employees who perform
 2 services considered to be a skilled trade by the United States
 3 Department of Labor, Employment and Training
 4 Administration. For purposes of this item, skilled trade
 5 services do not include janitorial or comparable routine
 6 services normally provided in the daily operation of school
 7 facilities or equipment. Payment may be made for employee
 8 services only if the employees perform construction of,
 9 renovation of, remodeling of, repair of, or maintenance on
 10 the facilities and equipment of the charter school.
- 11 (2) Pay transportation costs under the following conditions:
- 12 (A) A charter school shall use the operations fund to pay the
 13 transportation costs attributable to transportation of school
 14 children as specified in clause (B).
- 15 (B) Only the following costs are payable from the fund:
- 16 (i) Salaries paid to bus drivers, transportation supervisors,
 17 mechanics and garage employees, clerks, and other
 18 transportation related employees.
- 19 (ii) Contracted transportation services.
- 20 (iii) Wages of independent contractors.
- 21 (iv) Contracts with common carriers.
- 22 (v) Student fares.
- 23 (vi) Transportation related insurance.
- 24 (vii) Other expenses of operating the school corporation's
 25 transportation service, including gasoline, lubricants, tires,
 26 repairs, contracted repairs, parts, supplies, equipment, and
 27 other related expenses.
- 28 (C) Percentages or parts of salaries of teaching personnel or
 29 principals are not attributable to transportation. However, parts
 30 of salaries of instructional aides who are assigned to assist
 31 with the school transportation program are attributable to
 32 transportation. The costs described in this clause (other than
 33 instructional aide costs) may not be budgeted for payment or
 34 paid from the fund.
- 35 (D) Costs for a calendar year are those costs attributable to
 36 transportation for students during the school year ending in the
 37 calendar year.
- 38 (3) Carry out a school bus replacement plan approved by the
 39 charter school board under the following conditions:
- 40 (A) Before a charter school may use money in the operations
 41 fund for replacing school buses, a resolution approving the
 42 school bus replacement plan or amended plan must be



- 1 submitted to the department of local government finance.
- 2 (B) The department of local government finance shall
- 3 prescribe the format of the plan. A plan must apply to at least
- 4 the five (5) budget years immediately following the year the
- 5 plan is adopted and include at least an estimate for each year
- 6 to which it applies of the nature and amount of proposed
- 7 expenditures from the fund, and if the school corporation is
- 8 seeking to acquire or contract for transportation services that
- 9 will provide additional school buses or school buses with a
- 10 larger seating capacity as compared with the number and type
- 11 of school buses from the prior school year, evidence of a
- 12 demand for increased transportation services within the school
- 13 corporation. However, the evidence requirement regarding a
- 14 contract for transportation services does not apply if contracted
- 15 transportation services are not paid from the fund.
- 16 (C) If the charter school is seeking to require a contractor to
- 17 replace a school bus, evidence that the need exists for the
- 18 replacement of the school bus. This clause does not apply if
- 19 contracted transportation services are not paid from the
- 20 operations fund.
- 21 (D) Evidence that the charter school that seeks to acquire
- 22 additional school buses under this subdivision is acquiring or
- 23 contracting for the school buses only for the purposes
- 24 specified in clause (B) or for replacement purposes.
- 25 (E) If a charter school wants to use money in the operations
- 26 fund during the year to pay for school bus replacement, the
- 27 governing body must adopt a resolution approving the bus
- 28 replacement plan or amended plan. The charter school shall
- 29 post the proposed plan or proposed amended plan on the
- 30 charter school's website before the hearing. The governing
- 31 body must hold a hearing on the adoption of the plan. The
- 32 charter school shall submit the proposed school bus
- 33 replacement plan or amended plan to the department of local
- 34 government finance's computer gateway at least ten (10) days
- 35 before the hearing on the adoption of the plan. The department
- 36 of local government finance shall make the proposed plan
- 37 available to taxpayers, at least ten (10) days before the hearing,
- 38 through the department's computer gateway. If an amendment
- 39 to a bus replacement plan is being proposed, the charter school
- 40 must declare the nature of and the need for the amendment in
- 41 the resolution to adopt the amendment to the plan.
- 42 (4) Pay expenses that are allocated to overhead and operational



- 1 expenditures.
- 2 (5) Establish, maintain, and equip a public playground.
- 3 SECTION 18. IC 20-46-1-8, AS AMENDED BY P.L.162-2024,
 4 SECTION 25, AND AS AMENDED BY P.L.36-2024, SECTION 10,
 5 AND AS AMENDED BY P.L.104-2024, SECTION 51, AND AS
 6 AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE
 7 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED
 8 TO READ AS FOLLOWS [EFFECTIVE MAY 10, 2025
 9 (RETROACTIVE)]: Sec. 8. (a) Subject to subsections ~~(e)~~, ~~(f)~~, and ~~(g)~~
 10 **(b), (e), and (f)** and this chapter, the governing body of a school
 11 corporation may adopt a resolution to place a referendum under this
 12 chapter on the ballot for any of the following purposes:
- 13 (1) The governing body of the school corporation determines that
 14 it cannot, in a calendar year, carry out its public educational duty
 15 unless it imposes a referendum tax levy under this chapter.
- 16 (2) The governing body of the school corporation determines that
 17 a referendum tax levy under this chapter should be imposed to
 18 replace property tax revenue that the school corporation will not
 19 receive because of the application of the credit under
 20 IC 6-1.1-20.6.
- 21 ~~(3) Except for resolutions described in subsection (b), the~~
 22 ~~governing body makes the determination required under~~
 23 ~~subdivision (1) or (2) and determines to share a portion of the~~
 24 ~~referendum proceeds with a charter school, excluding a virtual~~
 25 ~~charter school, in the manner prescribed in subsection (e).~~
- 26 (b) A resolution for a referendum for a ~~county~~ described in section
 27 21 of this chapter that is adopted after May 10, 2023, shall specify that
 28 a portion of the proceeds collected from the proposed levy will be
 29 distributed to applicable charter schools in the manner described under
 30 section 21 of this chapter.
- 31 (c) The governing body of the school corporation shall certify a
 32 copy of the resolution to place a referendum on the ballot to the
 33 following:
- 34 (1) The department of local government finance, including:
 35 (A) the language for the question required by section 10 of this
 36 chapter, or in the case of a resolution to extend a referendum
 37 levy certified to the department of local government finance
 38 after March 15, 2016, section 10.1 of this chapter; and
 39 (B) a copy of the revenue spending plan adopted under
 40 subsection ~~(g)~~: **(f)**.
- 41 The language of the public question must include the estimated
 42 average percentage increases certified by the county auditor under



1 section 10(e) or 10.1(f) of this chapter, as applicable. The
 2 governing body of the school corporation shall also provide the
 3 county auditor's certification described in section 10(e) or 10.1(f)
 4 of this chapter, as applicable. The department of local government
 5 finance shall post the values certified by the county auditor to the
 6 department's website. The department shall review the language
 7 for compliance with section 10 or 10.1 of this chapter, whichever
 8 is applicable, and either approve or reject the language. The
 9 department shall send its decision to the governing body of the
 10 school corporation not more than ten (10) days after *both the*
 11 *certification of the county auditor described in section 10(e) or*
 12 *10.1(f) of this chapter, as applicable, and the resolution is* ~~are~~
 13 submitted to the department. If the language is approved, the
 14 governing body of the school corporation shall certify a copy of
 15 the resolution, including the language for the question and the
 16 department's approval.

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

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

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

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

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

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

39 (f) (e) This subsection applies to a resolution described in
 40 subsection (a) for a county described in section 21(a) **section 21** of this
 41 chapter that is adopted after May 10, 2023. The resolution ~~described in~~
 42 ~~subsection (a)~~ shall include a projection of the amount that the school



1 corporation expects to be distributed to a particular charter school,
 2 excluding virtual charter schools or adult high schools, under section
 3 21 of this chapter **if unless** the charter school voluntarily elects to **not**
 4 participate in the referendum in the manner described in subsection ~~(f)~~.
 5 **(h)**. At least sixty (60) days before the resolution ~~described in~~
 6 ~~subsection (a)~~ is voted on by the governing body, the school
 7 corporation shall contact the department to determine the number of
 8 students in kindergarten through grade 12:

- 9 (1) who have legal settlement in the school corporation but attend
 10 a charter school, excluding virtual charter schools or adult high
 11 schools; and
 12 (2) who receive not more than fifty percent (50%) virtual
 13 instruction.

14 **Not later than fifty (50) days before the resolution is voted on by**
 15 **the governing body**, the department shall provide the school
 16 corporation with the number of students with legal settlement in the
 17 school corporation who attend a charter school and who receive not
 18 more than fifty percent (50%) virtual instruction, which shall be
 19 disaggregated for each particular charter school, excluding a virtual
 20 charter school or adult high school. The projection may include an
 21 expected increase in charter schools during the term the levy is
 22 imposed under this chapter. ~~The department of local government~~
 23 ~~finance shall prescribe the manner in which the projection shall be~~
 24 ~~calculated.~~ The governing body shall take into consideration the
 25 projection when adopting the revenue spending plan under subsection
 26 ~~(g)~~ **(f)**.

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

- 30 (1) an estimate of the amount of annual revenue expected to be
 31 collected if a levy is imposed under this chapter;
 32 (2) the specific purposes for which the revenue collected from a
 33 levy imposed under this chapter will be used;
 34 (3) an estimate of the annual dollar amounts that will be expended
 35 for each purpose described in subdivision (2); and
 36 (4) for a resolution for a referendum that is adopted after May 10,
 37 2023, ~~for a county as described in section 21(a)~~ **21** of this chapter,
 38 the projected revenue that shall be distributed to charter schools
 39 as provided in ~~subsections (f) and (i)~~ **subsections (e) and (h)**.
 40 The revenue spending plan shall also take into consideration
 41 deviations in the proposed revenue spending plan if the actual
 42 charter school distributions exceed or are lower than the projected



1 charter school distributions described in subsection ~~(f)~~ **(e)**. The
 2 resolution shall include for each charter school that elects to
 3 participate under subsection ~~(i)~~ **(h)** information described in
 4 subdivisions (1) through (3).

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

9 ~~(i)~~ **(h)** This subsection applies to a resolution described in
 10 ~~subsection (a) for a county described in section 21(a)~~ **section 21** of this
 11 chapter that is adopted after May 10, 2023. At least forty-five (45) days
 12 before the resolution ~~described in subsection (a)~~ is voted on by the
 13 governing body, the school corporation shall contact each charter
 14 school, excluding virtual charter schools or adult high schools,
 15 disclosed by the department to the school corporation under subsection
 16 ~~(f)~~ **(e)** to determine whether the charter school will **elect to not**
 17 participate in the referendum. *The notice must include the total amount*
 18 *of the school corporation's expected need, the corresponding estimate*
 19 *for that amount divided by the number of students enrolled in the*
 20 *school corporation, and the date on which the governing body of the*
 21 *school corporation will vote on the resolution.* The charter school must
 22 respond in writing to the school corporation, *which may be by*
 23 *electronic mail addressed to the superintendent of the school*
 24 *corporation, at least ~~fifteen (15)~~ **thirty (30)** days prior to the date that*
 25 *the resolution described in subsection (a) is to be voted on by the*
 26 *governing body. If the charter school elects to **not** participate in the*
 27 *referendum, the school corporation may exclude distributions to the*
 28 *charter school under section 21 of this chapter and from the projection*
 29 *described in subsection ~~(f)~~ **(e)**. If ~~the a~~ charter school **will elects to***
 30 *participate in the referendum, the charter school ~~may receive~~*
 31 *distributions under section 21 of this chapter and must be included in*
 32 *the projection described in subsection (f). In addition, a charter school*
 33 *that ~~elects to~~ **will** participate in the referendum under this subsection*
 34 *shall contribute a proportionate share of the cost to conduct the*
 35 *referendum based on the total combined ADM of the school*
 36 *corporation and any participating charter schools.*

37 ~~(j)~~ **(i)** This subsection applies to a resolution described in ~~subsection~~
 38 ~~(a) for a county described in section 21(a)~~ **section 21** of this chapter
 39 that is adopted after May 10, 2023. At least thirty (30) days before the
 40 *resolution described in subsection (a) referendum submitted to the*
 41 *voters under this chapter is voted on by the ~~governing body~~, public in*
 42 *a primary or general election, the school corporation that is pursuing*



1 the *resolution referendum* and any charter school that ~~has elected to~~
 2 **will** participate under subsection ~~(f)~~ **(h)** shall post a referendum
 3 disclosure statement on each school's respective website that contains
 4 the following information:

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

20 **(j) Not later than May 20, 2025, the department of local**
 21 **government finance shall prescribe the manner in which a**
 22 **projection described in subsection (e) shall be calculated.**

23 SECTION 19. IC 20-46-1-8.5, AS AMENDED BY P.L.189-2023,
 24 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 MAY 10, 2025 (RETROACTIVE)]: Sec. 8.5. (a) A resolution to extend
 26 a referendum levy must be:

- 27 (1) adopted by the governing body of a school corporation; and
 - 28 (2) approved in a referendum under this chapter;
- 29 before December 31 of the final calendar year in which the school
 30 corporation's previously approved referendum levy is imposed under
 31 this chapter.

32 (b) For a resolution adopted under this section:
 33 **(1) after May 10, 2023, and before May 11, 2025,** for a county
 34 described in section 21(a) of this chapter; **and**
 35 **(2) after May 10, 2025, for all counties, as described in section**
 36 **21(b) of this chapter;**

37 the resolution must include the projected charter school distributions
 38 described in section ~~8(f)~~ **8(e)** of this chapter and indicate the
 39 distributions to applicable charter schools in accordance with section
 40 21 of this chapter.

41 SECTION 20. IC 20-46-1-21, AS ADDED BY P.L.189-2023,
 42 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 MAY 10, 2025 (RETROACTIVE)]; Sec. 21. (a) This section applies
 2 to revenue received from a resolution that is approved by the governing
 3 body to impose a referendum levy under section 8 or 8.5 of this chapter
 4 after May 10, 2023, **and before May 11, 2025**, for a school corporation
 5 located in:

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

10 **(b) This section applies to revenue received from a resolution**
 11 **that is approved by the governing body after May 10, 2025, to**
 12 **impose a referendum levy under section 8 or 8.5 of this chapter for**
 13 **a school corporation. However, this section does not apply to a**
 14 **school corporation for which less than one hundred (100) students**
 15 **who have legal settlement in the school corporation attend a**
 16 **charter school.**

17 ~~(b)~~ **(c)** The county auditor in which the school corporation is located
 18 shall distribute an amount under subsection ~~(d)~~ **(e)** to each charter
 19 school, excluding virtual charter schools or adult high schools, that a
 20 student who resides within the attendance area of the school
 21 corporation attends ~~if~~ **unless** the charter school elects to **not** participate
 22 in the referendum under section ~~8(i)~~ **8(h)** of this chapter. The
 23 department shall provide the county auditor with data and information
 24 necessary for the county auditor to determine:

- 25 (1) which charter schools are eligible to receive a distribution
 26 under this section; and
- 27 (2) the number of students who:
 - 28 **(A)** reside within the attendance area of the school corporation
 29 who are included in the ADM for each charter school,
 30 excluding virtual charter schools or adult high schools,
 31 described in subdivision (1); **and**
 - 32 **(B) receive not more than fifty percent (50%) virtual**
 33 **instruction.**

34 ~~(c)~~ **(d)** The following schools are not eligible to receive a
 35 distribution under this section:

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

38 ~~(d)~~ **(e)** **This subsection applies only for distributions of revenue**
 39 **received from a resolution that is approved by the governing body**
 40 **after May 10, 2023, and before May 11, 2025, to impose a**
 41 **referendum levy under section 8 or 8.5 of this chapter for a school**
 42 **corporation described in subsection (a).** For the purposes of the



1 calculations made in this subsection, each eligible school that has
 2 entered into an agreement with a school corporation to participate as a
 3 participating innovation network charter school under IC 20-25.7-5 is
 4 considered to have an ADM that is separate from the school
 5 corporation. The amount that the county auditor shall distribute to a
 6 charter school, excluding virtual charter schools or adult high schools,
 7 under this section is the amount determined in the last STEP of the
 8 following STEPS:

9 STEP ONE: Determine, for each charter school, excluding virtual
 10 charter schools or adult high schools, that is eligible to receive a
 11 distribution under this section, the number of students who reside
 12 within the attendance area of the school corporation who are
 13 currently included in the ADM of the charter school.

14 STEP TWO: Determine the sum of:

- 15 (A) the current ADM count for the school corporation; plus
- 16 (B) total number of all students who reside within the
- 17 attendance area of the school corporation who are currently
- 18 included in the ADM of a charter school, excluding virtual
- 19 charter schools or adult high schools.

20 STEP THREE: Determine the result of:

- 21 (A) the STEP ONE amount; divided by
- 22 (B) the STEP TWO amount.

23 STEP FOUR: Determine the result of:

- 24 (A) the STEP THREE amount; multiplied by
- 25 (B) the amount collected by the county auditor during the most
- 26 recent installment period.

27 **(f) This subsection applies only for distributions of revenue**
 28 **received from a resolution that is approved by the governing body**
 29 **after May 10, 2025, to impose a referendum levy under section 8 or**
 30 **8.5 of this chapter for a school corporation. For purposes of the**
 31 **calculations made in this subsection, each eligible school that has**
 32 **entered into an agreement with a school corporation to participate**
 33 **as a participating innovation network charter school under**
 34 **IC 20-25.7-5 is considered to have an ADM that is separate from**
 35 **the school corporation. The amount that the county auditor shall**
 36 **distribute to a charter school, excluding virtual charter schools or**
 37 **adult high schools, under this section is the amount determined in**
 38 **STEP FOUR of the following:**

39 **STEP ONE: Determine, for each charter school, excluding**
 40 **virtual charter schools or adult high schools, that is eligible to**
 41 **receive a distribution under this section, the number of**
 42 **students who:**



- 1 (A) reside within the attendance area of the school
- 2 corporation who are currently included in the ADM of the
- 3 charter school; and
- 4 (B) receive not more than fifty percent (50%) virtual
- 5 instruction.

6 **STEP TWO: Determine the sum of:**

- 7 (A) the current ADM count for the school corporation,
- 8 excluding students who:
 - 9 (i) receive more than fifty percent (50%) virtual
 - 10 instruction; and
 - 11 (ii) attend the school corporation but do not have legal
 - 12 settlement in the school corporation; plus
- 13 (B) the total number of all students who reside within the
- 14 attendance area of the school corporation who are
- 15 currently included in the ADM of:
 - 16 (i) a charter school, excluding virtual charter schools or
 - 17 adult high schools; and
 - 18 (ii) receive not more than fifty percent (50%) virtual
 - 19 instruction.

20 **STEP THREE: For each charter school, determine the result**

- 21 of:
- 22 (A) the STEP ONE amount; divided by
- 23 (B) the STEP TWO amount.

24 **STEP FOUR: To determine the distribution amount for a**

- 25 charter school, determine the result of:
- 26 (A) the STEP THREE amount; multiplied by
- 27 (B) the amount collected by the county auditor during the
- 28 most recent installment period.

29 SECTION 21. IC 20-46-7-4, AS AMENDED BY P.L.169-2017,
30 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2025]: Sec. 4. (a) The governing body of each school
32 corporation shall establish a levy in every calendar year sufficient to
33 pay all obligations.

34 (b) This subsection applies to a school corporation that consolidates
35 under IC 20-23-6-12.5. The governing body shall establish a levy for
36 each subunit (as defined in IC 20-23-6-0.5) in each calendar year
37 sufficient to pay the debts and obligations that the particular subunit
38 incurred before consolidating with one (1) or more school corporations
39 under IC 20-23-6-12.5.

40 (c) Beginning in calendar year 2026, and each year thereafter,
41 a school corporation shall share a portion of the revenue collected
42 from a levy imposed under this chapter in the manner provided in



1 **section 17 of this chapter.**

2 SECTION 22. IC 20-46-7-16 IS ADDED TO THE INDIANA
3 CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2025]: **Sec. 16. (a) Not later than November**
5 **15, 2025, the department shall determine the applicable debt**
6 **service levy share quotient to be used in calculating the amounts**
7 **that a school corporation must share each calendar year from the**
8 **total property tax revenue collected from the school corporation's**
9 **debt service property tax levy imposed under this chapter in the**
10 **calendar year according to the following formula:**

11 **STEP ONE: Identify, for each school corporation, the charter**
12 **schools, excluding virtual charter schools or adult high**
13 **schools, in which students who have legal settlement in the**
14 **school corporation attend and receive not more than fifty**
15 **percent (50%) virtual instruction.**

16 **STEP TWO: Determine, for each charter school identified in**
17 **STEP ONE, the number of students who:**

18 **(A) have legal settlement in the school corporation who are**
19 **currently included in the fall ADM count of the charter**
20 **school; and**

21 **(B) receive not more than fifty percent (50%) virtual**
22 **instruction.**

23 **STEP THREE: Determine the sum of:**

24 **(A) the fall ADM count for the school corporation,**
25 **excluding students who:**

26 **(i) receive more than fifty percent (50%) virtual**
27 **instruction; and**

28 **(ii) attend the school corporation but do not have legal**
29 **settlement in the school corporation; plus**

30 **(B) the total number of students who:**

31 **(i) reside within the attendance area of the school**
32 **corporation who are currently included in the fall ADM**
33 **count of a charter school, excluding virtual charter**
34 **schools or adult high schools; and**

35 **(ii) who receive not more than fifty percent (50%)**
36 **virtual instruction.**

37 **STEP FOUR: To determine the debt service levy share**
38 **quotient for each charter school identified in STEP ONE,**
39 **determine the result of:**

40 **(A) the STEP TWO result; divided by**

41 **(B) the STEP THREE result.**

42 **(b) The department shall provide to the county auditor with**



1 respect to each school corporation located in the county auditor's
 2 county, immediately after calculation under subsection (a), and in
 3 the form prescribed by the county auditor, each charter school
 4 determined under STEP ONE of subsection (a) and the charter
 5 school's corresponding debt levy share quotient calculated under
 6 STEP FOUR of subsection (a).

7 (c) For the purposes of the calculations made in this section,
 8 each eligible school that has entered into an agreement with a
 9 school corporation to participate as a participating innovation
 10 network charter school under IC 20-25.7-5 is considered to have an
 11 ADM that is separate from the school corporation.

12 SECTION 23. IC 20-46-7-17 IS ADDED TO THE INDIANA
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2025]: Sec. 17. (a) This section applies to
 15 revenue collected after December 31, 2025, from a tax levy imposed
 16 by a school corporation under this chapter.

17 (b) This section does not apply to, and distributions are not
 18 required for, a school corporation:

- 19 (1) that is designated as a distressed political subdivision
 20 under IC 6-1.1-20.3;
- 21 (2) that was, at any time during the three (3) immediately
 22 preceding calendar years, designated as a distressed political
 23 subdivision under IC 6-1.1-20.3; or
- 24 (3) for which less than one hundred (100) students who have
 25 legal settlement in the school corporation attend a charter
 26 school.

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

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

31 (d) Beginning in calendar year 2026, and each year thereafter,
 32 and subject to subsection (g), when the county auditor distributes
 33 property taxes to taxing units, the county auditor shall distribute
 34 an amount of the revenue collected from a tax levy imposed by a
 35 school corporation under this chapter to each charter school as
 36 identified for the school corporation in STEP ONE of section 16(a)
 37 of this chapter. Subject to subsection (e), the county auditor shall
 38 distribute to each eligible charter school the amount determined in
 39 the last STEP of the following STEPS:

40 STEP ONE: Determine the amount collected in the most
 41 recent installment period by the school corporation from the
 42 school corporation's debt service levy imposed under this



- 1 chapter.
- 2 **STEP TWO: Determine:**
- 3 (A) the STEP ONE result; minus
- 4 (B) the amount needed to make payments due for bonds,
- 5 leases, and other forms of indebtedness that were incurred
- 6 before May 10, 2025, and are payable from property taxes
- 7 collected from a levy imposed under this chapter.
- 8 **STEP THREE: To determine the distribution for each eligible**
- 9 **charter school identified for the school corporation in STEP**
- 10 **ONE of section 16(a) of this chapter, multiply:**
- 11 (A) the STEP TWO result; by
- 12 (B) the levy share quotient determined for the charter
- 13 school under STEP FOUR of section 16(a) of this chapter.
- 14 (e) This subsection applies only to distributions under
- 15 subsection (d) in calendar years 2026 and 2027 to an eligible
- 16 charter school. Instead of the amount determined under subsection
- 17 (d) for a distribution to a particular eligible charter school from
- 18 the revenue collected from the tax levy imposed under this chapter
- 19 by a particular school corporation, the county auditor shall make
- 20 distributions according to the following:
- 21 (1) For a distribution in 2026, the county auditor shall
- 22 distribute an amount for a particular eligible charter school
- 23 equal to:
- 24 (A) the result of STEP THREE of subsection (d) for the
- 25 eligible charter school; multiplied by
- 26 (B) thirty-three hundredths (0.33).
- 27 (2) For a distribution in 2027, the county auditor shall
- 28 distribute an amount for a particular eligible charter school
- 29 equal to:
- 30 (A) the result of STEP THREE of subsection (d) for the
- 31 eligible charter school; multiplied by
- 32 (B) sixty-six hundredths (0.66).
- 33 **This subsection expires July 1, 2028.**
- 34 (f) Before October 1, 2025, and before October 1 of each year
- 35 thereafter, the department shall provide to each school corporation
- 36 and each eligible charter school an estimate of the amount of
- 37 property tax levy revenue the school corporation and charter
- 38 school are expected to receive under this section.
- 39 (g) In order to receive a distribution under this section, the
- 40 governing body of an eligible charter school shall, before
- 41 November 1, 2025, and before November 1 of each year thereafter,
- 42 adopt a budget for the school year. Not later than ten (10) days



1 before its adoption, the budget must be fixed and presented to the
 2 charter board in a public meeting in the county in which the
 3 charter school is incorporated. A budget that is adopted under this
 4 subsection must be submitted to the charter authorizer for review
 5 and to the department of local government finance to be posted
 6 publicly on the computer gateway under IC 6-1.1-17-3.

7 (h) Before April 1, 2026, and before April 1 of each year
 8 thereafter, the county auditor shall provide each school
 9 corporation and each eligible charter school the actual amount of
 10 property tax levy revenue the school corporation and charter
 11 school are expected to receive under this section.

12 SECTION 24. IC 20-46-8-11.2, AS AMENDED BY P.L.36-2024,
 13 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2025]: Sec. 11.2. (a) This section applies only to revenue
 15 collected after June 30, 2024, and before January 1, 2026, from a tax
 16 levy imposed under this chapter by a school corporation located in:

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

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

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

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

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

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

41 STEP ONE: Determine each charter school that:

- 42 (A) is located in the same county as the school corporation;



- 1 and
- 2 (B) provides not more than fifty percent (50%) virtual
- 3 instruction for its students.
- 4 STEP TWO: Determine, for each charter school described in
- 5 STEP ONE, the number of students who:
- 6 (A) have legal settlement within the school corporation;
- 7 (B) are currently included in the fall ADM for the charter
- 8 school; and
- 9 (C) receive not more than fifty percent (50%) virtual
- 10 instruction.
- 11 STEP THREE: Determine the sum of:
- 12 (A) the aggregate of the STEP TWO results for all applicable
- 13 charter schools; plus
- 14 (B) the fall ADM count for the school corporation for students
- 15 receiving not more than fifty percent (50%) virtual instruction.
- 16 STEP FOUR: For each charter school described in STEP ONE,
- 17 determine the result of:
- 18 (A) the applicable STEP TWO amount; divided by
- 19 (B) the STEP THREE amount;
- 20 expressed as a percentage.
- 21 STEP FIVE: Determine the sum of all the amounts computed
- 22 under STEP FOUR and subtract the result from one hundred
- 23 percent (100%).
- 24 (e) The department shall provide to the county auditor, immediately
- 25 after calculation under subsection (d), and in the form prescribed by the
- 26 county auditor:
- 27 (1) each charter school determined under STEP ONE of
- 28 subsection (d) and the charter school's corresponding percentage
- 29 calculated under STEP FOUR of subsection (d); and
- 30 (2) the percentage calculated under STEP FIVE of subsection (d)
- 31 for the school corporation.
- 32 (f) The county auditor shall distribute to the school corporation and
- 33 each applicable charter school the amount determined in the last STEP
- 34 of the following STEPS:
- 35 STEP ONE: For each school corporation, determine a base
- 36 property tax levy amount calculated as:
- 37 (A) the sum of the school corporation's operations fund
- 38 property tax levies collected under this chapter in calendar
- 39 years 2021, 2022, and 2023; divided by
- 40 (B) three (3).
- 41 STEP TWO: For each school corporation, determine an
- 42 incremental property tax levy amount calculated as:



- 1 (A) the school corporation's operations fund property tax levy
 2 collections for the current calendar year; minus
 3 (B) the school corporation's base property tax levy collections
 4 determined under STEP ONE.
- 5 STEP THREE: For the school corporation and each applicable
 6 charter school, determine the result of:
- 7 (A) the incremental amount determined under STEP TWO;
 8 multiplied by
 9 (B) the following percentage:
- 10 (i) In the case of an applicable charter school, the charter
 11 school's percentage under STEP FOUR of subsection (d).
 12 (ii) In the case of the school corporation, the school
 13 corporation's percentage under STEP FIVE of subsection
 14 (d).
- 15 (g) Before October 1, 2024, and before October 1 of each year
 16 thereafter, the department shall provide to each school corporation and
 17 each eligible charter school an estimate of the amount of property tax
 18 levy revenue the school corporation and charter school are expected to
 19 receive under this section.
- 20 (h) In order to receive a distribution under this section, the
 21 governing body of an eligible charter school shall, before November 1,
 22 2024, and before November 1 of each year thereafter, adopt a budget
 23 for the school year. Not later than ten (10) days before its adoption, the
 24 budget must be fixed and presented to the charter board in a public
 25 meeting in the county in which the charter school is incorporated. A
 26 budget that is adopted under this subsection must be submitted to the
 27 charter authorizer for review and to the department of local government
 28 finance to be posted publicly on the computer gateway under
 29 IC 6-1.1-17-3.
- 30 (i) Before April 1, 2025, and before April 1 of each year thereafter,
 31 the county auditor shall provide each school corporation and each
 32 eligible charter school the actual amount of property tax levy revenue
 33 the school corporation and charter school are expected to receive under
 34 this section.
- 35 SECTION 25. IC 20-46-8-12 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2025]: **Sec. 12. (a) Not later than November**
 38 **15, 2025, the department shall determine the applicable operations**
 39 **levy share quotient to be used in calculating the amounts that a**
 40 **school corporation must share each calendar year from the total**
 41 **property tax revenue collected from the school corporation's**
 42 **operations fund property tax levy imposed under this chapter in**



1 the calendar year according to the following formula:

2 **STEP ONE:** Identify, for each school corporation, the charter
3 schools, excluding virtual charter schools or adult high
4 schools in which students who have legal settlement in the
5 school corporation attend and receive not more than fifty
6 percent (50%) virtual instruction.

7 **STEP TWO:** Determine, for each charter school identified in
8 **STEP ONE**, the number of students who:

9 (A) have legal settlement in the school corporation who are
10 currently included in the fall ADM count of the charter
11 school; and

12 (B) receive not more than fifty percent (50%) virtual
13 instruction.

14 **STEP THREE:** Determine the sum of:

15 (A) the fall ADM count for the school corporation,
16 excluding students who:

17 (i) receive more than fifty percent (50%) virtual
18 instruction; or

19 (ii) attend the school corporation but do not have legal
20 settlement in the school corporation; plus

21 (B) the total number of students who reside within the
22 attendance area of the school corporation who are
23 currently included in the fall ADM count of:

24 (i) a charter school, excluding virtual charter schools or
25 adult high schools; and

26 (ii) receive not more than fifty percent (50%) virtual
27 instruction.

28 **STEP FOUR:** To determine the operations levy share quotient
29 for each charter school identified in **STEP ONE**, determine
30 the result of:

31 (A) the **STEP TWO** result; divided by

32 (B) the **STEP THREE** result.

33 (b) The department shall provide to the county auditor with
34 respect to each school corporation located in the county auditor's
35 county, immediately after calculation under subsection (a), and in
36 the form prescribed by the county auditor each charter school
37 determined under **STEP ONE** of subsection (a) and the charter
38 school's corresponding operations levy share quotient calculated
39 under **STEP FOUR** of subsection (a).

40 (c) For the purposes of the calculations made in this section,
41 each eligible school that has entered into an agreement with a
42 school corporation to participate as a participating innovation



1 network charter school under IC 20-25.7-5 is considered to have an
2 ADM that is separate from the school corporation.

3 SECTION 26. IC 20-46-8-13 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2025]: Sec. 13. (a) This section applies to
6 revenue collected after December 31, 2025, from a tax levy imposed
7 by a school corporation under this chapter.

8 (b) This section does not apply to, and distributions are not
9 required for, a school corporation:

10 (1) that is designated as a distressed political subdivision
11 under IC 6-1.1-20.3;

12 (2) that was, at any time during the three (3) immediately
13 preceding calendar years, designated as a distressed political
14 subdivision under IC 6-1.1-20.3; or

15 (3) for which less than one hundred (100) students who have
16 legal settlement in the school corporation attend a charter
17 school.

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

20 (1) A virtual charter school.

21 (2) An adult high school.

22 (d) Beginning in calendar year 2026, and each year thereafter,
23 and subject to subsection (g), when the county auditor distributes
24 property taxes to taxing units, the county auditor shall distribute
25 an amount of the revenue collected from a tax levy imposed by a
26 school corporation under this chapter to each charter school as
27 identified for the school corporation in STEP ONE of section 12(a)
28 of this chapter. Subject to subsection (e), the county auditor shall
29 distribute to each eligible charter school the amount determined in
30 the applicable STEP of the following STEPS:

31 STEP ONE: Determine the amount collected in the most
32 recent installment period by the school corporation from the
33 school corporation's operations fund levy imposed under this
34 chapter.

35 STEP TWO: Determine:

36 (A) the STEP ONE result; minus

37 (B) the amount needed to make payments due for bonds,
38 leases, and other forms of indebtedness that were incurred
39 before May 10, 2025, and are payable from property taxes
40 collected from a levy imposed under this chapter.

41 STEP THREE: To determine the distribution for each eligible
42 charter school identified for the school corporation in STEP



1 **ONE of section 12(a) of this chapter, multiply:**

2 **(A) the STEP TWO result; by**

3 **(B) the levy share quotient determined for the charter**
 4 **school under STEP FOUR of section 12(a) of this chapter.**

5 **(e) This subsection applies only to distributions under**
 6 **subsection (d) in calendar years 2026 and 2027 to an eligible**
 7 **charter school. Instead of the amount determined under subsection**
 8 **(d) for a distribution to a particular eligible charter school from**
 9 **the revenue collected from the tax levy imposed under this chapter**
 10 **by a particular school corporation, the county auditor shall make**
 11 **distributions according to the following:**

12 **(1) For a distribution in 2026, the county auditor shall**
 13 **distribute an amount for a particular eligible charter school**
 14 **equal to:**

15 **(A) the result of STEP THREE of subsection (d) for the**
 16 **eligible charter school; multiplied by**

17 **(B) thirty-three hundredths (0.33).**

18 **(2) For a distribution in 2027, the county auditor shall**
 19 **distribute an amount for a particular eligible charter school**
 20 **equal to:**

21 **(A) the result of STEP THREE of subsection (d) for the**
 22 **eligible charter school; multiplied by**

23 **(B) sixty-six hundredths (0.66).**

24 **This subsection expires July 1, 2028.**

25 **(f) Before October 1, 2025, and before October 1 of each year**
 26 **thereafter, the department shall provide to each school corporation**
 27 **and each eligible charter school an estimate of the amount of**
 28 **property tax levy revenue the school corporation and charter**
 29 **school are expected to receive under this section.**

30 **(g) In order to receive a distribution under this section, the**
 31 **governing body of an eligible charter school shall, before**
 32 **November 1, 2025, and before November 1 of each year thereafter,**
 33 **adopt a budget for the school year. Not later than ten (10) days**
 34 **before its adoption, the budget must be fixed and presented to the**
 35 **charter board in a public meeting in the county in which the**
 36 **charter school is incorporated. A budget that is adopted under this**
 37 **subsection must be submitted to the charter authorizer for review**
 38 **and to the department of local government finance to be posted**
 39 **publicly on the computer gateway under IC 6-1.1-17-3.**

40 **(h) Before April 1, 2026, and before April 1 of each year**
 41 **thereafter, the county auditor shall provide each school**
 42 **corporation and each eligible charter school the actual amount of**



1 **property tax levy revenue the school corporation and charter**
 2 **school are expected to receive under this section.**

3 SECTION 27. IC 20-46-9-6, AS AMENDED BY P.L.162-2024,
 4 SECTION 26, AND AS AMENDED BY P.L.156-2024, SECTION 30,
 5 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
 6 OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND
 7 AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 10, 2025
 8 (RETROACTIVE)]: Sec. 6. (a) Subject to this chapter, the governing
 9 body of a school corporation may adopt a resolution to place a
 10 referendum under this chapter on the ballot if the governing body of the
 11 school corporation determines that a referendum levy should be
 12 imposed for measures to improve school safety as described in
 13 IC 20-40-20-6(a) or IC 20-40-20-6(b).

14 ~~(b)~~ Except as provided in section 22 of this chapter, a school
 15 corporation may, with the approval of the majority of members of the
 16 governing body, distribute a portion of the proceeds of a tax levy
 17 collected under this chapter that is deposited in the fund to a charter
 18 school, excluding a virtual charter school, that is located within the
 19 attendance area of the school corporation, to be used by the charter
 20 school for the purposes described in IC 20-40-20-6(a).

21 ~~(c)~~ **(b)** This subsection applies to a resolution described in
 22 subsection ~~(a)~~ **section 22 of this chapter** that is adopted after May 10,
 23 2023. ~~in a county described in section 22(a) of this chapter.~~ A
 24 resolution shall specify that a portion of the proceeds of the proposed
 25 levy will be distributed to applicable charter schools in the manner
 26 described under section 22 of this chapter if **unless** the charter school
 27 voluntarily elects to **not** participate in the referendum in the manner
 28 described in subsection ~~(f)~~: **(g)**.

29 ~~(d)~~ **(c)** This subsection applies to a resolution described in
 30 subsection ~~(a)~~ **section 22 of this chapter** that is adopted after May 10,
 31 2023. ~~in a county described in section 22(a) of this chapter.~~ The
 32 resolution ~~described in subsection (a)~~ shall include a projection of the
 33 amount that the school corporation expects to be distributed to a
 34 particular charter school, excluding virtual charter schools or adult high
 35 schools, under section 22 of this chapter ~~that unless the charter school~~
 36 elects to **not** participate in the referendum under subsection ~~(f)~~: **(g)**. At
 37 least sixty (60) days before the resolution ~~described in subsection (a)~~
 38 is voted on by the governing body, the school corporation shall contact
 39 the department to determine the number of students in kindergarten
 40 through grade 12:

41 **(1)** who have legal settlement in the school corporation but attend
 42 a charter school, excluding virtual charter schools or adult high



1 schools; and
 2 (2) who receive not more than fifty percent (50%) virtual
 3 instruction.
 4 **Not later than fifty (50) days before the resolution is voted on by**
 5 **the governing body**, the department shall provide the school
 6 corporation with the number of students with legal settlement in the
 7 school corporation who attend a charter school, **excluding a virtual**
 8 **charter school or adult high school, and who receive not more than**
 9 **fifty percent (50%) virtual instruction**, which shall be disaggregated
 10 for each particular charter school. ~~excluding a virtual charter school or~~
 11 ~~adult high school~~. The projection may include an expected increase in
 12 charter schools during the term the levy is imposed. ~~The department of~~
 13 ~~local government finance shall prescribe the manner in which the~~
 14 ~~projection shall be calculated~~. The governing body shall take into
 15 consideration the projection when adopting the revenue spending plan
 16 under subsection ~~(g)~~: **(e)**.
 17 ~~(e)~~ **(d)** The governing body of the school corporation shall certify a
 18 copy of the resolution to the following:
 19 (1) The department of local government finance, including:
 20 (A) the language for the question required by section 9 of this
 21 chapter, or in the case of a resolution to extend a referendum
 22 levy certified to the department of local government finance,
 23 section 10 of this chapter; and
 24 (B) a copy of the revenue spending plan adopted under
 25 subsection ~~(g)~~: **(e)**.
 26 The language of the public question must include the estimated
 27 average percentage increases certified by the county auditor under
 28 section 9(d) or 10(f) of this chapter, as applicable. The governing
 29 body of the school corporation shall also provide the county
 30 auditor's certification described in section 9(d) or 10(f) of this
 31 chapter, as applicable. The department of local government
 32 finance shall post the values certified by the county auditor to the
 33 department's website. The department shall review the language
 34 for compliance with section 9 or 10 of this chapter, whichever is
 35 applicable, and either approve or reject the language. The
 36 department shall send its decision to the governing body of the
 37 school corporation not more than ten (10) days after *both the*
 38 *certification of the county auditor described in section 9(d) or*
 39 *10(f) of this chapter, as applicable, and the resolution is* ~~is~~ *are*
 40 submitted to the department. If the language is approved, the
 41 governing body of the school corporation shall certify a copy of
 42 the resolution, including the language for the question and the



- 1 department's approval.
- 2 (2) The county fiscal body of each county in which the school
- 3 corporation is located (for informational purposes only).
- 4 (3) The circuit court clerk of each county in which the school
- 5 corporation is located.
- 6 ~~(f)~~ Except as provided in section 22 of this chapter, the resolution
- 7 described in subsection (a) must indicate whether proceeds in the
- 8 school corporation's fund collected from a tax levy under this chapter
- 9 will be used to provide a distribution to a charter school or charter
- 10 schools, excluding a virtual charter school, under IC 20-40-20-6(b) as
- 11 well as the amount that will be distributed to the particular charter
- 12 school or charter schools. A school corporation may request from the
- 13 designated charter school or charter schools any financial
- 14 documentation necessary to demonstrate the financial need of the
- 15 charter school or charter schools.
- 16 ~~(g)~~ (e) As part of the resolution described in subsection (a), the
- 17 governing body of the school corporation shall adopt a revenue
- 18 spending plan for the proposed referendum tax levy that includes:
- 19 (1) an estimate of the amount of annual revenue expected to be
- 20 collected if a levy is imposed under this chapter;
- 21 (2) the specific purposes described in IC 20-40-20-6 for which the
- 22 revenue collected from a levy imposed under this chapter will be
- 23 used;
- 24 (3) an estimate of the annual dollar amounts that will be expended
- 25 for each purpose described in subdivision (2); and
- 26 (4) for a resolution for a referendum that is adopted after May 10,
- 27 2023, for a county as described in section 22(a) 22 of this chapter,
- 28 the projected revenue that shall be distributed to charter schools
- 29 as provided in subsection ~~(d)~~: (c). The revenue spending plan
- 30 shall also take into consideration deviations in the proposed
- 31 revenue spending plan if the actual charter school distributions
- 32 exceed or are lower than the projected charter school distributions
- 33 described in subsection ~~(d)~~: (c). The resolution shall include for
- 34 each charter school that elects to participate under subsection ~~(f)~~
- 35 (g) information described in subdivisions (1) through (3).
- 36 ~~(h)~~ (f) A school corporation shall specify in its proposed budget the
- 37 school corporation's revenue spending plan adopted under subsection
- 38 ~~(g)~~ (e) and annually present the revenue spending plan at its public
- 39 hearing on the proposed budget under IC 6-1.1-17-3.
- 40 ~~(i)~~ (g) This subsection applies to a resolution described in
- 41 subsection (a) for a county described in section 22(a) section 22 of this
- 42 chapter that is adopted after May 10, 2023. At least forty-five (45) days



1 before the resolution ~~described in subsection (a)~~ is voted on by the
 2 governing body, the school corporation shall contact each charter
 3 school, excluding virtual charter schools or adult high schools,
 4 disclosed by the department to the school corporation under subsection
 5 ~~(f)~~ **(c)** to determine whether the charter school will **elect to not**
 6 participate in the referendum. *The notice must include the total amount*
 7 *of the school corporation's expected need, the corresponding estimate*
 8 *of that amount divided by the number of students enrolled in the school*
 9 *corporation, and the date on which the governing body of the school*
 10 *corporation will vote on the resolution.* The charter school must
 11 respond in writing to the school corporation, *which may be by*
 12 *electronic mail addressed to the superintendent of the school*
 13 *corporation,* at least ~~fifteen (15)~~ **thirty (30)** days prior to the date that
 14 the resolution described in subsection (a) is to be voted on by the
 15 governing body. If the charter school elects to **not** participate in the
 16 referendum, the school corporation may exclude distributions to the
 17 charter school under section 22 of this chapter and from the projection
 18 described in subsection ~~(d)~~: **(c)**. ~~if the A charter school that elects to~~
 19 ~~will participate in the referendum the charter school may receive~~
 20 ~~distributions under section 22 of this chapter and~~ must be included in
 21 the projection described in subsection ~~(d)~~: **(c)**. In addition, a charter
 22 school that ~~elects to~~ **will** participate in the referendum under this
 23 subsection shall contribute a proportionate share of the cost to conduct
 24 the referendum based on the total combined ADM of the school
 25 corporation and any participating charter schools.

26 ~~(j)~~ **(h)** This subsection applies to a resolution described in
 27 subsection (a) for a county described in section 22~~(a)~~ **section 22** of this
 28 chapter that is adopted after May 10, 2023. At least thirty (30) days
 29 before the ~~resolution described in subsection (a)~~ referendum submitted
 30 to the voters under this chapter is voted on by the ~~governing body,~~
 31 ~~public in a primary or general election,~~ the school corporation that is
 32 pursuing the ~~resolution referendum~~ and any charter school that ~~has~~
 33 ~~elected to~~ **will** participate under subsection ~~(i)~~ **(g)** shall post a
 34 referendum disclosure statement on each school's respective website
 35 that contains the following information:

- 36 (1) The salaries ~~of all employees employed~~ by position within the
 37 school corporation or charter school listed from highest salary to
 38 lowest salary *and a link to Gateway Indiana for access to*
 39 *individual salaries.*
- 40 (2) An acknowledgment that the school corporation or charter
 41 school is not committing any crime described in IC 35-44.1-1.
- 42 (3) A link to the school corporation's or charter school's most



- 1 recent state board of accounts audit on the state board of accounts'
2 website.
- 3 (4) The current enrollment of the school corporation or charter
4 school disaggregated by student group and race.
- 5 (5) The school corporation's or charter school's high school
6 graduation rate.
- 7 (6) The school corporation's or charter school's annual retention
8 rate for teachers for the previous five (5) years.
- 9 **(i) Not later than May 20, 2025, the department of local
10 government finance shall prescribe the manner in which a
11 projection described in subsection (c) shall be calculated.**
- 12 SECTION 28. IC 20-46-9-7, AS AMENDED BY P.L.189-2023,
13 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 MAY 10, 2025 (RETROACTIVE)]: Sec. 7. (a) A resolution to extend
15 a referendum levy must be:
- 16 (1) adopted by the governing body of a school corporation; and
17 (2) approved in a referendum under this chapter;
18 before December 31 of the final calendar year in which the school
19 corporation's previously approved referendum levy is imposed under
20 this chapter.
- 21 (b) For a resolution adopted under this section:
22 **(1) after May 10, 2023, and before May 11, 2025,** for a county
23 described in section 22(a) of this chapter; **and**
24 **(2) after May 10, 2025, for all counties, as described in section**
25 **22(b) of this chapter;**
- 26 the resolution must include the projected charter school distributions
27 described in section ~~6(d)~~ **6(c)** of this chapter and indicate the
28 distributions to applicable charter schools in accordance with section
29 22 of this chapter.
- 30 SECTION 29. IC 20-46-9-22, AS ADDED BY P.L.189-2023,
31 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 MAY 10, 2025 (RETROACTIVE)]: Sec. 22. (a) This section applies
33 to revenue received from a resolution that is approved by the governing
34 body to impose a referendum levy under section 6 or 7 of this chapter
35 after May 10, 2023, **and before May 11, 2025,** for a school corporation
36 located in:
- 37 (1) Lake County;
38 (2) Marion County;
39 (3) St. Joseph County; or
40 (4) Vanderburgh County.
- 41 **(b) This section applies to revenue received from a resolution
42 that is approved by the governing body after May 10, 2025, to**



1 **impose a referendum levy under section 6 or 7 of this chapter for**
 2 **a school corporation. However, this section does not apply to a**
 3 **school corporation for which less than one hundred (100) students**
 4 **who have legal settlement in the school corporation attend a**
 5 **charter school.**

6 ~~(b)~~ (c) The county auditor shall distribute an amount under
 7 subsection ~~(d)~~ (e) to each charter school, excluding virtual charter
 8 schools or adult high schools, that a student who resides within the
 9 attendance area of the school corporation attends **if unless** the charter
 10 school, excluding virtual charter schools or adult high schools, elects
 11 to **not** participate in the referendum under section ~~6(f)~~ **6(g)** of this
 12 chapter. The department shall provide the county auditor with data and
 13 information necessary for the county auditor to determine:

14 (1) which charter schools, excluding virtual charter schools or
 15 adult high schools, are eligible to receive a distribution under this
 16 section; and

17 (2) the number of all students who:

18 (A) reside within the attendance area of the school corporation
 19 who are included in the ADM for each charter school,
 20 excluding virtual charter schools or adult high schools,
 21 described in subdivision (1); **and**

22 (B) **receive not more than fifty percent (50%) virtual**
 23 **instruction.**

24 ~~(e)~~ (d) The following schools are not eligible to receive a
 25 distribution under this section:

26 (1) A virtual charter school.

27 (2) An adult high school.

28 ~~(d)~~ (e) **This subsection applies only for distributions of revenue**
 29 **received from a resolution that is approved by the governing body**
 30 **after May 10, 2023, and before May 11, 2025, to impose a**
 31 **referendum levy under section 6 or 7 of this chapter for a school**
 32 **corporation described in subsection (a).** For the purposes of the
 33 calculations made in this subsection, each eligible school that has
 34 entered into an agreement with a school corporation to participate as a
 35 participating innovation network charter school under IC 20-25.7-5 is
 36 considered to have an ADM that is separate from the school
 37 corporation. The amount that the county auditor shall distribute to a
 38 charter school, excluding virtual charter schools or adult high schools,
 39 under this section is the amount determined in the last STEP of the
 40 following STEPS:

41 STEP ONE: Determine, for each charter school, excluding virtual
 42 charter schools or adult high schools, that is eligible to receive a



1 distribution under this section, the number of students who reside
 2 within the attendance area of the school corporation who are
 3 currently included in the ADM of the charter school.

4 STEP TWO: Determine the sum of:

- 5 (A) the current ADM count for the school corporation; plus
- 6 (B) the total number of students who reside within the
 7 attendance area of the school corporation who are currently
 8 included in the ADM of a charter school, excluding virtual
 9 charter schools or adult high schools.

10 STEP THREE: Determine the result of:

- 11 (A) the STEP ONE amount; divided by
- 12 (B) the STEP TWO amount.

13 STEP FOUR: Determine the result of:

- 14 (A) the STEP THREE amount; multiplied by
- 15 (B) the amount collected by the county auditor during the most
 16 recent installment period.

17 **(f) This subsection applies only for distributions of revenue**
 18 **received from a resolution that is approved by the governing body**
 19 **after May 10, 2025, to impose a referendum levy under section 6 or**
 20 **7 of this chapter for a school corporation. For the purposes of the**
 21 **calculations made in this subsection, each eligible school that has**
 22 **entered into an agreement with a school corporation to participate**
 23 **as a participating innovation network charter school under**
 24 **IC 20-25.7-5 is considered to have an ADM that is separate from**
 25 **the school corporation. The amount that the county auditor shall**
 26 **distribute to a charter school, excluding virtual charter schools or**
 27 **adult high schools, under this section is the amount determined in**
 28 **the last STEP of the following:**

29 **STEP ONE: Determine, for each charter school, excluding**
 30 **virtual charter schools or adult high schools, that is eligible to**
 31 **receive a distribution under this section, the number of**
 32 **students who:**

- 33 (A) reside within the attendance area of the school
 34 corporation who are currently included in the ADM of the
 35 charter school; and
- 36 (B) receive not more than fifty percent (50%) virtual
 37 instruction.

38 **STEP TWO: Determine the sum of:**

- 39 (A) the current ADM count for the school corporation,
 40 excluding students who:
 41 (i) receive more than fifty percent (50%) virtual
 42 instruction; and



1 (ii) attend the school corporation but do not have legal
 2 settlement in the school corporation; plus
 3 **(B) the total number of students who:**
 4 (i) reside within the attendance area of the school
 5 corporation who are currently included in the ADM of
 6 a charter school, excluding virtual charter schools or
 7 adult high schools; and
 8 (ii) receive not more than fifty percent (50%) virtual
 9 instruction.

10 **STEP THREE: For each charter school, determine the result**
 11 **of:**
 12 **(A) the STEP ONE amount; divided by**
 13 **(B) the STEP TWO amount.**

14 **STEP FOUR: To determine the distribution amount for a**
 15 **charter school, determine the result of:**
 16 **(A) the STEP THREE amount; multiplied by**
 17 **(B) the amount collected by the county auditor during the**
 18 **most recent installment period.**

19 ~~(e)~~ **(g)** If a charter school receives a distribution under this section,
 20 the distribution may be used only for the purposes described in
 21 IC 20-40-20-6(a).
 22 **SECTION 30. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 518, 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 4, line 34, delete "an applicable" and insert "**a qualified**".

Page 4, line 35, delete "the" and insert "**the qualified**".

Page 13, line 4, delete "an applicable" and insert "**a qualified**".

Page 13, line 5, delete "the" and insert "**the qualified**".

Page 18, line 9, delete "project." and insert "**project. However, this section does not apply to a school corporation for which less than one hundred (100) students who have legal settlement in the school corporation attend a charter school.**".

Page 18, delete lines 10 through 11, begin a new paragraph and insert:

"(b) The following definitions apply throughout this section:

(1) "ADM" has the meaning set forth in IC 20-18-2-2.

(2) "Qualified charter school" means a charter school located within the attendance area of the school corporation."

Page 18, line 15, delete "collected" and insert "**collected to qualified charter schools**".

Page 18, line 21, delete "particular" and insert "**qualified**".

Page 18, line 23, delete "the" and insert "**the qualified**".

Page 18, line 30, delete "a" and insert "**a qualified**".

Page 18, line 38, delete "a" and insert "**a qualified**".

Page 18, line 40, delete "particular" and insert "**qualified**".

Page 19, line 2, delete "each" and insert "**each qualified**".

Page 19, line 5, delete "the" and insert "**the qualified**".

Page 19, line 10, delete "the charter school" and insert "**the qualified charter school**".

Page 19, line 11, delete "the" and insert "**the qualified**".

Page 19, line 16, delete "the charter school" and insert "**the qualified charter school**".

Page 19, line 17, delete "the" and insert "**the qualified**".

Page 19, line 19, delete "a" and insert "**a qualified**".

Page 19, line 23, delete "charter schools." and insert "**qualified charter schools.**".

Page 19, line 26, delete "each" and insert "**each qualified**".

Page 19, line 28, delete "unless the" and insert "**unless the qualified**".

Page 19, line 32, delete "which" and insert "**which qualified**".



- Page 19, line 36, delete "each" and insert "**each qualified**".
- Page 20, line 4, delete "a" and insert "**a qualified**".
- Page 20, line 8, delete "each" and insert "**each qualified**".
- Page 20, line 14, delete "charter" and insert "**qualified charter**".
- Page 20, line 26, delete "a" and insert "**a qualified**".
- Page 20, line 30, delete "each" and insert "**each qualified**".
- Page 20, line 35, delete "charter" and insert "**qualified charter**".
- Page 22, line 31, delete "to an applicable" and insert "**to a qualified charter school (as defined in IC 6-1.1-20-13.5(b))**".
- Page 22, line 32, delete "charter school, excluding" and insert "**excluding**".
- Page 25, line 7, delete "amounts under the".
- Page 33, delete lines 35 through 41.
- Page 34, line 26, delete "and other qualifying school".
- Page 34, line 27, delete "corporations".
- Page 35, line 41, delete "or a particular".
- Page 35, line 42, delete "qualifying school corporation".
- Page 36, line 1, delete "or qualifying school corporation".
- Page 36, line 7, after "attend" delete ":".
- Page 36, line 8, delete "(A)".
- Page 36, line 9, delete "or".
- Page 36, line 10, delete "(B) another qualifying school corporation:".
- Page 36, run in lines 7 through 10.
- Page 36, line 16, delete "or qualifying school".
- Page 36, line 17, delete "corporation".
- Page 36, line 19, after "high school" delete ", and" and insert ".".
- Page 36, line 20, delete "each particular qualifying school corporation.".
- Page 36, line 39, delete "and qualifying school corporations".
- Page 36, line 42, delete "and qualifying".
- Page 37, line 1, delete "school corporation".
- Page 37, line 2, delete "and qualifying school corporation".
- Page 37, line 4, delete "and qualifying school".
- Page 37, line 5, delete "corporation".
- Page 37, line 16, delete "and".
- Page 37, line 17, delete "each qualifying school corporation".
- Page 37, line 19, delete "or qualifying school corporation".
- Page 37, line 24, delete "or".
- Page 37, line 25, delete "qualifying school corporation".
- Page 37, line 29, delete "or".
- Page 37, line 30, delete "qualifying school corporation".



Page 37, line 32, delete "or qualifying school corporation".
 Page 37, line 34, delete "or qualifying school corporation".
 Page 37, line 36, strike "and".
 Page 37, line 36, delete "qualifying school".
 Page 37, line 37, delete "corporation".
 Page 37, line 38, delete "and qualifying school corporation".
 Page 37, line 42, delete "and qualifying" and insert ".".
 Page 38, delete line 1.
 Page 38, line 8, delete "or qualifying school".
 Page 38, line 9, delete "corporation".
 Page 39, line 2, delete "and qualifying".
 Page 39, line 3, delete "school corporation".
 Page 39, line 4, after "schools" delete "and".
 Page 39, line 5, delete "applicable qualifying school corporations".
 Page 39, delete lines 7 through 15.
 Page 39, line 30, delete "corporation." and insert "**corporation.**

However, this section does not apply to a school corporation for which less than one hundred (100) students who have legal settlement in the school corporation attend a charter school."

Page 39, line 33, delete "and to".
 Page 39, line 34, delete "each qualifying school corporation".
 Page 39, line 36, delete "or qualifying school corporation".
 Page 39, line 41, reset in roman "and".
 Page 40, line 6, after "instruction" delete ";" and insert ".".
 Page 40, delete lines 7 through 15.
 Page 41, line 19, delete "or a qualifying school corporation".
 Page 41, line 20, delete "SIX or STEP SEVEN," and insert "**FOUR**".

Page 41, line 21, delete "as applicable,".
 Page 41, delete lines 31 through 38.
 Page 41, line 39, delete "THREE:" and insert "**TWO**".
 Page 42, line 8, delete "or" and insert "**and**
 (ii) receive not more than fifty percent (50%) virtual instruction."

Page 42, delete lines 9 through 11.
 Page 42, line 12, delete "FOUR:" and insert "**THREE**".
 Page 42, line 15, delete "THREE" and insert "**TWO**".
 Page 42, delete lines 16 through 19.
 Page 42, line 20, delete "SIX:" and insert "**FOUR**".
 Page 42, line 22, delete "FOUR" and insert "**THREE**".
 Page 42, delete lines 25 through 29.
 Page 44, line 19, delete "corporation that:" and insert



"corporation:"

Page 44, line 20, delete "is" and insert **"that is"**.

Page 44, line 21, delete "or".

Page 44, line 22, delete "was," and insert **"that was,"**.

Page 44, line 24, delete "IC 6-1.1-20.3." and insert **"IC 6-1.1-20.3;**

or

(3) for which less than one hundred (100) students who have legal settlement in the school corporation attend a charter school."

Page 46, delete lines 10 through 15.

Page 49, line 6, after "corporation" delete ":" and insert ",".

Page 49, line 7, delete "(A)".

Page 49, line 8, delete "schools; and" and insert **"schools"**.

Page 49, delete line 9.

Page 49, run in lines 6 through 10.

Page 49, delete lines 20 through 27.

Page 49, line 28, delete "FOUR:" and insert **"THREE:"**.

Page 49, line 32, delete "and" and insert **"or"**.

Page 49, line 39, delete "or" and insert **"and**

(ii) receive not more than fifty percent (50%) virtual instruction."

Page 49, delete lines 40 through 42.

Page 50, line 1, delete "FIVE:" and insert **"FOUR:"**.

Page 50, line 5, delete "FOUR" and insert **"THREE"**.

Page 50, delete lines 6 through 10.

Page 50, line 14, after "auditor" delete ":".

Page 50, line 15, delete "(1)".

Page 50, line 17, delete "FIVE" and insert **"FOUR"**.

Page 50, line 18, after "(a)" delete "; and" and insert ".".

Page 50, run in lines 14 through 18.

Page 50, delete lines 19 through 22.

Page 50, line 34, delete "corporation that:" and insert

"corporation:"

Page 50, line 35, delete "is" and insert **"that is"**.

Page 50, line 36, delete "or".

Page 50, line 37, delete "was," and insert **"that was,"**.

Page 50, line 39, delete "IC 6-1.1-20.3." and insert **"IC 6-1.1-20.3;**

or

(3) for which less than one hundred (100) students who have legal settlement in the school corporation attend a charter school."

Page 51, line 6, delete "and".



Page 51, line 7, delete "each qualifying school corporation".

Page 51, line 10, delete "and each eligible qualifying school corporation".

Page 51, line 28, delete "FIVE" and insert "**FOUR**".

Page 51, delete lines 29 through 36.

Page 51, line 39, delete "and an eligible qualifying school corporation." and insert ".".

Page 51, line 41, after "charter school" delete "or a particular".

Page 51, line 42, delete "eligible qualifying school corporation".

Page 52, line 5, delete "particular:" and insert "**particular eligible charter school equal to:**

(A) the result of STEP THREE of subsection (d) for the eligible charter school; multiplied by

(B) thirty-three hundredths (0.33)."

Page 52, delete lines 6 through 13.

Page 52, line 15, delete "particular:" and insert "**particular eligible charter school equal to:**

(A) the result of STEP THREE of subsection (d) for the eligible charter school; multiplied by

(B) sixty-six hundredths (0.66)."

Page 52, delete lines 16 through 23.

Page 52, line 27, delete "corporation," and insert "**corporation and**".

Page 52, line 27, after "school" delete ", and each qualifying".

Page 52, line 28, delete "school corporation".

Page 52, line 29, delete "corporation," and insert "**corporation and**".

Page 52, line 29, after "charter school" delete ", and qualifying".

Page 52, line 30, delete "school corporation".

Page 53, line 1, delete "corporation," and insert "**corporation and**".

Page 53, line 1, after "school" delete ", and each qualifying".

Page 53, line 2, delete "school corporation".

Page 53, line 3, delete "corporation," and insert "**corporation and**".

Page 53, line 3, after "charter school" delete ", and qualifying school".

Page 53, line 4, delete "corporation".

Page 58, line 4, delete "corporation." and insert "**corporation. However, this section does not apply to a school corporation for which less than one hundred (100) students who have legal settlement in the school corporation attend a charter school.**".

Renumber all SECTIONS consecutively.



and when so amended that said bill do pass.

(Reference is to SB 518 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 10, Nays 4.

