



Reprinted  
February 20, 2025

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## SENATE BILL No. 518

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DIGEST OF SB 518 (Updated February 19, 2025 5:07 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 and requires such a charter school to establish a separate account to deposit the revenue. Requires all school corporations to share revenue received from a debt service levy with certain charter schools. Requires all school corporations that adopt a resolution for an operating referendum tax levy after May 10, 2025, to share revenue received from the levy with certain charter schools. Requires, beginning with distributions in 2028, that all school corporations begin sharing revenue from the school corporation's  
(Continued next page)

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

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## Rogers, Raatz, Gaskill

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January 16, 2025, read first time and referred to Committee on Tax and Fiscal Policy.  
February 11, 2025, amended, reported favorably — Do Pass.  
February 19, 2025, read second time, amended, ordered engrossed.

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SB 518—LS 7334/DI 125



Digest Continued

operations fund levy with certain charter schools. Provides for the phasing in of the sharing of revenue with certain charter schools from the school corporation's operations fund levy. 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. Provides for the appointment of additional board members to the governing board of a charter school that receives property tax revenue. Sets forth additional procedures related to the closure of a charter school. Makes conforming changes.



Reprinted  
February 20, 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

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

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

1 SECTION 1. IC 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, excluding a virtual**  
13 **charter school.**

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

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

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

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

25 (1) A virtual charter school.

26 (2) An adult high school.

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

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

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

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



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

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

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

42 (1) which qualified charter schools are eligible to receive a



1 distribution under this section; and

2 (2) the number of students who:

3 (A) reside within the attendance area of the school  
4 corporation who are included in the ADM for each  
5 qualified charter school, excluding virtual charter schools  
6 or adult high schools, described in subdivision (1); and

7 (B) receive not more than fifty percent (50%) virtual  
8 instruction.

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

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

22 (A) reside within the attendance area of the school  
23 corporation who are currently included in the ADM of the  
24 qualified charter school; and

25 (B) receive not more than fifty percent (50%) virtual  
26 instruction.

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

28 (A) the current ADM count for the school corporation,  
29 excluding students who:

30 (i) receive more than fifty percent (50%) virtual  
31 instruction; and

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

34 (B) the total number of all students who reside within the  
35 attendance area of the school corporation who are  
36 currently included in the ADM of a qualified charter  
37 school, excluding virtual charter schools or adult high  
38 schools, and receive not more than fifty percent (50%)  
39 virtual instruction.

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

42 (A) the STEP ONE amount; divided by



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**(B) the STEP TWO amount.**  
**STEP FOUR: To determine the distribution amount for a qualified charter school, determine:**

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

- (i) the STEP THREE amount; multiplied by**
- (ii) the amount collected by the county auditor during the installment period; and**

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

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

SECTION 4. IC 20-24-3-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 19. (a) This section applies to a charter school that receives property tax revenue under any statute referred to in IC 20-24-7-6.1 and IC 20-24-7-6.2**

**(b) As used in this section "executive" has the meaning set forth in IC 36-1-2-5.**

**(c) In the case of a charter school that is located within a city, including a consolidated city, the executive shall appoint one (1) individual to serve as a member of the governing board of a charter school.**

**(d) In the case of a charter school that is located in an unincorporated area within a county, the county executive shall appoint one (1) individual to serve as a member of the governing board of a charter school.**

SECTION 5. IC 20-24-4-1, AS AMENDED BY P.L.150-2024, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 1. (a) A charter must meet the following requirements:**

- (1) Be a written instrument.**
- (2) Be executed by an authorizer and an organizer.**
- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.**
- (4) Confirm the status of a charter school as a public school.**
- (5) Subject to subdivision (6)(E), be granted for:**



- 1 (A) not less than three (3) years or more than fifteen (15)  
 2 years; and  
 3 (B) a fixed number of years agreed to by the authorizer and the  
 4 organizer.
- 5 (6) Provide for the following:
- 6 (A) A review by the authorizer of the charter school's  
 7 performance, including the progress of the charter school in  
 8 achieving the academic goals set forth in the charter, at least  
 9 one (1) time in each five (5) year period while the charter is in  
 10 effect.
- 11 (B) Renewal, if the authorizer and the organizer agree to renew  
 12 the charter.
- 13 (C) The renewal application must include guidance from the  
 14 authorizer, and the guidance must include the performance  
 15 criteria that will guide the authorizer's renewal decisions.
- 16 (D) The renewal application process must, at a minimum,  
 17 provide an opportunity for the charter school to:
- 18 (i) present additional evidence, beyond the data contained in  
 19 the performance report, supporting its case for charter  
 20 renewal;
- 21 (ii) describe improvements undertaken or planned for the  
 22 charter school; and
- 23 (iii) detail the charter school's plans for the next charter  
 24 term.
- 25 (E) Not later than the end of the calendar year in which the  
 26 charter school seeks renewal of a charter, the governing board  
 27 of a charter school seeking renewal shall submit a renewal  
 28 application to the charter authorizer under the renewal  
 29 application guidance issued by the authorizer. The authorizer  
 30 shall make a final ruling on the renewal application not later  
 31 than April 1 after the filing of the renewal application. A  
 32 renewal granted under this clause is not subject to the three (3)  
 33 year minimum described in subdivision (5). The April 1  
 34 deadline does not apply to any review or appeal of a final  
 35 ruling. After the final ruling is issued, the charter school may  
 36 obtain further review by the authorizer of the authorizer's final  
 37 ruling in accordance with the terms of the charter school's  
 38 charter and the protocols of the authorizer.
- 39 (7) Specify the grounds for the authorizer to:
- 40 (A) revoke the charter before the end of the term for which the  
 41 charter is granted; or  
 42 (B) not renew a charter.





- 1 (8) Set forth the methods by which the charter school will be held  
 2 accountable for achieving the educational mission and goals of  
 3 the charter school, including the following:  
 4 (A) Evidence of improvement in:  
 5 (i) assessment measures, including the statewide assessment  
 6 program measures;  
 7 (ii) attendance rates;  
 8 (iii) graduation rates (if appropriate);  
 9 (iv) increased numbers of Indiana diplomas with a Core 40  
 10 designation or increased numbers of Indiana diploma  
 11 designations established under IC 20-19-2-21 and other  
 12 college and career ready indicators including advanced  
 13 placement participation and passage, dual credit  
 14 participation and passage, and International Baccalaureate  
 15 participation and passage (if appropriate);  
 16 (v) increased numbers of Indiana diplomas with Core 40  
 17 with academic honors and technical honors designations (if  
 18 appropriate);  
 19 (vi) student academic growth;  
 20 (vii) financial performance and stability; and  
 21 (viii) governing board performance and stewardship,  
 22 including compliance with applicable laws, rules and  
 23 regulations, and charter terms.  
 24 (B) Evidence of progress toward reaching the educational  
 25 goals set by the organizer.  
 26 (9) Describe the method to be used to monitor the charter  
 27 school's:  
 28 (A) compliance with applicable law; and  
 29 (B) performance in meeting targeted educational performance.  
 30 (10) Specify that the authorizer and the organizer may amend the  
 31 charter during the term of the charter by mutual consent and  
 32 describe the process for amending the charter.  
 33 (11) Describe specific operating requirements, including all the  
 34 matters set forth in the application for the charter.  
 35 (12) Specify a date when the charter school will:  
 36 (A) begin school operations; and  
 37 (B) have students attending the charter school.  
 38 (13) Specify that records of a charter school relating to the  
 39 school's operation and charter are subject to inspection and  
 40 copying to the same extent that records of a public school are  
 41 subject to inspection and copying under IC 5-14-3.  
 42 (14) Specify that records provided by the charter school to the



1 department or authorizer that relate to compliance by the  
 2 organizer with the terms of the charter or applicable state or  
 3 federal laws are subject to inspection and copying in accordance  
 4 with IC 5-14-3.

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

7 (16) This subdivision applies to a charter established or renewed  
 8 for an adult high school after June 30, 2014. The charter must  
 9 require:

10 (A) that the school will offer flexible scheduling;

11 (B) that students will not complete the majority of instruction  
 12 of the school's curriculum online or through remote  
 13 instruction;

14 (C) that the school will offer dual credit or industry  
 15 certification course work that aligns with career pathways as  
 16 recommended by the Indiana career council established by  
 17 IC 22-4.5-9-3 (expired); and

18 (D) a plan:

19 (i) to support successful program completion and to assist  
 20 transition of graduates to the workforce or to a  
 21 postsecondary education upon receiving a diploma from the  
 22 adult high school; and

23 (ii) to review individual student accomplishments and  
 24 success after a student receives a diploma from the adult  
 25 high school.

26 **(17) In the case of a charter school that is subject to**  
 27 **IC 20-24-3-19, the charter must confirm that at least one (1)**  
 28 **member of the governing board of the charter school will be**  
 29 **appointed in accordance with IC 20-24-3-19.**

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

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

42 ~~(b) Except as provided in IC 20-46-1-21 and IC 20-46-9-22, a~~



1 governing body may distribute money that is received as part of a tax  
 2 levy collected under ~~IC 20-46-1~~ from the school corporation's  
 3 education fund to a charter school, excluding a virtual charter school,  
 4 in the manner provided by ~~IC 20-46-1-8(c)~~.

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

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

13 (1) after June 30, 2024, **and before January 1, 2028**, from a tax  
 14 levy imposed under IC 20-46-8 by the governing body of a school  
 15 corporation described in IC 20-46-8-11.2(a);

16 (2) **after December 31, 2025, in the case of a tax levy imposed**  
 17 **under IC 20-46-7 by the governing body of a school**  
 18 **corporation; and**

19 (3) **after December 31, 2027, in the case of a tax levy imposed**  
 20 **under IC 20-46-8 by the governing body of a school**  
 21 **corporation.**

22 (b) ~~Beginning~~ **In calendar year 2025, 2026, and 2027, and each year**  
 23 ~~thereafter~~, the county auditor shall distribute money that is received as  
 24 part of a tax levy collected under IC 20-46-8 to an eligible charter  
 25 school, excluding a virtual charter school and adult high school, for  
 26 deposit in the charter school's operations fund created under  
 27 IC 20-40-18-1. The distributions shall be made at the same time that  
 28 tax levy revenue is required to be distributed to school corporations.

29 (c) **This subsection applies as follows:**

30 (1) **Beginning in calendar year 2026, and each year thereafter,**  
 31 **the county auditor shall distribute money that is received as**  
 32 **part of a tax levy collected under IC 20-46-7 to an eligible**  
 33 **charter school, excluding a virtual charter school and adult**  
 34 **high school, in the manner prescribed by IC 20-46-7-17 for**  
 35 **deposit in the charter school's operations fund created under**  
 36 **IC 20-40-18-1.**

37 (2) **Beginning in calendar year 2028, and each year thereafter,**  
 38 **the county auditor shall distribute money that is received as**  
 39 **part of a tax levy collected under IC 20-46-8 to an eligible**  
 40 **charter school, excluding a virtual charter school and adult**  
 41 **high school, in the manner prescribed by IC 20-46-8-13 for**  
 42 **deposit in the charter school's operations fund created under**



- 1           **IC 20-40-18-1.**  
 2           **The distributions shall be made at the same time that tax levy**  
 3           **revenue is required to be distributed to school corporations.**  
 4           SECTION 8. IC 20-24-7-6.2, AS ADDED BY P.L.189-2023,  
 5           SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6           MAY 10, 2025 (RETROACTIVE)]: Sec. 6.2. (a) This section applies  
 7           to a levy resulting from **a resolution adopted by the governing body**  
 8           **under IC 6-1.1-20 and** a resolution to place a referendum on the ballot  
 9           adopted by the governing body under IC 20-46-1-8, IC 20-46-1-8.5,  
 10          IC 20-46-9-6, or IC 20-46-9-7:  
 11           (1) after May 10, 2023, **and before May 11, 2025**, for counties  
 12           described in IC 20-46-1-21(a) and IC 20-46-9-22(a); **and**  
 13           (2) **after May 10, 2025, for all counties.**  
 14           (b) The county auditor in the county in which the applicable school  
 15           corporation is located shall distribute money that is received as part of  
 16           a tax levy collected under IC 20-46-1 to an applicable charter school,  
 17           excluding a virtual charter school, in the manner provided by  
 18           IC 20-46-1-21.  
 19           (c) The county auditor in the county in which the applicable school  
 20           corporation is located shall distribute money that is received as part of  
 21           a tax levy collected under IC 20-46-9 to an applicable charter school,  
 22           excluding a virtual charter school, in the manner prescribed by  
 23           IC 20-46-9-22.  
 24           (d) **The county auditor in the county in which the applicable**  
 25           **school corporation is located shall distribute money that is received**  
 26           **as part of a tax levy collected under IC 6-1.1-20 to a qualified**  
 27           **charter school (as defined in IC 6-1.1-20-13.5(b)), excluding a**  
 28           **virtual charter school, in the manner prescribed by**  
 29           **IC 6-1.1-20-13.5. A qualified charter school (as defined in**  
 30           **IC 6-1.1-20-13.5(b)) shall establish a separate account into which**  
 31           **revenue received from a tax levy under IC 6-1.1-20 must be**  
 32           **deposited.**  
 33           ~~(d)~~ (e) A charter school that may receive money from **a school**  
 34           **corporation's tax levy collected under IC 6-1.1-20**, a school  
 35           corporation's tax levy collected under IC 20-46-1, or a school safety  
 36           referendum tax levy under IC 20-46-9 ~~may not promote a position on~~  
 37           **is prohibited from promoting** a referendum in the same manner as a  
 38           school corporation is prohibited from promoting a position on a  
 39           referendum under IC 20-46-1-20.  
 40           ~~(e)~~ (f) If a charter school receives a distribution from a school  
 41           corporation from **a school corporation's tax levy collected under**  
 42           **IC 6-1.1-20**, the school corporation's tax levy collected under



1 IC 20-46-1, or a school safety referendum tax levy under IC 20-46-9,  
 2 the charter school must post the following on the charter school's  
 3 website:

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

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

8 SECTION 9. IC 20-24-7-17 IS ADDED TO THE INDIANA CODE  
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 10 1, 2025]: **Sec. 17. (a) This section is in addition to any other  
 11 requirement imposed on a charter school with respect to the  
 12 closure of a charter school, including the payment of any  
 13 outstanding debts.**

14 **(b) In the case of a charter school that closes after the June or  
 15 December distribution of property tax revenue, the charter school  
 16 shall return any property tax revenue received from a levy  
 17 referred to in sections 6.1 and 6.2 of this chapter to the school  
 18 corporation in which the charter school is located. A charter school  
 19 that closes is not entitled to any future distributions of property tax  
 20 revenue from a levy referred to in sections 6.1 and 6.2 of this  
 21 chapter.**

22 **(c) If a charter school has outstanding debt at the time of the  
 23 closure, the charter school must satisfy the outstanding debt in  
 24 accordance with the following:**

25 (1) If the charter school owns the building but did not  
 26 purchase the building under IC 20-26-7.1, the charter school  
 27 must first sell the building and apply the proceeds received  
 28 from the sale to pay off the outstanding debt.

29 (2) If subdivision (1) does not apply, the charter school must  
 30 satisfy the debt by means of any other revenue source legally  
 31 available to the charter school.

32 **(d) A charter school that closes must notify the county fiscal  
 33 body of the county in which the charter school is located of the  
 34 closure and provide the county fiscal body with a certified copy of  
 35 the resolution adopted by the charter school's governing body to  
 36 close the charter school.**

37 SECTION 10. IC 20-24-13-1, AS ADDED BY P.L.213-2015,  
 38 SECTION 162, IS AMENDED TO READ AS FOLLOWS  
 39 [EFFECTIVE JULY 1, 2025]: **Sec. 1. (a) This chapter applies to the  
 40 following:**

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



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

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

7 SECTION 11. IC 20-24-13-6, AS AMENDED BY P.L.201-2023,  
 8 SECTION 158, IS AMENDED TO READ AS FOLLOWS  
 9 [EFFECTIVE JULY 1, 2025]: Sec. 6. **(a) Subject to section 7 of this**  
 10 **chapter, the department, in collaboration with the state board,**  
 11 **shall determine a school's annual grant amount for a grant under**  
 12 **this chapter. A school shall provide the department with any**  
 13 **information necessary, in the manner prescribed by the**  
 14 **department, to determine a school's annual grant amount under**  
 15 **this section.** The annual grant amount for a school for a state fiscal  
 16 year is the following:

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

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

19 ~~(B) the number of eligible pupils who are counted in the~~  
 20 ~~current ADM of the school.~~

21 ~~(2) For the state fiscal year beginning July 1, 2022:~~

22 ~~(A) one thousand two hundred fifty dollars (\$1,250);~~  
 23 ~~multiplied by~~

24 ~~(B) the number of eligible pupils who are counted in the~~  
 25 ~~current ADM of the school.~~

26 ~~(3) (1) For the state fiscal year beginning July 1, 2023, and each~~  
 27 ~~state fiscal year thereafter: and for the state fiscal year~~  
 28 ~~beginning July 1, 2024:~~

29 ~~(A) one thousand four hundred dollars (\$1,400); multiplied by~~

30 ~~(B) the number of eligible pupils who are counted in the~~  
 31 ~~current ADM of the school.~~

32 **(2) Subject to subsection (b) and section 7 of this chapter, for**  
 33 **the state fiscal year beginning July 1, 2025, and each state**  
 34 **fiscal year thereafter:**

35 **(A) one thousand four hundred dollars (\$1,400); multiplied**  
 36 **by**

37 **(B) the number of eligible pupils who are counted in the**  
 38 **current ADM of the school.**

39 **(b) Notwithstanding subsection (a), and subject to section 7 of**  
 40 **this chapter, the annual grant amount for a school for a state fiscal**  
 41 **year is determined in the last STEP of the following STEPS:**

42 **STEP ONE: Determine the aggregate sum of the property tax**



1 revenue received by the school in the immediately preceding  
 2 calendar year from school corporations under IC 6-1.1-20 and  
 3 IC 20-46-7.  
 4 **STEP TWO: Divide:**  
 5 (A) the STEP ONE result; by  
 6 (B) the number of eligible pupils who are counted in the  
 7 current ADM of the school.  
 8 **STEP THREE: Determine:**  
 9 (A) one thousand four hundred dollars (\$1,400); minus  
 10 (B) the STEP TWO result.  
 11 **STEP FOUR: Determine the greater of:**  
 12 (A) the STEP THREE result; or  
 13 (B) zero (0).  
 14 **STEP FIVE: Determine the result of:**  
 15 (A) the STEP FOUR result; multiplied by  
 16 (B) the number of eligible pupils who are counted in the  
 17 school's current ADM.  
 18 (c) A county auditor shall collaborate with the department to  
 19 the extent necessary to carry out this section.  
 20 SECTION 12. IC 20-24-13-7 IS ADDED TO THE INDIANA  
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 22 [EFFECTIVE JULY 1, 2025]: **Sec. 7. (a) Before the department may**  
 23 **distribute a grant under this chapter, the department shall**  
 24 **determine the total amount of:**  
 25 (1) property tax revenue that the charter school is set to  
 26 receive from a particular school corporation in a year from  
 27 levies imposed under:  
 28 (A) IC 6-1.1-20, as a result of a resolution to impose  
 29 property taxes adopted by the governing body after May  
 30 10, 2025; and  
 31 (B) IC 20-46-7; plus  
 32 (2) the total amount of the grant to be awarded to the charter  
 33 school under this chapter for the school year.  
 34 If the sum of subdivisions (1) and (2) for a particular charter  
 35 school exceeds the amount of property tax revenue that the school  
 36 corporation, if not for the application of this section, would receive  
 37 after sharing amounts of property tax revenue as otherwise  
 38 required by law, the department shall reduce the amount of the  
 39 grant amount to the charter school that exceeds the amount the  
 40 school corporation would otherwise receive.  
 41 (b) A county auditor shall collaborate with other county  
 42 auditors and the department to the extent necessary to comply with



1 **the requirements of this section.**

2 SECTION 13. IC 20-25.7-5-3, AS AMENDED BY P.L.162-2024,  
3 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2025]: Sec. 3. (a) For as long as a charter school remains a  
5 participating innovation network charter school:

6 (1) the school corporation may provide transportation for students  
7 attending the participating innovation network charter school;

8 (2) the school corporation may maintain and repair the buildings  
9 and grounds used by the participating innovation network charter  
10 school consistent with the maintenance and repair to the school  
11 corporation's other buildings and grounds;

12 (3) the school corporation may enter into an agreement to transfer  
13 the ownership of a school corporation facility to the organizer;  
14 and

15 (4) the school corporation may not alter the use of the facility  
16 occupied by the participating innovation network charter school  
17 without agreement from the organizer.

18 (b) If an organizer contracts with a school corporation for goods or  
19 services, the school corporation may not charge the organizer more for  
20 the goods or services than the school corporation pays for the goods or  
21 services. A school corporation may not require an organizer to contract  
22 for specific goods or services provided by the school corporation or any  
23 other entity.

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

28 (d) For as long as a charter school remains a participating  
29 innovation network charter school, the school corporation may  
30 distribute money levied as property taxes to the charter school. Property  
31 taxes distributed to a charter school must be used only for a purpose for  
32 which the property taxes could have been used by the school  
33 corporation. Property taxes distributed under this subsection may  
34 supplement services and property provided under subsection (a) or (b).  
35 The parties may jointly modify an agreement described in section 2 of  
36 this chapter to implement this subsection.

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

40 (f) Unless an agreement entered into before July 1, 2024, between  
41 a board and an organizer provides otherwise, a school corporation may  
42 not charge an organizer an amount for goods and services that is





1 greater than the amount of the operations fund property tax levy the  
 2 organizer receives under IC 20-46-8-11.2 or **IC 20-46-8-13** for the  
 3 participating innovation network charter school.

4 SECTION 14. IC 20-26-5-45 IS ADDED TO THE INDIANA  
 5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2025]: **Sec. 45. If a school corporation is**  
 7 **authorized by the general assembly to impose any new tax after**  
 8 **June 30, 2025, within the school corporation's attendance area, the**  
 9 **governing body of the school corporation shall determine a method**  
 10 **for the sharing of revenue collected from the imposition of the tax**  
 11 **with each charter school that has a student who:**

- 12 (1) **resides in the school corporation's attendance area and is**  
 13 **included in the current ADM of the charter school; and**  
 14 (2) **receives not more than fifty percent (50%) virtual**  
 15 **instruction.**

16 SECTION 15. IC 20-26-7.1-1, AS AMENDED BY P.L.36-2024,  
 17 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18 MAY 10, 2025 (RETROACTIVE)]: Sec. 1. (a) For purposes of this  
 19 section, "charter school" does not include a virtual charter school or an  
 20 adult high school.

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

22 (1) A school building that since July 1, 2011, is leased or loaned  
 23 by the school corporation that owns the school building to another  
 24 entity, if the entity is not a building corporation or other entity that  
 25 is related in any way to, or created by, the school corporation or  
 26 the governing body.

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

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

31 (B) If the school corporation ~~listed in IC 20-46-9-22~~, receives  
 32 revenue from a school safety referendum tax levy under  
 33 IC 20-46-9, the county auditor distributes revenue after May  
 34 10, 2023, as required under IC 20-46-9-22 to each charter  
 35 school described in ~~IC 20-46-9-22(b)~~; **IC 20-46-9-22.**

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

39 (3) A school corporation to which all of the following apply:

40 (A) The school corporation approves a resolution after May  
 41 10, 2023, to impose an operating referendum tax levy under  
 42 IC 20-46-1 after May 10, 2023, that includes sharing the



1 revenue from the referendum tax levy in the amounts  
2 described in clause (B) with each charter school that:

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

5 (ii) elects to participate in the referendum.

6 The above subdivisions are intended to apply retroactively. No  
7 resolutions, referendums, or distributed revenue prior to May 10,  
8 2023, are effective to provide exemption from this chapter.

9 (B) The amount of referendum tax levy revenue that the school  
10 corporation is required to share with each charter school under  
11 the resolution described in clause (A) is equal to the amount  
12 determined applying the **applicable** formula under  
13 ~~IC 20-46-1-21(d)~~. **IC 20-46-1-21.**

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

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

18 (E) If the school corporation receives revenue from a school  
19 safety referendum tax levy under IC 20-46-9, the school  
20 corporation shares the revenue from the school safety  
21 referendum tax levy with each charter school that:

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

24 (ii) elects to participate in the referendum;

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

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

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

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



1 IC 20-42.5.

2 SECTION 17. IC 20-40-3-5, AS AMENDED BY P.L.189-2023,  
3 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 MAY 10, 2025 (RETROACTIVE)]: Sec. 5. ~~(a)~~ Money in the fund may  
5 be used for any lawful school expenses, including making a transfer to  
6 the school corporation's education fund (IC 20-40-2) or operations fund  
7 (IC 20-40-18).

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

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

18 (b) The governing body of each charter school that receives a  
19 distribution of revenue received from a tax levy under **IC 20-46-7-17**,  
20 **IC 20-46-8-11.2**, or **IC 20-46-8-13** shall create an operations fund to  
21 be used by the charter school after December 31, 2024.

22 SECTION 19. IC 20-40-18-2, AS AMENDED BY P.L.201-2023,  
23 SECTION 186, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The operations fund shall be  
25 used to deposit the following after December 31, 2018, in the case of  
26 a school corporation:

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

29 (2) The sum of the following excise tax revenue received for  
30 deposit in the fund in the calendar year in which the school year  
31 begins:

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

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

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

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

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

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

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

41 (b) **In the case of a charter school**, the operations fund shall be  
42 used to deposit amounts distributed to the charter school under



1 **IC 20-46-7-17**, IC 20-46-8-11.2, **or IC 20-46-8-13** after December 31,  
2 2024.

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

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

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

12 (1) Carry out a capital projects plan under the following  
13 conditions:

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

16 (i) capital assets; or

17 (ii) projects that are considered capital in nature, including  
18 technology related projects.

19 (B) If a charter school wants to use money in the operations  
20 fund during the year to pay for any items listed in clause (E)  
21 that are considered capital in nature, the charter board must  
22 approve a plan following a public hearing. The charter school  
23 shall post the proposed plan or proposed amended plan on the  
24 charter school's website before the hearing. The charter school  
25 shall submit the proposed capital projects plan to the  
26 department of local government finance's computer gateway  
27 at least ten (10) days before the public hearing. The  
28 department of local government finance shall make the  
29 proposed plan available at least ten (10) days before the  
30 hearing, through the department's computer gateway. If an  
31 amendment to a capital projects plan is proposed, the charter  
32 board must declare the nature of and need for the amendment  
33 in the plan amendment.

34 (C) If a charter board adopts a plan under clause (B), the  
35 charter school must then submit the plan to the department of  
36 local government finance for inclusion on the department's  
37 computer gateway not later than thirty (30) days after adoption  
38 of the plan. The department of local government finance shall  
39 immediately make the proposed plan available through the  
40 gateway website.

41 (D) This clause applies to an amendment to a plan that is  
42 required because of an emergency that results in costs that



1 exceed the amount accumulated in the fund for repair,  
 2 replacement, or site acquisition that is necessitated by an  
 3 emergency. The charter board is not required to comply with  
 4 clause (C). If the charter board determines that an emergency  
 5 exists, the governing body may adopt an amendment to the  
 6 plan. An amendment to a plan is not subject to the deadline  
 7 and procedures for adoption of a plan described in this  
 8 subdivision.

9 (E) This clause sets forth an exclusive list of the expenditures  
 10 that may be made from the operations fund under clause (B),  
 11 as set forth in the charter board's plan or amended plan.  
 12 Subject to the expenditures that are identified in the charter  
 13 school's plan or amended plan, the operations fund shall be  
 14 used for the following:

15 (i) Site acquisition.

16 (ii) Site development.

17 (iii) Building acquisition, construction, replacement,  
 18 renovation, remodeling, improvement, and maintenance,  
 19 including building materials and employment services.

20 (iv) Rental of real estate, buildings, facilities, and  
 21 equipment.

22 (v) To repair and replace buildings and to repair and replace  
 23 building fixtures that are owned or leased by the charter  
 24 school and of a type constituting loss capable of being  
 25 covered by casualty insurance.

26 (vi) Purchase, lease, repair, or maintenance of equipment,  
 27 including maintenance vehicles to be used by the charter  
 28 school. However, the fund may not be used to pay for the  
 29 purchase, lease, repair, or maintenance of vehicles that are  
 30 not maintenance vehicles, or equipment to be used primarily  
 31 for interscholastic or extracurricular activities.

32 (vii) Service contracts for janitorial and custodial services,  
 33 maintenance services, snow and ice removal services, trash  
 34 removal services, mowing and lawn care services, pest  
 35 control services, and any other routine services normally  
 36 required in the maintenance or upkeep of charter school  
 37 facilities.

38 (viii) Repair, replacement, or site acquisition that is  
 39 necessitated by an emergency.

40 (ix) Construction, repair, replacement, remodeling, or  
 41 maintenance of a school sports facility.

42 (x) Utilities.



- 1 (xi) Property and casualty insurance.  
 2 (xii) Purchase, lease, upgrade, maintenance, or repair  
 3 technology that will not be allocated to student instruction  
 4 and learning, to include computer hardware, computer  
 5 software, wiring and computer networks, and  
 6 communication access systems used to connect with  
 7 computer networks or electronic gateways; services of  
 8 full-time or part-time computer maintenance employees;  
 9 conducting nonrecurring inservice technology training of  
 10 school employees; implementing the technology preparation  
 11 curriculum; participating in a program to provide  
 12 educational technologies, including computers in the homes  
 13 of students (commonly referred to as "the buddy system  
 14 project") under IC 20-20-13-6, the 4R's technology program,  
 15 or any other program under the educational technology  
 16 program described in IC 20-20-13; and obtaining any  
 17 combination of equipment or services in the preceding two  
 18 (2) categories of this item.  
 19 (xiii) Services of charter school employees who perform  
 20 services considered to be a skilled trade by the United States  
 21 Department of Labor, Employment and Training  
 22 Administration. For purposes of this item, skilled trade  
 23 services do not include janitorial or comparable routine  
 24 services normally provided in the daily operation of school  
 25 facilities or equipment. Payment may be made for employee  
 26 services only if the employees perform construction of,  
 27 renovation of, remodeling of, repair of, or maintenance on  
 28 the facilities and equipment of the charter school.  
 29 (2) Pay transportation costs under the following conditions:  
 30 (A) A charter school shall use the operations fund to pay the  
 31 transportation costs attributable to transportation of school  
 32 children as specified in clause (B).  
 33 (B) Only the following costs are payable from the fund:  
 34 (i) Salaries paid to bus drivers, transportation supervisors,  
 35 mechanics and garage employees, clerks, and other  
 36 transportation related employees.  
 37 (ii) Contracted transportation services.  
 38 (iii) Wages of independent contractors.  
 39 (iv) Contracts with common carriers.  
 40 (v) Student fares.  
 41 (vi) Transportation related insurance.  
 42 (vii) Other expenses of operating the school corporation's



- 1 transportation service, including gasoline, lubricants, tires,  
 2 repairs, contracted repairs, parts, supplies, equipment, and  
 3 other related expenses.
- 4 (C) Percentages or parts of salaries of teaching personnel or  
 5 principals are not attributable to transportation. However, parts  
 6 of salaries of instructional aides who are assigned to assist  
 7 with the school transportation program are attributable to  
 8 transportation. The costs described in this clause (other than  
 9 instructional aide costs) may not be budgeted for payment or  
 10 paid from the fund.
- 11 (D) Costs for a calendar year are those costs attributable to  
 12 transportation for students during the school year ending in the  
 13 calendar year.
- 14 (3) Carry out a school bus replacement plan approved by the  
 15 charter school board under the following conditions:
- 16 (A) Before a charter school may use money in the operations  
 17 fund for replacing school buses, a resolution approving the  
 18 school bus replacement plan or amended plan must be  
 19 submitted to the department of local government finance.
- 20 (B) The department of local government finance shall  
 21 prescribe the format of the plan. A plan must apply to at least  
 22 the five (5) budget years immediately following the year the  
 23 plan is adopted and include at least an estimate for each year  
 24 to which it applies of the nature and amount of proposed  
 25 expenditures from the fund, and if the school corporation is  
 26 seeking to acquire or contract for transportation services that  
 27 will provide additional school buses or school buses with a  
 28 larger seating capacity as compared with the number and type  
 29 of school buses from the prior school year, evidence of a  
 30 demand for increased transportation services within the school  
 31 corporation. However, the evidence requirement regarding a  
 32 contract for transportation services does not apply if contracted  
 33 transportation services are not paid from the fund.
- 34 (C) If the charter school is seeking to require a contractor to  
 35 replace a school bus, evidence that the need exists for the  
 36 replacement of the school bus. This clause does not apply if  
 37 contracted transportation services are not paid from the  
 38 operations fund.
- 39 (D) Evidence that the charter school that seeks to acquire  
 40 additional school buses under this subdivision is acquiring or  
 41 contracting for the school buses only for the purposes  
 42 specified in clause (B) or for replacement purposes.



1 (E) If a charter school wants to use money in the operations  
 2 fund during the year to pay for school bus replacement, the  
 3 governing body must adopt a resolution approving the bus  
 4 replacement plan or amended plan. The charter school shall  
 5 post the proposed plan or proposed amended plan on the  
 6 charter school's website before the hearing. The governing  
 7 body must hold a hearing on the adoption of the plan. The  
 8 charter school shall submit the proposed school bus  
 9 replacement plan or amended plan to the department of local  
 10 government finance's computer gateway at least ten (10) days  
 11 before the hearing on the adoption of the plan. The department  
 12 of local government finance shall make the proposed plan  
 13 available to taxpayers, at least ten (10) days before the hearing,  
 14 through the department's computer gateway. If an amendment  
 15 to a bus replacement plan is being proposed, the charter school  
 16 must declare the nature of and the need for the amendment in  
 17 the resolution to adopt the amendment to the plan.

18 (4) Pay expenses that are allocated to overhead and operational  
 19 expenditures.

20 (5) Establish, maintain, and equip a public playground.

21 SECTION 21. IC 20-46-1-8, AS AMENDED BY P.L.162-2024,  
 22 SECTION 25, AND AS AMENDED BY P.L.36-2024, SECTION 10,  
 23 AND AS AMENDED BY P.L.104-2024, SECTION 51, AND AS  
 24 AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE  
 25 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED  
 26 TO READ AS FOLLOWS [EFFECTIVE MAY 10, 2025  
 27 (RETROACTIVE)]: Sec. 8. (a) Subject to subsections ~~(e)~~, ~~(f)~~, and ~~(g)~~  
 28 **(b), (e), and (f)** and this chapter, the governing body of a school  
 29 corporation may adopt a resolution to place a referendum under this  
 30 chapter on the ballot for any of the following purposes:

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

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

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





1 ~~charter school, in the manner prescribed in subsection (e).~~

2 (b) A resolution for a referendum ~~for a county~~ described in section  
3 21 of this chapter that is adopted after May 10, 2023, shall specify that  
4 a portion of the proceeds collected from the proposed levy will be  
5 distributed to applicable charter schools in the manner described under  
6 section 21 of this chapter.

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

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

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

15 (B) a copy of the revenue spending plan adopted under  
16 subsection ~~(g)~~: **(f)**.

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

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

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

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

42 (1) adopt a resolution to place a referendum under this chapter on



1 the ballot; or

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

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

15 (f) (e) This subsection applies to a resolution described in  
16 subsection (a) for a county described in section 21(a) **section 21** of this  
17 chapter that is adopted after May 10, 2023. The resolution described in  
18 subsection (a) shall include a projection of the amount that the school  
19 corporation expects to be distributed to a particular charter school,  
20 excluding virtual charter schools or adult high schools, under section  
21 21 of this chapter **if unless** the charter school voluntarily elects to **not**  
22 participate in the referendum in the manner described in subsection (f).  
23 (h). At least sixty (60) days before the resolution described in  
24 subsection (a) is voted on by the governing body, the school  
25 corporation shall contact the department to determine the number of  
26 students in kindergarten through grade 12:

27 (1) who have legal settlement in the school corporation but attend  
28 a charter school, excluding virtual charter schools or adult high  
29 schools; and

30 (2) who receive not more than fifty percent (50%) virtual  
31 instruction.

32 **Not later than fifty (50) days before the resolution is voted on by**  
33 **the governing body**, the department shall provide the school  
34 corporation with the number of students with legal settlement in the  
35 school corporation who attend a charter school and who receive not  
36 more than fifty percent (50%) virtual instruction, which shall be  
37 disaggregated for each particular charter school, excluding a virtual  
38 charter school or adult high school. The projection may include an  
39 expected increase in charter schools during the term the levy is  
40 imposed under this chapter. ~~The department of local government~~  
41 ~~finance shall prescribe the manner in which the projection shall be~~  
42 ~~calculated.~~ The governing body shall take into consideration the



1 projection when adopting the revenue spending plan under subsection  
2 ~~(g)~~ **(f)**.

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

6 (1) an estimate of the amount of annual revenue expected to be  
7 collected if a levy is imposed under this chapter;

8 (2) the specific purposes for which the revenue collected from a  
9 levy imposed under this chapter will be used;

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

12 (4) for a resolution for a referendum that is adopted after May 10,  
13 2023, ~~for a county as~~ described in section ~~21(a)~~ **21** of this chapter,  
14 the projected revenue that shall be distributed to charter schools  
15 as provided in ~~subsections (f) and (i)~~ **subsections (e) and (h)**.

16 The revenue spending plan shall also take into consideration  
17 deviations in the proposed revenue spending plan if the actual  
18 charter school distributions exceed or are lower than the projected  
19 charter school distributions described in subsection ~~(f)~~ **(e)**. The  
20 resolution shall include for each charter school that elects to  
21 participate under subsection ~~(i)~~ **(h)** information described in  
22 subdivisions (1) through (3).

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

27 ~~(i)~~ **(h)** This subsection applies to a resolution described in  
28 ~~subsection (a) for a county described in section 21(a)~~ **section 21** of this  
29 chapter that is adopted after May 10, 2023. At least forty-five (45) days  
30 before the resolution ~~described in subsection (a)~~ is voted on by the  
31 governing body, the school corporation shall contact each charter  
32 school, excluding virtual charter schools or adult high schools,  
33 disclosed by the department to the school corporation under subsection  
34 ~~(f)~~ **(e)** to determine whether the charter school will **elect to not**  
35 **participate** in the referendum. *The notice must include the total amount*  
36 *of the school corporation's expected need, the corresponding estimate*  
37 *for that amount divided by the number of students enrolled in the*  
38 *school corporation, and the date on which the governing body of the*  
39 *school corporation will vote on the resolution. The charter school must*  
40 *respond in writing to the school corporation, which may be by*  
41 *electronic mail addressed to the superintendent of the school*  
42 *corporation, at least ~~fifteen (15)~~ **thirty (30)** days prior to the date that*



1 the resolution ~~described in subsection (a)~~ is to be voted on by the  
 2 governing body. If the charter school elects to **not** participate in the  
 3 referendum, the school corporation may exclude distributions to the  
 4 charter school under section 21 of this chapter and from the projection  
 5 described in subsection ~~(f)~~: **(e)**. If ~~the a~~ charter school **will elects to**  
 6 participate in the referendum, the charter school ~~may receive~~  
 7 ~~distributions under section 21 of this chapter and~~ must be included in  
 8 the projection described in subsection (f). In addition, a charter school  
 9 that ~~elects to will~~ participate in the referendum under this subsection  
 10 shall contribute a proportionate share of the cost to conduct the  
 11 referendum based on the total combined ADM of the school  
 12 corporation and any participating charter schools.

13 ~~(j)~~ **(i)** This subsection applies to a resolution described in ~~subsection~~  
 14 ~~(a) for a county described in section 21(a)~~ **section 21** of this chapter  
 15 that is adopted after May 10, 2023. At least thirty (30) days before the  
 16 *resolution described in subsection (a) referendum submitted to the*  
 17 *voters under this chapter* is voted on by the *governing body, public in*  
 18 *a primary or general election*, the school corporation that is pursuing  
 19 the *resolution referendum* and any charter school that ~~has elected to~~  
 20 **will** participate under subsection ~~(j)~~ **(h)** shall post a referendum  
 21 disclosure statement on each school's respective website that contains  
 22 the following information:

23 (1) The salaries ~~of all employees employed~~ by position within the  
 24 school corporation or charter school listed from highest salary to  
 25 lowest salary *and a link to Gateway Indiana for access to*  
 26 *individual salaries*.

27 (2) An acknowledgment that the school corporation or charter  
 28 school is not committing any crime described in IC 35-44.1-1.

29 (3) A link to the school corporation's or charter school's most  
 30 recent state board of accounts audit on the state board of accounts'  
 31 website.

32 (4) The current enrollment of the school corporation or charter  
 33 school disaggregated by student group and race.

34 (5) The school corporation's or charter school's high school  
 35 graduation rate.

36 (6) The school corporation's or charter school's annual retention  
 37 rate for teachers for the previous five (5) years.

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

41 SECTION 22. IC 20-46-1-8.5, AS AMENDED BY P.L.189-2023,  
 42 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 MAY 10, 2025 (RETROACTIVE)]; Sec. 8.5. (a) A resolution to extend  
2 a referendum levy must be:

- 3 (1) adopted by the governing body of a school corporation; and  
4 (2) approved in a referendum under this chapter;

5 before December 31 of the final calendar year in which the school  
6 corporation's previously approved referendum levy is imposed under  
7 this chapter.

8 (b) For a resolution adopted under this section:

9 (1) after May 10, 2023, **and before May 11, 2025**, for a county  
10 described in section 21(a) of this chapter; **and**

11 (2) **after May 10, 2025, for all counties, as described in section**  
12 **21(b) of this chapter;**

13 the resolution must include the projected charter school distributions  
14 described in section ~~8(f)~~ **8(e)** of this chapter and indicate the  
15 distributions to applicable charter schools in accordance with section  
16 21 of this chapter.

17 SECTION 23. IC 20-46-1-21, AS ADDED BY P.L.189-2023,  
18 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 MAY 10, 2025 (RETROACTIVE)]: Sec. 21. (a) This section applies  
20 to revenue received from a resolution that is approved by the governing  
21 body to impose a referendum levy under section 8 or 8.5 of this chapter  
22 after May 10, 2023, **and before May 11, 2025**, for a school corporation  
23 located in:

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

28 **(b) This section applies to revenue received from a resolution**  
29 **that is approved by the governing body after May 10, 2025, to**  
30 **impose a referendum levy under section 8 or 8.5 of this chapter for**  
31 **a school corporation. However, this section does not apply to a**  
32 **school corporation for which less than one hundred (100) students**  
33 **who have legal settlement in the school corporation attend a**  
34 **charter school, excluding a virtual charter school.**

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



- 1 (1) which charter schools are eligible to receive a distribution  
 2 under this section; and  
 3 (2) the number of students who:  
 4 (A) reside within the attendance area of the school corporation  
 5 who are included in the ADM for each charter school,  
 6 excluding virtual charter schools or adult high schools,  
 7 described in subdivision (1); **and**  
 8 (B) **receive not more than fifty percent (50%) virtual**  
 9 **instruction.**
- 10 (e) (d) The following schools are not eligible to receive a  
 11 distribution under this section:  
 12 (1) A virtual charter school.  
 13 (2) An adult high school.
- 14 (e) (e) **This subsection applies only for distributions of revenue**  
 15 **received from a resolution that is approved by the governing body**  
 16 **after May 10, 2023, and before May 11, 2025, to impose a**  
 17 **referendum levy under section 8 or 8.5 of this chapter for a school**  
 18 **corporation described in subsection (a).** For the purposes of the  
 19 calculations made in this subsection, each eligible school that has  
 20 entered into an agreement with a school corporation to participate as a  
 21 participating innovation network charter school under IC 20-25.7-5 is  
 22 considered to have an ADM that is separate from the school  
 23 corporation. The amount that the county auditor shall distribute to a  
 24 charter school, excluding virtual charter schools or adult high schools,  
 25 under this section is the amount determined in the last STEP of the  
 26 following STEPS:  
 27 STEP ONE: Determine, for each charter school, excluding virtual  
 28 charter schools or adult high schools, that is eligible to receive a  
 29 distribution under this section, the number of students who reside  
 30 within the attendance area of the school corporation who are  
 31 currently included in the ADM of the charter school.  
 32 STEP TWO: Determine the sum of:  
 33 (A) the current ADM count for the school corporation; plus  
 34 (B) total number of all students who reside within the  
 35 attendance area of the school corporation who are currently  
 36 included in the ADM of a charter school, excluding virtual  
 37 charter schools or adult high schools.  
 38 STEP THREE: Determine the result of:  
 39 (A) the STEP ONE amount; divided by  
 40 (B) the STEP TWO amount.  
 41 STEP FOUR: Determine the result of:  
 42 (A) the STEP THREE amount; multiplied by



- 1 (B) the amount collected by the county auditor during the most  
 2 recent installment period.
- 3 (f) **This subsection applies only for distributions of revenue**  
 4 **received from a resolution that is approved by the governing body**  
 5 **after May 10, 2025, to impose a referendum levy under section 8 or**  
 6 **8.5 of this chapter for a school corporation. For purposes of the**  
 7 **calculations made in this subsection, each eligible school that has**  
 8 **entered into an agreement with a school corporation to participate**  
 9 **as a participating innovation network charter school under**  
 10 **IC 20-25.7-5 is considered to have an ADM that is separate from**  
 11 **the school corporation. The amount that the county auditor shall**  
 12 **distribute to a charter school, excluding virtual charter schools or**  
 13 **adult high schools, under this section is the amount determined in**  
 14 **STEP FOUR of the following:**
- 15 **STEP ONE: Determine, for each charter school, excluding**  
 16 **virtual charter schools or adult high schools, that is eligible to**  
 17 **receive a distribution under this section, the number of**  
 18 **students who:**
- 19 (A) **reside within the attendance area of the school**  
 20 **corporation who are currently included in the ADM of the**  
 21 **charter school; and**
- 22 (B) **receive not more than fifty percent (50%) virtual**  
 23 **instruction.**
- 24 **STEP TWO: Determine the sum of:**
- 25 (A) **the current ADM count for the school corporation,**  
 26 **excluding students who:**
- 27 (i) **receive more than fifty percent (50%) virtual**  
 28 **instruction; and**
- 29 (ii) **attend the school corporation but do not have legal**  
 30 **settlement in the school corporation; plus**
- 31 (B) **the total number of all students who reside within the**  
 32 **attendance area of the school corporation who are**  
 33 **currently included in the ADM of:**
- 34 (i) **a charter school, excluding virtual charter schools or**  
 35 **adult high schools; and**
- 36 (ii) **receive not more than fifty percent (50%) virtual**  
 37 **instruction.**
- 38 **STEP THREE: For each charter school, determine the result**  
 39 **of:**
- 40 (A) **the STEP ONE amount; divided by**  
 41 **(B) the STEP TWO amount.**
- 42 **STEP FOUR: To determine the distribution amount for a**



1 **charter school, determine the result of:**

2 **(A) the STEP THREE amount; multiplied by**

3 **(B) the amount collected by the county auditor during the**  
 4 **most recent installment period.**

5 SECTION 24. IC 20-46-7-4, AS AMENDED BY P.L.169-2017,  
 6 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2025]: Sec. 4. (a) The governing body of each school  
 8 corporation shall establish a levy in every calendar year sufficient to  
 9 pay all obligations.

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

16 **(c) Beginning in calendar year 2026, and each year thereafter,**  
 17 **a school corporation shall share a portion of the revenue collected**  
 18 **from a levy imposed under this chapter in the manner provided in**  
 19 **section 17 of this chapter.**

20 SECTION 25. IC 20-46-7-16 IS ADDED TO THE INDIANA  
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 22 [EFFECTIVE JULY 1, 2025]: Sec. 16. (a) **Not later than November**  
 23 **15, 2025, the department shall determine the applicable debt**  
 24 **service levy share quotient to be used in calculating the amounts**  
 25 **that a school corporation must share each calendar year from the**  
 26 **total property tax revenue collected from the school corporation's**  
 27 **debt service property tax levy imposed under this chapter in the**  
 28 **calendar year according to the following formula:**

29 **STEP ONE: Identify, for each school corporation, the charter**  
 30 **schools, excluding virtual charter schools or adult high**  
 31 **schools, in which students who have legal settlement in the**  
 32 **school corporation attend and receive not more than fifty**  
 33 **percent (50%) virtual instruction.**

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

36 **(A) have legal settlement in the school corporation who are**  
 37 **currently included in the fall ADM count of the charter**  
 38 **school; and**

39 **(B) receive not more than fifty percent (50%) virtual**  
 40 **instruction.**

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

42 **(A) the fall ADM count for the school corporation,**





- 1           excluding students who:
- 2           (i) receive more than fifty percent (50%) virtual
- 3           instruction; and
- 4           (ii) attend the school corporation but do not have legal
- 5           settlement in the school corporation; plus
- 6           **(B) the total number of students who:**
- 7           (i) reside within the attendance area of the school
- 8           corporation who are currently included in the fall ADM
- 9           count of a charter school, excluding virtual charter
- 10          schools or adult high schools; and
- 11          (ii) who receive not more than fifty percent (50%)
- 12          virtual instruction.
- 13          **STEP FOUR: To determine the debt service levy share**
- 14          **quotient for each charter school identified in STEP ONE,**
- 15          **determine the result of:**
- 16          **(A) the STEP TWO result; divided by**
- 17          **(B) the STEP THREE result.**
- 18          **(b) The department shall provide to the county auditor with**
- 19          **respect to each school corporation located in the county auditor's**
- 20          **county, immediately after calculation under subsection (a), and in**
- 21          **the form prescribed by the county auditor, each charter school**
- 22          **determined under STEP ONE of subsection (a) and the charter**
- 23          **school's corresponding debt levy share quotient calculated under**
- 24          **STEP FOUR of subsection (a).**
- 25          **(c) For the purposes of the calculations made in this section,**
- 26          **each eligible school that has entered into an agreement with a**
- 27          **school corporation to participate as a participating innovation**
- 28          **network charter school under IC 20-25.7-5 is considered to have an**
- 29          **ADM that is separate from the school corporation.**
- 30          SECTION 26. IC 20-46-7-17 IS ADDED TO THE INDIANA
- 31          CODE AS A NEW SECTION TO READ AS FOLLOWS
- 32          [EFFECTIVE JULY 1, 2025]: **Sec. 17. (a) This section applies to**
- 33          **revenue collected after December 31, 2025, from a tax levy imposed**
- 34          **by a school corporation under this chapter.**
- 35          **(b) This section does not apply to, and distributions are not**
- 36          **required for, a school corporation:**
- 37          **(1) that is designated as a distressed political subdivision**
- 38          **under IC 6-1.1-20.3;**
- 39          **(2) that was, at any time during the three (3) immediately**
- 40          **preceding calendar years, designated as a distressed political**
- 41          **subdivision under IC 6-1.1-20.3; or**
- 42          **(3) for which less than one hundred (100) students who have**



- 1           legal settlement in the school corporation attend a charter  
2           school, excluding a virtual charter school.
- 3           (c) The following schools are not eligible to receive a  
4           distribution under this section:
- 5               (1) A virtual charter school.  
6               (2) An adult high school.
- 7           (d) Beginning in calendar year 2026, and each year thereafter,  
8           and subject to subsection (g), when the county auditor distributes  
9           property taxes to taxing units, the county auditor shall distribute  
10          an amount of the revenue collected from a tax levy imposed by a  
11          school corporation under this chapter to each charter school as  
12          identified for the school corporation in STEP ONE of section 16(a)  
13          of this chapter. Subject to subsection (e), the county auditor shall  
14          distribute to each eligible charter school the amount determined in  
15          the last STEP of the following STEPS:
- 16               STEP ONE: Determine the amount collected in the most  
17               recent installment period by the school corporation from the  
18               school corporation's debt service levy imposed under this  
19               chapter.
- 20               STEP TWO: Determine:
- 21                   (A) the STEP ONE result; minus  
22                   (B) the amount needed to make payments due for bonds,  
23                   leases, and other forms of indebtedness that were incurred  
24                   before May 10, 2025, and are payable from property taxes  
25                   collected from a levy imposed under this chapter.
- 26               STEP THREE: To determine the distribution for each eligible  
27               charter school identified for the school corporation in STEP  
28               ONE of section 16(a) of this chapter, multiply:
- 29                   (A) the STEP TWO result; by  
30                   (B) the levy share quotient determined for the charter  
31                   school under STEP FOUR of section 16(a) of this chapter.
- 32           (e) This subsection applies only to distributions under  
33           subsection (d) in calendar years 2026 and 2027 to an eligible  
34           charter school. Instead of the amount determined under subsection  
35           (d) for a distribution to a particular eligible charter school from  
36           the revenue collected from the tax levy imposed under this chapter  
37           by a particular school corporation, the county auditor shall make  
38           distributions according to the following:
- 39               (1) For a distribution in 2026, the county auditor shall  
40               distribute an amount for a particular eligible charter school  
41               equal to:
- 42                   (A) the result of STEP THREE of subsection (d) for the



1 eligible charter school; multiplied by  
 2 (B) thirty-three hundredths (0.33).  
 3 (2) For a distribution in 2027, the county auditor shall  
 4 distribute an amount for a particular eligible charter school  
 5 equal to:  
 6 (A) the result of STEP THREE of subsection (d) for the  
 7 eligible charter school; multiplied by  
 8 (B) sixty-six hundredths (0.66).

9 This subsection expires July 1, 2028.

10 (f) Before October 1, 2025, and before October 1 of each year  
 11 thereafter, the department shall provide to each school corporation  
 12 and each eligible charter school an estimate of the amount of  
 13 property tax levy revenue the school corporation and charter  
 14 school are expected to receive under this section.

15 (g) In order to receive a distribution under this section, the  
 16 governing body of an eligible charter school shall, before  
 17 November 1, 2025, and before November 1 of each year thereafter,  
 18 adopt a budget for the school year. Not later than ten (10) days  
 19 before its adoption, the budget must be fixed and presented to the  
 20 charter board in a public meeting in the county in which the  
 21 charter school is incorporated. A budget that is adopted under this  
 22 subsection must be submitted to the charter authorizer for review  
 23 and to the department of local government finance to be posted  
 24 publicly on the computer gateway under IC 6-1.1-17-3.

25 (h) Before April 1, 2026, and before April 1 of each year  
 26 thereafter, the county auditor shall provide each school  
 27 corporation and each eligible charter school the actual amount of  
 28 property tax levy revenue the school corporation and charter  
 29 school are expected to receive under this section.

30 SECTION 27. IC 20-46-8-11.2, AS AMENDED BY P.L.36-2024,  
 31 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2025]: Sec. 11.2. (a) This section applies only to revenue  
 33 collected after June 30, 2024, and before January 1, 2028, from a tax  
 34 levy imposed under this chapter by a school corporation located in:

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

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

42 (b) Beginning In calendar year 2025, 2026, and 2027, and each year



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

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

8 (1) A virtual charter school.

9 (2) An adult high school.

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

17 STEP ONE: Determine each charter school that:

18 (A) is located in the same county as the school corporation;  
 19 and

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

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

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

25 (B) are currently included in the fall ADM for the charter  
 26 school; and

27 (C) receive not more than fifty percent (50%) virtual  
 28 instruction.

29 STEP THREE: Determine the sum of:

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

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

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

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

37 (B) the STEP THREE amount;

38 expressed as a percentage.

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

42 (e) The department shall provide to the county auditor, immediately



1 after calculation under subsection (d), and in the form prescribed by the  
2 county auditor:

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

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

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

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

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

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

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

- 25 (A) the incremental amount determined under STEP TWO;  
26 multiplied by  
27 (B) the following percentage:

- 28 (i) In the case of an applicable charter school, the charter  
29 school's percentage under STEP FOUR of subsection (d).  
30 (ii) In the case of the school corporation, the school  
31 corporation's percentage under STEP FIVE of subsection  
32 (d).

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

38 (h) In order to receive a distribution under this section, the  
39 governing body of an eligible charter school shall, before November 1,  
40 2024, ~~and before November 1 of each year thereafter~~, adopt a budget  
41 for the school year. Not later than ten (10) days before its adoption, the  
42 budget must be fixed and presented to the charter board in a public



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

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

11 SECTION 28. IC 20-46-8-12 IS ADDED TO THE INDIANA  
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 13 [EFFECTIVE JULY 1, 2025]: **Sec. 12. (a) Not later than November**  
 14 **15, 2027, the department shall determine the applicable operations**  
 15 **levy share quotient to be used in calculating the amounts that a**  
 16 **school corporation must share each calendar year from the total**  
 17 **property tax revenue collected from the school corporation's**  
 18 **operations fund property tax levy imposed under this chapter in**  
 19 **the calendar year according to the following formula:**

20 **STEP ONE: Identify, for each school corporation, the charter**  
 21 **schools, excluding virtual charter schools or adult high**  
 22 **schools, in which students who have legal settlement in the**  
 23 **school corporation attend and receive not more than fifty**  
 24 **percent (50%) virtual instruction.**

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

27 **(A) have legal settlement in the school corporation who are**  
 28 **currently included in the fall ADM count of the charter**  
 29 **school; and**

30 **(B) receive not more than fifty percent (50%) virtual**  
 31 **instruction.**

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

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

35 **(i) receive more than fifty percent (50%) virtual**  
 36 **instruction; or**

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

39 **(B) the total number of students who reside within the**  
 40 **attendance area of the school corporation who are**  
 41 **currently included in the fall ADM count of:**

42 **(i) a charter school, excluding virtual charter schools or**



1           **adult high schools; and**

2           **(ii) receive not more than fifty percent (50%) virtual**  
 3           **instruction.**

4           **STEP FOUR: To determine the operations levy share quotient**  
 5           **for each charter school identified in STEP ONE, determine**  
 6           **the result of:**

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

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

9           **(b) The department shall provide to the county auditor with**  
 10           **respect to each school corporation located in the county auditor's**  
 11           **county, immediately after calculation under subsection (a), and in**  
 12           **the form prescribed by the county auditor each charter school**  
 13           **determined under STEP ONE of subsection (a) and the charter**  
 14           **school's corresponding operations levy share quotient calculated**  
 15           **under STEP FOUR of subsection (a).**

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

21           **SECTION 29. IC 20-46-8-13 IS ADDED TO THE INDIANA**  
 22           **CODE AS A NEW SECTION TO READ AS FOLLOWS**  
 23           **[EFFECTIVE JULY 1, 2025]: Sec. 13. (a) This section applies to**  
 24           **revenue collected after December 31, 2027, from a tax levy imposed**  
 25           **by a school corporation under this chapter.**

26           **(b) This section does not apply to, and distributions are not**  
 27           **required for, a school corporation:**

28           **(1) that is designated as a distressed political subdivision**  
 29           **under IC 6-1.1-20.3;**

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

33           **(3) for which less than one hundred (100) students who have**  
 34           **legal settlement in the school corporation attend a charter**  
 35           **school, excluding a virtual charter school.**

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

38           **(1) A virtual charter school.**

39           **(2) An adult high school.**

40           **(d) Beginning in calendar year 2028, and each year thereafter,**  
 41           **and subject to subsection (i), when the county auditor distributes**  
 42           **property taxes to taxing units, the county auditor shall distribute**



1 an amount of the revenue collected from a tax levy imposed by a  
 2 school corporation under this chapter to each charter school as  
 3 identified for the school corporation in STEP ONE of section 12(a)  
 4 of this chapter. Subject to subsections (e), (f), and (g), the county  
 5 auditor shall distribute to each eligible charter school the amount  
 6 determined in the applicable STEP of the following STEPS:

7 **STEP ONE: Determine the amount collected in the most**  
 8 **recent installment period by the school corporation from the**  
 9 **school corporation's operations fund levy imposed under this**  
 10 **chapter.**

11 **STEP TWO: Determine:**

12 (A) the STEP ONE result; minus

13 (B) the amount needed to make payments due for bonds,  
 14 leases, and other forms of indebtedness that were incurred  
 15 before January 1, 2027, and are payable from property  
 16 taxes collected from a levy imposed under this chapter.

17 **STEP THREE: To determine the distribution for each eligible**  
 18 **charter school identified for the school corporation in STEP**  
 19 **ONE of section 12(a) of this chapter, multiply:**

20 (A) the STEP TWO result; by

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

23 (e) This subsection applies to a school corporation for which less  
 24 than five hundred (500) students who have legal settlement in the  
 25 school corporation attend a charter school and only to  
 26 distributions under subsection (d) in calendar years 2028 and 2029  
 27 to an eligible charter school. Instead of the amount determined  
 28 under subsection (d) for a distribution to a particular eligible  
 29 charter school from the revenue collected from the tax levy  
 30 imposed under this chapter by a particular school corporation, the  
 31 county auditor shall make distributions according to the following:

32 (1) For a distribution in 2028, the county auditor shall  
 33 distribute an amount for a particular eligible charter school  
 34 equal to:

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

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

38 (2) For a distribution in 2029, the county auditor shall  
 39 distribute an amount for a particular eligible charter school  
 40 equal to:

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





- 1                   **(B) sixty-six hundredths (0.66).**  
 2   **This subsection expires July 1, 2030.**  
 3           **(f) In the case of a school corporation for which at least five**  
 4   **hundred (500) students but less than five thousand (5,000) students**  
 5   **who have legal settlement in the school corporation attend a**  
 6   **charter school, the county auditor shall make distributions**  
 7   **according to the following:**  
 8           **(1) For a distribution in 2028, the county auditor shall**  
 9           **distribute an amount for a particular eligible charter school**  
 10          **equal to:**  
 11                  **(A) the result of STEP THREE of subsection (d) for the**  
 12                  **eligible charter school; multiplied by**  
 13                  **(B) twenty-five hundredths (0.25).**  
 14          **(2) For a distribution in 2029, the county auditor shall**  
 15          **distribute an amount for a particular eligible charter school**  
 16          **equal to:**  
 17                  **(A) the result of STEP THREE of subsection (d) for the**  
 18                  **eligible charter school; multiplied by**  
 19                  **(B) five-tenths (0.5).**  
 20          **(3) For a distribution in 2030, the county auditor shall**  
 21          **distribute an amount for a particular eligible charter school**  
 22          **equal to:**  
 23                  **(A) the result of STEP THREE of subsection (d) for the**  
 24                  **eligible charter school; multiplied by**  
 25                  **(B) seventy-five hundredths (0.75).**  
 26          **(4) For a distribution in 2031 and each year thereafter, the**  
 27          **county auditor shall distribute an amount for a particular**  
 28          **eligible charter school equal to:**  
 29                  **(A) the result of STEP THREE of subsection (d) for the**  
 30                  **eligible charter school; multiplied by**  
 31                  **(B) one (1).**  
 32           **(g) In the case of a school corporation for which at least five**  
 33   **thousand (5,000) students who have legal settlement in the school**  
 34   **corporation attend a charter school, the county auditor shall make**  
 35   **distributions according to the following:**  
 36           **(1) For a distribution in 2028, the county auditor shall**  
 37           **distribute an amount for a particular eligible charter school**  
 38           **equal to:**  
 39                  **(A) the result of STEP THREE of subsection (d) for the**  
 40                  **eligible charter school; multiplied by**  
 41                  **(B) two-tenths (0.2).**  
 42           **(2) For a distribution in 2029, the county auditor shall**



1 distribute an amount for a particular eligible charter school  
2 equal to:

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

5 (B) four-tenths (0.4).

6 (3) For a distribution in 2030, the county auditor shall  
7 distribute an amount for a particular eligible charter school  
8 equal to:

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

11 (B) six-tenths (0.6).

12 (4) For a distribution in 2031, 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) eight-tenths (0.8).

18 (5) For a distribution in 2032 and each year thereafter, the  
19 county auditor shall distribute an amount for a particular  
20 eligible charter school equal to:

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

23 (B) one (1).

24 (h) Before October 1, 2027, and before October 1 of each year  
25 thereafter, the department shall provide to each school corporation  
26 and each eligible charter school an estimate of the amount of  
27 property tax levy revenue the school corporation and charter  
28 school are expected to receive under this section.

29 (i) In order to receive a distribution under this section, the  
30 governing body of an eligible charter school shall, before  
31 November 1, 2027, and before November 1 of each year thereafter,  
32 adopt a budget for the school year. Not later than ten (10) days  
33 before its adoption, the budget must be fixed and presented to the  
34 charter board in a public meeting in the county in which the  
35 charter school is incorporated. A budget that is adopted under this  
36 subsection must be submitted to the charter authorizer for review  
37 and to the department of local government finance to be posted  
38 publicly on the computer gateway under IC 6-1.1-17-3.

39 (j) Before April 1, 2028, and before April 1 of each year  
40 thereafter, the county auditor shall provide each school  
41 corporation and each eligible charter school the actual amount of  
42 property tax levy revenue the school corporation and charter



1 **school are expected to receive under this section.**

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

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

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

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

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



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

3           **Not later than fifty (50) days before the resolution is voted on by**  
4           **the governing body**, the department shall provide the school  
5           corporation with the number of students with legal settlement in the  
6           school corporation who attend a charter school, **excluding a virtual**  
7           **charter school or adult high school, and who receive not more than**  
8           **fifty percent (50%) virtual instruction**, which shall be disaggregated  
9           for each particular charter school. ~~excluding a virtual charter school or~~  
10          ~~adult high school~~. The projection may include an expected increase in  
11          charter schools during the term the levy is imposed. ~~The department of~~  
12          ~~local government finance shall prescribe the manner in which the~~  
13          ~~projection shall be calculated~~. The governing body shall take into  
14          consideration the projection when adopting the revenue spending plan  
15          under subsection ~~(g)~~: **(e)**.

16          ~~(e)~~ **(d)** The governing body of the school corporation shall certify a  
17          copy of the resolution to the following:

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

19           (A) the language for the question required by section 9 of this  
20           chapter, or in the case of a resolution to extend a referendum  
21           levy certified to the department of local government finance,  
22           section 10 of this chapter; and

23           (B) a copy of the revenue spending plan adopted under  
24           subsection ~~(g)~~: **(e)**.

25          The language of the public question must include the estimated  
26          average percentage increases certified by the county auditor under  
27          section 9(d) or 10(f) of this chapter, as applicable. The governing  
28          body of the school corporation shall also provide the county  
29          auditor's certification described in section 9(d) or 10(f) of this  
30          chapter, as applicable. The department of local government  
31          finance shall post the values certified by the county auditor to the  
32          department's website. The department shall review the language  
33          for compliance with section 9 or 10 of this chapter, whichever is  
34          applicable, and either approve or reject the language. The  
35          department shall send its decision to the governing body of the  
36          school corporation not more than ten (10) days after *both the*  
37          *certification of the county auditor described in section 9(d) or*  
38          *10(f) of this chapter, as applicable, and the resolution is* ~~is~~ *are*  
39          submitted to the department. If the language is approved, the  
40          governing body of the school corporation shall certify a copy of  
41          the resolution, including the language for the question and the  
42          department's approval.



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



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

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

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



- 1 website.
- 2 (4) The current enrollment of the school corporation or charter
- 3 school disaggregated by student group and race.
- 4 (5) The school corporation's or charter school's high school
- 5 graduation rate.
- 6 (6) The school corporation's or charter school's annual retention
- 7 rate for teachers for the previous five (5) years.

8 **(i) Not later than May 20, 2025, the department of local**  
 9 **government finance shall prescribe the manner in which a**  
 10 **projection described in subsection (c) shall be calculated.**

11 SECTION 31. IC 20-46-9-7, AS AMENDED BY P.L.189-2023,  
 12 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 MAY 10, 2025 (RETROACTIVE)]: Sec. 7. (a) A resolution to extend  
 14 a referendum levy must be:

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

- 20 (b) For a resolution adopted under this section:
- 21 **(1) after May 10, 2023, and before May 11, 2025,** for a county
  - 22 described in section 22(a) of this chapter; **and**
  - 23 **(2) after May 10, 2025, for all counties, as described in section**  
 24 **22(b) of this chapter;**

25 the resolution must include the projected charter school distributions  
 26 described in section ~~6(d)~~ **6(c)** of this chapter and indicate the  
 27 distributions to applicable charter schools in accordance with section  
 28 22 of this chapter.

29 SECTION 32. IC 20-46-9-22, AS ADDED BY P.L.189-2023,  
 30 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 31 MAY 10, 2025 (RETROACTIVE)]: Sec. 22. (a) This section applies  
 32 to revenue received from a resolution that is approved by the governing  
 33 body to impose a referendum levy under section 6 or 7 of this chapter  
 34 after May 10, 2023, **and before May 11, 2025,** for a school corporation  
 35 located in:

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

40 **(b) This section applies to revenue received from a resolution**  
 41 **that is approved by the governing body after May 10, 2025, to**  
 42 **impose a referendum levy under section 6 or 7 of this chapter for**



1 **a school corporation. However, this section does not apply to a**  
 2 **school corporation for which less than one hundred (100) students**  
 3 **who have legal settlement in the school corporation attend a**  
 4 **charter school, excluding a virtual charter school.**

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

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

16 (2) the number of all students who:

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

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

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

25 (1) A virtual charter school.

26 (2) An adult high school.

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

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





1 within the attendance area of the school corporation who are  
 2 currently included in the ADM of the charter school.

3 STEP TWO: Determine the sum of:

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

9 STEP THREE: Determine the result of:

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

12 STEP FOUR: Determine the result of:

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

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

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

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

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

- 38 **(A) the current ADM count for the school corporation,**  
 39 **excluding students who:**  
 40 **(i) receive more than fifty percent (50%) virtual**  
 41 **instruction; and**  
 42 **(ii) attend the school corporation but do not have legal**



1 settlement in the school corporation; plus  
 2 **(B) the total number of students who:**  
 3 **(i) reside within the attendance area of the school**  
 4 **corporation who are currently included in the ADM of**  
 5 **a charter school, excluding virtual charter schools or**  
 6 **adult high schools; and**  
 7 **(ii) receive not more than fifty percent (50%) virtual**  
 8 **instruction.**  
 9 **STEP THREE: For each charter school, determine the result**  
 10 **of:**  
 11 **(A) the STEP ONE amount; divided by**  
 12 **(B) the STEP TWO amount.**  
 13 **STEP FOUR: To determine the distribution amount for a**  
 14 **charter school, determine the result of:**  
 15 **(A) the STEP THREE amount; multiplied by**  
 16 **(B) the amount collected by the county auditor during the**  
 17 **most recent installment period.**  
 18 **(e) (g) If a charter school receives a distribution under this section,**  
 19 **the distribution may be used only for the purposes described in**  
 20 **IC 20-40-20-6(a).**  
 21 **SECTION 33. 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.**".

Re-number 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.

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SENATE MOTION

Mr. President: I move that Senate Bill 518 be amended to read as follows:

Page 18, line 12, delete "school." and insert "**school, excluding a virtual charter school.**".

Page 21, between lines 16 and 17, begin a new paragraph and insert:  
 "SECTION 2. IC 20-24-3-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 19. (a) This section applies to a charter school that receives property tax revenue under any statute referred to in IC 20-24-7-6.1 and IC 20-24-7-6.2**

**(b) As used in this section "executive" has the meaning set forth in IC 36-1-2-5.**

**(c) In the case of a charter school that is located within a city, including a consolidated city, the executive shall appoint one (1) individual to serve as a member of the governing board of a charter school.**

**(d) In the case of a charter school that is located in an unincorporated area within a county, the county executive shall appoint one (1) individual to serve as a member of the governing board of a charter school.**

SECTION 3. IC 20-24-4-1, AS AMENDED BY P.L.150-2024, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) A charter must meet the following requirements:

- (1) Be a written instrument.
- (2) Be executed by an authorizer and an organizer.
- (3) Confer certain rights, franchises, privileges, and obligations on a charter school.
- (4) Confirm the status of a charter school as a public school.
- (5) Subject to subdivision (6)(E), be granted for:
  - (A) not less than three (3) years or more than fifteen (15)

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years; and

(B) a fixed number of years agreed to by the authorizer and the organizer.

(6) Provide for the following:

(A) A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect.

(B) Renewal, if the authorizer and the organizer agree to renew the charter.

(C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.

(D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:

(i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;

(ii) describe improvements undertaken or planned for the charter school; and

(iii) detail the charter school's plans for the next charter term.

(E) Not later than the end of the calendar year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer. The authorizer shall make a final ruling on the renewal application not later than April 1 after the filing of the renewal application. A renewal granted under this clause is not subject to the three (3) year minimum described in subdivision (5). The April 1 deadline does not apply to any review or appeal of a final ruling. After the final ruling is issued, the charter school may obtain further review by the authorizer of the authorizer's final ruling in accordance with the terms of the charter school's charter and the protocols of the authorizer.

(7) Specify the grounds for the authorizer to:

(A) revoke the charter before the end of the term for which the charter is granted; or

(B) not renew a charter.

(8) Set forth the methods by which the charter school will be held



accountable for achieving the educational mission and goals of the charter school, including the following:

- (A) Evidence of improvement in:
    - (i) assessment measures, including the statewide assessment program measures;
    - (ii) attendance rates;
    - (iii) graduation rates (if appropriate);
    - (iv) increased numbers of Indiana diplomas with a Core 40 designation or increased numbers of Indiana diploma designations established under IC 20-19-2-21 and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);
    - (v) increased numbers of Indiana diplomas with Core 40 with academic honors and technical honors designations (if appropriate);
    - (vi) student academic growth;
    - (vii) financial performance and stability; and
    - (viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.
  - (B) Evidence of progress toward reaching the educational goals set by the organizer.
- (9) Describe the method to be used to monitor the charter school's:
- (A) compliance with applicable law; and
  - (B) performance in meeting targeted educational performance.
- (10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.
- (11) Describe specific operating requirements, including all the matters set forth in the application for the charter.
- (12) Specify a date when the charter school will:
- (A) begin school operations; and
  - (B) have students attending the charter school.
- (13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.
- (14) Specify that records provided by the charter school to the department or authorizer that relate to compliance by the



organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.

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

(16) This subdivision applies to a charter established or renewed for an adult high school after June 30, 2014. The charter must require:

(A) that the school will offer flexible scheduling;

(B) that students will not complete the majority of instruction of the school's curriculum online or through remote instruction;

(C) that the school will offer dual credit or industry certification course work that aligns with career pathways as recommended by the Indiana career council established by IC 22-4.5-9-3 (expired); and

(D) a plan:

(i) to support successful program completion and to assist transition of graduates to the workforce or to a postsecondary education upon receiving a diploma from the adult high school; and

(ii) to review individual student accomplishments and success after a student receives a diploma from the adult high school.

**(17) In the case of a charter school that is subject to IC 20-24-3-19, the charter must confirm that at least one (1) member of the governing board of the charter school will be appointed in accordance with IC 20-24-3-19.**

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

Page 21, line 38, delete "2026," and insert "2028,".

Page 21, line 40, delete "and".

Page 21, delete lines 41 through 42, begin a new line block indented and insert:

**"(2) after December 31, 2025, in the case of a tax levy imposed under IC 20-46-7 by the governing body of a school corporation; and**

**(3) after December 31, 2027, in the case of a tax levy imposed under IC 20-46-8 by the governing body of a school corporation."**



Page 22, delete line 1.

Page 22, line 2, after "In calendar year 2025," insert "**2026, and 2027,**".

Page 22, delete lines 9 through 17, begin a new paragraph and insert:

**"(c) This subsection applies as follows:**

**(1) Beginning in calendar year 2026, and each year thereafter, the county auditor shall distribute money that is received as part of a tax levy collected under IC 20-46-7 to an eligible charter school, excluding a virtual charter school and adult high school, in the manner prescribed by IC 20-46-7-17 for deposit in the charter school's operations fund created under IC 20-40-18-1.**

**(2) Beginning in calendar year 2028, and each year thereafter, the county auditor shall distribute money that is received as part of a tax levy collected under IC 20-46-8 to an eligible charter school, excluding a virtual charter school and adult high school, in the manner prescribed by IC 20-46-8-13 for deposit in the charter school's operations fund created under IC 20-40-18-1.**

**The distributions shall be made at the same time that tax levy revenue is required to be distributed to school corporations."**

Page 22, line 41, delete "IC 6-1.1-20-13.5(b)," and insert "**IC 6-1.1-20-13.5(b)),**".

Page 23, line 1, delete "IC 6-1.1-20-13.5." and insert "**IC 6-1.1-20-13.5. A qualified charter school (as defined in IC 6-1.1-20-13.5(b)) shall establish a separate account into which revenue received from a tax levy under IC 6-1.1-20 must be deposited.**".

Page 23, between lines 18 and 19, begin a new paragraph and insert:

**"SECTION 7. IC 20-24-7-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17. (a) This section is in addition to any other requirement imposed on a charter school with respect to the closure of a charter school, including the payment of any outstanding debts.**

**(b) In the case of a charter school that closes after the June or December distribution of property tax revenue, the charter school shall return any property tax revenue received from a levy referred to in sections 6.1 and 6.2 of this chapter to the school corporation in which the charter school is located. A charter school that closes is not entitled to any future distributions of property tax**



revenue from a levy referred to in sections 6.1 and 6.2 of this chapter.

(c) If a charter school has outstanding debt at the time of the closure, the charter school must satisfy the outstanding debt in accordance with the following:

(1) If the charter school owns the building but did not purchase the building under IC 20-26-7.1, the charter school must first sell the building and apply the proceeds received from the sale to pay off the outstanding debt.

(2) If subdivision (1) does not apply, the charter school must satisfy the debt by means of any other revenue source legally available to the charter school.

(d) A charter school that closes must notify the county fiscal body of the county in which the charter school is located of the closure and provide the county fiscal body with a certified copy of the resolution adopted by the charter school's governing body to close the charter school."

Page 39, line 16, delete "school." and insert "school, excluding a virtual charter school."

Page 43, line 26, delete "school." and insert "school, excluding a virtual charter school."

Page 45, line 15, delete "2026," and insert "2028,".

Page 45, line 24, after "In calendar year 2025," insert "2026, and 2027,".

Page 47, line 38, delete "2025," and insert "2027,".

Page 48, line 4, after "schools" insert ",".

Page 49, line 6, delete "2025," and insert "2027,".

Page 49, line 17, delete "school." and insert "school, excluding a virtual charter school."

Page 49, line 22, delete "calendar year 2026," and insert "calendar year 2028,".

Page 49, line 23, delete "(g)," and insert "(i),".

Page 49, line 28, delete "Subject to subsection (e)," and insert "Subject to subsections (e), (f), and (g),".

Page 49, line 39, delete "May 10, 2025," and insert "January 1, 2027,".

Page 50, line 5, delete "applies" and insert "applies to a school corporation for which less than five hundred (500) students who have legal settlement in the school corporation attend a charter school and".

Page 50, line 6, delete "2026 and 2027" and insert "2028 and 2029".

Page 50, line 12, delete "2026," and insert "2028,".



Page 50, line 18, delete "2027," and insert "2029,".

Page 50, line 24, delete "2028." and insert "2030.".

Page 50, between lines 24 and 25, begin a new paragraph and insert:

**"(f) In the case of a school corporation for which at least five hundred (500) students but less than five thousand (5,000) students who have legal settlement in the school corporation attend a charter school, the county auditor shall make distributions according to the following:**

**(1) For a distribution in 2028, the county auditor shall distribute an amount for a particular eligible charter school equal to:**

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

**(B) twenty-five hundredths (0.25).**

**(2) For a distribution in 2029, the county auditor shall distribute an amount for a particular eligible charter school equal to:**

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

**(B) five-tenths (0.5).**

**(3) For a distribution in 2030, the county auditor shall distribute an amount for a particular eligible charter school equal to:**

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

**(B) seventy-five hundredths (0.75).**

**(4) For a distribution in 2031 and each year thereafter, the county auditor shall distribute an amount for a particular eligible charter school equal to:**

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

**(B) one (1).**

**(g) In the case of a school corporation for which at least five thousand (5,000) students who have legal settlement in the school corporation attend a charter school, the county auditor shall make distributions according to the following:**

**(1) For a distribution in 2028, the county auditor shall distribute an amount for a particular eligible charter school equal to:**

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

**(B) two-tenths (0.2).**



(2) For a distribution in 2029, the county auditor shall distribute an amount for a particular eligible charter school equal to:

- (A) the result of STEP THREE of subsection (d) for the eligible charter school; multiplied by
- (B) four-tenths (0.4).

(3) For a distribution in 2030, the county auditor shall distribute an amount for a particular eligible charter school equal to:

- (A) the result of STEP THREE of subsection (d) for the eligible charter school; multiplied by
- (B) six-tenths (0.6).

(4) For a distribution in 2031, the county auditor shall distribute an amount for a particular eligible charter school equal to:

- (A) the result of STEP THREE of subsection (d) for the eligible charter school; multiplied by
- (B) eight-tenths (0.8).

(5) For a distribution in 2032 and each year thereafter, the county auditor shall distribute an amount for a particular eligible charter school equal to:

- (A) the result of STEP THREE of subsection (d) for the eligible charter school; multiplied by
- (B) one (1)."

Page 50, line 25, delete "(f)" and insert "(h)".

Page 50, line 25, delete "2025," and insert "2027,".

Page 50, line 30, delete "(g)" and insert "(i)".

Page 50, line 32, delete "2025," and insert "2027,".

Page 50, line 40, delete "(h)" and insert "(j)".

Page 50, line 40, delete "2026," and insert "2028,".

Page 52, line 11, delete "school." and insert "school:".

Page 56, line 5, delete "school." and insert "school, excluding a virtual charter school.".

Renumber all SECTIONS consecutively.

(Reference is to SB 518 as printed February 12, 2025.)

ROGERS

