

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 ENROLLED ACT No. 146

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 20-19-3-38 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 38. (a) As used in this section:**

(1) "school health plan" refers to a school employee health plan offered under IC 20-26-17; and

(2) "state health plan" refers to a state employee health plan offered under IC 5-10-8-6.7.

(b) Before November 1, 2025, the department shall prepare and submit a report to the general assembly in an electronic format under IC 5-14-6 that provides an analysis of the feasibility and cost of increasing school corporation employee health plan options.

(c) The report described in subsection (b) must include the following:

(1) An analysis of the feasibility and cost of allowing a school corporation employee to elect to participate in a state health plan if the state health plan is less expensive than the school health plan offered by the employee's school corporation.

(2) An analysis of the feasibility and cost of allowing a school corporation employee who elects, as described in subdivision (1), to participate in a less expensive state health plan to apply the difference between the amount of the school health plan offered by the employee's school corporation and the amount



of the state health plan to:

(A) the employee's defined contribution account, if the employee maintains a defined contribution account; or

(B) the employee's annual salary.

(d) This section expires July 1, 2026.

SECTION 2. IC 20-20-51 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 51. Indiana Teacher Recruitment Program

Sec. 1. As used in this chapter, "program" refers to the Indiana teacher recruitment program established by section 2 of this chapter.

Sec. 2. (a) The Indiana teacher recruitment program is established. The purpose of the program is to provide grants to training and recruitment programs for teachers in critical shortage areas, as determined by the department, based on data contained in the educator supply and demand marketplace maintained on the department's website.

(b) The department shall administer the program.

Sec. 3. The department shall do the following:

(1) Create an application and approval process for training and recruitment programs.

(2) Determine guidelines for awarding grants under the program.

Sec. 4. This chapter expires June 30, 2027.

SECTION 3. IC 20-28-3-1, AS AMENDED BY HEA 1634-2025, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) As used in this section, "teacher candidate" means an individual recommended for an initial teaching license from a teacher preparation program located in Indiana.

(b) As used in this section, "teacher preparation program" includes, but is not limited to, the following:

(1) A teacher education school or department.

(2) A transition to teaching program under IC 20-28-4.

(3) Any other entity approved by the department to offer a course of study leading to an initial teaching license.

(c) The department shall:

(1) arrange a statewide system of professional instruction for teacher education;

(2) accredit and review teacher preparation programs that comply with the rules of the department;

(3) approve content area licensure programs for particular kinds



of teachers in accredited teacher preparation programs; and
 (4) specify the types of licenses for individuals who complete programs of approved courses.

(d) The department shall work with teacher preparation programs to develop a system of teacher education that ensures individuals who complete teacher preparation programs are able to meet the highest professional standards.

(e) Before July 1, 2015, the department shall establish standards for the continuous improvement of program processes and the performance of individuals who complete teacher preparation programs. The state board shall adopt rules containing the standards not later than two hundred seventy (270) days after the department finishes the standards.

(f) The standards established under subsection (e) must include benchmarks for performance, including test score data for each teacher preparation entity on content area licensure tests and test score data for each teacher preparation entity on pedagogy licensure tests.

(g) Each teacher preparation program shall annually report the program's performance on the standards and benchmarks established under this section to the department. The department shall make the information reported under this subsection available to the public on the department's website. Each teacher preparation program shall make the information reported under this subsection available to the public on the teacher preparation program's website. In addition to reporting performance, each teacher preparation program must report to the department the following:

(1) The attrition, retention, and completion rates of teacher candidates for the previous three (3) calendar years. The teacher preparation program must also provide underlying data, as determined by the department, used as part of calculating the teacher preparation program's retention rates.

(2) The number of teacher candidates in each content area who complete the teacher preparation program during the year, disaggregated by ranges of cumulative grade point averages.

(3) The number of teacher candidates in each content area who, during the year:

(A) do not pass a content area licensure examination; and

(B) do not retake the content area licensure examination.

(h) In making information available to the public on the department's website, the department shall include in the report under subsection (g), in addition to the matrix ratings described in subsection (i), the following information:

(1) Average scaled or standard scores of teacher candidates who



complete teacher preparation programs on basic skills, content area, and pedagogy licensure examinations.

(2) The average number of times teacher candidates who complete a teacher preparation program take each licensing test before receiving a passing score and the percentage of teacher candidates who receive a passing score on each licensing test on the teacher candidates' first attempts.

(i) Not later than July 30, 2016, the department and the commission for higher education, in conjunction with the state board, the Independent Colleges of Indiana, Inc., and teacher preparation programs, shall establish a matrix rating system for teacher preparation programs based on the performance of the programs as demonstrated by the data collected under subsections (g) and (h). ~~The matrix rating system may not rank or compare teacher preparation programs.~~ The matrix rating system must be based on data collected for teachers who initially receive their teaching license during the previous three (3) years. The department shall make the matrix ratings available to the public on the department's website.

(j) Each teacher preparation program shall report to the department, in a manner prescribed by the department, the teacher preparation program's admission practices, in accordance with:

- (1) the Council for the Accreditation of Educator Preparation standards, for teacher preparation programs accredited by the Council for the Accreditation of Educator Preparation;
- (2) rigorous academic entry requirements for admission into a teacher preparatory program that are equivalent to the minimum academic requirements determined by the Council for the Accreditation of Educator Preparation, for teacher preparation programs that are not accredited by the Council for the Accreditation of Educator Preparation; or
- (3) the Association for Advancing Quality in Educator Preparation standards, for teacher preparation programs accredited by the Association for Advancing Quality in Educator Preparation.

The department shall include information reported to the department on the department's website.

(k) Not later than July 30, 2016, the department and the commission for higher education, in conjunction with the state board, the Independent Colleges of Indiana, Inc., and teacher preparation programs, shall establish a minimum rating under the matrix rating system established under subsection (i) that teacher preparation programs must achieve to avoid referral under subsection (l).



(l) Not later than July 1 of each year, the department shall submit a list of teacher preparation programs that do not meet the minimum rating established under subsection (k) or the requirements of section 3.1 or 3.2 of this chapter to the commission for higher education and the Independent Colleges of Indiana, Inc. for one (1) of the following actions:

(1) In the case of a state educational institution, the commission for higher education shall place the teacher preparation program on an improvement plan with clear performance goals and a designated period in which the performance goals must be achieved.

(2) In the case of a proprietary postsecondary educational institution, the commission for higher education shall recommend to the teacher preparation program an improvement plan with clear performance goals and a designated period in which the performance goals should be achieved.

(3) In the case of a nonprofit college or university, the Independent Colleges of Indiana, Inc., shall coordinate a peer review process to make recommendations to the peer institution in achieving the department's performance metrics.

(m) The department shall approve at least two (2) accreditors that:

(1) accredit teacher preparation programs; and

(2) are recognized by the Council for Higher Education Accreditation;

to accredit teacher preparation programs for use in Indiana.

(n) Not later than December 31, 2024, the department and the commission for higher education, in conjunction with the state board, shall partner with teacher preparation programs to receive an outside evaluation by a nationally recognized nonprofit, nonpartisan organization that leverages evidence based approaches on the science of reading to evaluate teacher preparation reading instruction programs.

SECTION 4. IC 20-28-9-26, AS ADDED BY P.L.165-2021, SECTION 154, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 26. (a) For each school year beginning after ~~June 30, 2022~~, **June 30, 2025**, if a school corporation determines that the school corporation cannot establish a minimum salary of ~~forty-four thousand dollars (\$40,000)~~ **\$45,000** for each full-time teacher, the school corporation **and the department shall submit a report to the department explaining the school corporation's inability to meet the minimum threshold requirement.**

~~(b) A report submitted under this section must include an explanation of the financial challenges, with detailed data, that~~



preclude the school corporation from meeting the minimum salary threshold required under subsection (a). The report must also describe the cost saving measures taken by the school corporation in attempting to meet the minimum salary threshold required under subsection (a); must comply with the requirements of subsections (b) through (d).

(b) For each state fiscal year that a school corporation fails to meet the minimum salary requirements for full-time teachers under subsection (a), the department shall submit in both a written and an electronic format a notice to the school corporation's:

- (1) superintendent;
- (2) school business officer; and
- (3) governing body;

that the school corporation failed to meet the requirements set forth in subsection (a) for the applicable state fiscal year.

(c) If a school corporation's governing body receives a notice from the department under subsection (b), the school corporation shall do the following:

- (1) Publicly acknowledge receipt of the notice from the department at the governing body's next public meeting.
- (2) Enter into the governing body's official minutes for the meeting described in subdivision (1) acknowledgment of the notice.
- (3) Not later than thirty (30) days after the meeting described in subdivision (1), publish on the school corporation's website:
 - (A) the department's notice; and
 - (B) any relevant individual reports prepared by the department.

(d) If the department determines a school corporation that received one (1) or more notices from the department under subsection (b) has met the minimum salary requirements required under subsection (a) for a subsequent state fiscal year, the school corporation may remove from the school corporation's website any:

- (1) notices the school corporation received under subsection (b); and
- (2) relevant individual reports prepared by the department under subsection (c)(3).

SECTION 5. IC 20-28-9-28, AS AMENDED BY P.L.150-2024, SECTION 26, AND AS AMENDED BY P.L.136-2024, SECTION 43, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:



Sec. 28. (a) *Subject to subsection (g); (c)*, for each school year in a state fiscal year beginning after ~~June 30, 2023~~; **June 30, 2025**, a school corporation shall expend an amount for teacher compensation that is not less than an amount equal to ~~sixty-two percent (62%)~~ **sixty-five percent (65%)** of the state tuition support, *other than the state tuition support described in subsection (b)*, distributed to the school corporation during the state fiscal year. For purposes of determining whether a school corporation has complied with this requirement, the amount a school corporation expends for teacher compensation shall include the amount the school corporation expends for adjunct teachers, supplemental pay for teachers, stipends, and for participating in a special education cooperative or an interlocal agreement or consortium that is directly attributable to the compensation of teachers employed by the cooperative or interlocal agreement or consortium. *The amount a school corporation expends on teacher compensation shall also include the amount the school corporation expends on dropout recovery educational services for an at-risk student enrolled in the school corporation provided by an agreement with an eligible school that is directly attributable to the compensation of teachers employed by the eligible school.* Teacher benefits include all benefit categories collected by the department for Form 9 purposes.

(b) If a school corporation determines that the school corporation cannot comply with the requirement under subsection (a) for a particular school year, the school corporation shall apply for a waiver from the department.

(c) The waiver application must include an explanation of the financial challenges, with detailed data, that preclude the school corporation from meeting the requirement under subsection (a) and describe the cost saving measures taken by the school corporation in attempting to meet the requirement in subsection (a). The waiver may also include an explanation of an innovative or efficient approach in delivering instruction that is responsible for the school corporation being unable to meet the requirement under subsection (a).

(d) If, after review, the department determines that the school corporation has exhausted all reasonable efforts in attempting to meet the requirement in subsection (a), the department may grant the school corporation a one (1) year exception from the requirement.

(e) A school corporation that receives a waiver under this section shall work with the department to develop a plan to identify additional cost saving measures and any other steps that may be taken to allow the school corporation to meet the requirement under subsection (a).

(f) A school corporation may not receive more than three (3)



~~waivers under this section:~~

(b) State tuition support distributed to a school corporation for students enrolled in the school corporation who are receiving one hundred percent (100%) virtual instruction from a teacher employed by a third party provider with whom the school corporation has contracted is not included as state tuition support distributed to the school corporation for purposes of subsection (a).

~~(g)~~ (c) For purposes of determining whether a school corporation has complied with the requirement in subsection (a), distributions from the curricular materials fund established by IC 20-40-22-5 that are deposited in a school corporation's education fund in a state fiscal year are not considered to be state tuition support distributed to the school corporation during the state fiscal year.

~~(c)~~ ~~(#)~~ (d) Before November 1, 2022, and before November 1 of each year thereafter, the department shall submit a report to the legislative council in an electronic format under IC 5-14-6 and the state budget committee that contains information as to:

- (1) the percent and amount that each school corporation expended and the statewide total expended for teacher compensation;
- (2) the percent and amount that each school corporation expended and statewide total expended for teacher benefits, including health, dental, life insurance, and pension benefits; *and*
- (3) whether the school corporation met the requirement set forth in subsection (a). *and*

~~(4) whether the school corporation received a waiver under subsection (d).~~

~~(d)~~ (e) The department shall publish the report described in subsection ~~(c)~~ (d) on the department's website.

~~(e)~~ (f) Beginning after June 30, 2024, for each state fiscal year that a school corporation fails to expend the amount for teacher compensation as required under subsection (a), the department shall submit in both a written and an electronic format a notice to the school corporation's:

- (1) superintendent;
- (2) school business officer; and
- (3) governing body;

that the school corporation failed to meet the requirements set forth in subsection (a) for the applicable state fiscal year.

~~(f)~~ (g) If a school corporation's governing body receives a notice from the department under subsection ~~(e)~~ (f), the school corporation shall do the following:

- (1) Publicly acknowledge receipt of the notice from the



department at the governing body's next public meeting.

(2) Enter into the governing body's official minutes for the meeting described in subdivision (1) acknowledgment of the notice.

(3) Not later than thirty (30) days after the meeting described in subdivision (1), publish on the school corporation's website:

(A) the department's notice; and

(B) any relevant individual reports prepared by the department.

~~(g)~~ **(h)** *If the department determines a school corporation that received one (1) or more notices from the department under subsection ~~(e)~~ **(f)** has met the expenditure requirements required under subsection (a) for a subsequent state fiscal year, the school corporation may remove from the school corporation's website any:*

*(1) notices the school corporation received under subsection ~~(e)~~ **(f)**; and*

*(2) relevant individual reports prepared by the department under subsection ~~(f)(3)~~ **(g)(3)**.*



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

