

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.

HOUSE ENROLLED ACT No. 1001

AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

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

SECTION 1. [EFFECTIVE JULY 1, 2025]

(a) The following definitions apply throughout this act:

(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.

(2) "Biennium" means the period beginning July 1, 2025, and ending June 30, 2027. Appropriations appearing in the biennial column for construction or other permanent improvements do not revert under IC 4-13-2-19 and may be allotted.

(3) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.

(4) "Fee replacement" includes payments to universities to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.

(5) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, dental insurance, vision insurance, deferred compensation - state match, leave conversion, disability, and retirement fund contributions.

(6) "State agency" means:

(A) each office, officer, board, commission, department, division, bureau, committee,



fund, agency, authority, council, or other instrumentality of the state;
(B) each hospital, penal institution, and other institutional enterprise of the state;
(C) the judicial department of the state; and
(D) the legislative department of the state.

However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.

(7) "Total operating expense" includes payments for "personal services", "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".

(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the state comptroller, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.

(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.

(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.

(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources or combination of sources. The money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation to the fund, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the state comptroller's office, and no part of the fund shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount may be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

SECTION 2. [EFFECTIVE JULY 1, 2025]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are



appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2025]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY

LEGISLATORS' SALARIES - HOUSE

Total Operating Expense	9,377,541	9,377,541
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HOUSE EXPENSES

Total Operating Expense	12,481,813	12,481,813
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LEGISLATORS' SALARIES - SENATE

Total Operating Expense	2,565,000	2,660,000
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SENATE EXPENSES

Total Operating Expense	12,169,715	12,909,715
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Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals, and other usual and customary expenses associated with legislative affairs. Each member of the house is entitled, when authorized by the speaker of the house, to the legislative business per diem allowance for every day the member is engaged in official business. The speaker shall authorize the legislative business per diem allowance to be consistent with law and house rules.

Each member of the senate is entitled, when authorized by the president pro tempore of the senate, to the legislative business per diem allowance for every day the member is engaged in official business. The president pro tempore of the senate shall authorize the legislative business per diem allowance to be consistent with law and senate rules.

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general assembly shall receive the mileage allowance in an amount equal to the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service for each mile necessarily traveled from the member's usual



place of residence to the state capitol. However, if the member traveled by a means other than by motor vehicle, and the member's usual place of residence is more than one hundred (100) miles from the state capitol, the member is entitled to reimbursement in an amount equal to the lowest air travel cost incurred in traveling from the usual place of residence to the state capitol. During the period the general assembly is convened in regular or special session, the mileage allowance shall be limited to one (1) round trip each week per member.

Any member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or Indiana legislative council to serve on any research, study, or survey committee or commission, or who attends any meetings authorized or convened under the auspices of the Indiana legislative council, including pre-session conferences and federal-state relations conferences, is entitled, when authorized by the legislative council, to receive the legislative business per diem allowance for each day the member is in actual attendance and is also entitled to a mileage allowance, at the rate specified above, for each mile necessarily traveled from the member's usual place of residence to the state capitol, or other in-state site of the committee, commission, or conference. The per diem allowance and the mileage allowance permitted under this paragraph shall be paid from the legislative council appropriation for legislator and lay member travel unless the member is attending an out-of-state meeting, as authorized by the speaker of the house of representatives or the president pro tempore of the senate, in which case the member is entitled to receive:

- (1) the legislative business per diem allowance for each day the member is engaged in approved out-of-state travel; and
- (2) reimbursement for traveling expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the legislative council.

Notwithstanding the provisions of this or any other statute, the legislative council may adopt, by resolution, travel policies and procedures that apply only to members of the general assembly or to the staffs of the house of representatives, senate, and legislative services agency, or both members and staffs. The legislative council may apply these travel policies and procedures to lay members serving on research, study, or survey committees or commissions that are under the jurisdiction of the legislative council. Notwithstanding any other law, rule, or policy, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION), except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives,



senate, and legislative services agency, and to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The state comptroller shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' EXPENSES - HOUSE

Total Operating Expense	3,273,045	3,273,045
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LEGISLATORS' EXPENSES - SENATE

Total Operating Expense	1,776,500	1,852,500
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Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area for:

- (1) each day that the general assembly is not convened in regular or special session; and
- (2) each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem, and the subsistence allowance under subdivision (1) may not be paid to a member after the final recess day in April with respect to any day in which the chamber in which the individual is a member meets as a body or in any period in which the chamber is in recess for less than six (6) consecutive days.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, \$7,000; assistant president pro tempore, \$3,000; majority floor leader, \$5,500; assistant majority floor leader(s), \$3,500; majority floor leader emeritus, \$2,500; majority caucus chair, \$5,500; assistant majority caucus chair(s), \$1,500; appropriations committee chair, \$5,500; tax and fiscal policy committee chair, \$5,500; appropriations committee ranking majority member, \$2,000; tax and fiscal policy committee ranking majority member, \$2,000; majority whip, \$4,000; assistant majority whip, \$2,000; minority floor leader,



\$6,000; minority leader emeritus, \$1,500; minority caucus chair, \$5,000; assistant minority floor leader, \$5,000; appropriations committee ranking minority member, \$2,000; tax and fiscal policy committee ranking minority member, \$2,000; minority whip(s), \$2,000; assistant minority whip, \$1,000; assistant minority caucus chair(s), \$1,000; agriculture committee chair, \$1,000; natural resources committee chair, \$1,000; public policy committee chair, \$1,000; corrections and criminal law committee chair, \$1,000; civil law committee chair, \$1,000; education and career development chair, \$1,000; elections committee chair, \$1,000; environmental affairs committee chair, \$1,000; family and children services committee chair, \$1,000; pensions and labor committee chair, \$1,000; health and provider services committee chair, \$1,000; homeland security and transportation committee chair, \$1,000; veterans affairs and the military committee chair, \$1,000; insurance and financial institutions committee chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair, \$1,000; utilities committee chair, \$1,000; commerce and technology committee chair, \$1,000; appointments and claims committee chair, \$1,000; rules and legislative procedure committee chair, \$1,000; and ethics committee chair, \$1,000. If an officer fills more than one (1) leadership position, the officer shall be paid for the higher paid position.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, \$7,000; speaker pro tempore, \$5,000; deputy speaker pro tempore, \$2,000; majority floor leader, \$5,500; majority caucus chair, \$5,500; majority whip, \$4,000; assistant majority floor leader(s), \$3,500; assistant majority caucus chair(s), \$2,000; assistant majority whip(s), \$2,000; ways and means committee chair, \$5,500; ways and means committee vice chair, \$4,000; ways and means k-12 subcommittee chair, \$1,500; ways and means higher education subcommittee chair, \$1,500; ways and means budget subcommittee chair, \$3,000; ways and means health and human services subcommittee chair, \$1,500; ways and means local government subcommittee chair, \$1,500; minority leader, \$6,000; minority floor leader, \$4,500; minority caucus chair, \$4,500; minority whip, \$3,000; assistant minority leader(s), \$1,500; assistant minority floor leader(s), \$1,500; assistant minority caucus chair(s), \$1,500; assistant minority whip(s), \$1,500; ways and means committee ranking minority member, \$3,500; agriculture and rural development committee chair, \$1,000; commerce, small business, and economic development committee chair, \$1,000; courts and criminal code committee chair, \$1,000; education committee chair, \$1,000; elections and apportionment committee chair, \$1,000; employment, labor, and pensions committee chair, \$1,000; environmental affairs committee chair, \$1,000; statutory committee on legislative ethics committee chair, \$1,000; family, children, and human affairs committee chair, \$1,000; financial institutions committee chair, \$1,000; insurance committee chair, \$1,000; government and regulatory reform committee chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair, \$1,000; natural resources committee chair, \$1,000; public health committee chair, \$1,000; public policy committee chair, \$1,000; roads and transportation committee chair, \$1,000; rules and legislative procedures committee chair, \$1,000; utilities, energy and telecommunications committee chair, \$1,000; and veterans affairs and public safety committee chair, \$1,000. If an officer fills more than one (1) leadership position, the officer may be paid for



each of the paid positions.

If the senate or house of representatives eliminates a committee or officer referenced in this SECTION and replaces the committee or officer with a new committee or position, the above appropriations for subsistence shall be used to pay for the new committee or officer. However, this does not permit any additional amounts to be paid under this SECTION for a replacement committee or officer than would have been spent for the eliminated committee or officer. If the senate or house of representatives creates a new, additional committee or officer, or assigns additional duties to an existing officer, the above appropriations for subsistence shall be used to pay for the new committee or officer, or to adjust the annual payments made to the existing officer, in amounts determined by the legislative council.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	20,759,416	21,797,387
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	700,000	700,000

Included in the above appropriations are funds for usual and customary expenses associated with legislative services.

If the funds above appropriated for the legislative council and the legislative services agency and for legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of \$75 per day during the biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise



provided for by a specific appropriation.

Included in the above appropriations are funds for the printing and distribution of documents published by the legislative council, including journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 124th general assembly, the supplements to the Indiana Code for the biennium and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the legislative council and the legislative services agency are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

TECHNOLOGY INFRASTRUCTURE, SOFTWARE, AND SERVICES

Total Operating Expense	6,152,770	5,679,848
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If the above appropriations are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses, including state video streaming services and legislative closed captioning services. The above appropriations or any part thereof remaining unexpended and unencumbered at the close of any fiscal year remain available for expenditure until the earlier of June 30, 2029, or the purposes for which the appropriations were made are accomplished or abandoned. If any part of the appropriations have not been allotted or encumbered before the expiration of the biennium, the personnel subcommittee of the legislative council may determine that any part of the balance of the appropriations may be reverted to the state general fund.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: \$900

Annual subscription to the session document service for sessions ending in even-numbered years: \$500

Per page charge for copies of legislative documents: \$0.15

NATIONAL ASSOCIATION DUES

Total Operating Expense	461,122	741,428
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FOR THE COMMISSION ON UNIFORM STATE LAWS

Total Operating Expense	100,000	100,000
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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
FOR THE INDIANA LOBBY REGISTRATION COMMISSION			
Total Operating Expense	419,402	453,123	

**FOR THE INDIANA PUBLIC RETIREMENT SYSTEM
LEGISLATORS' RETIREMENT FUND**

Total Operating Expense	6,113	6,113
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B. JUDICIAL

FOR THE SUPREME COURT

Total Operating Expense	21,021,518	21,021,518
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The above appropriations include the subsistence allowance provided by IC 33-38-5-8.

LOCAL JUDGES' SALARIES

Total Operating Expense	100,439,726	100,620,302
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COUNTY PROSECUTORS' SALARIES

Total Operating Expense	35,794,283	35,794,283
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PROBLEM SOLVING COURTS

Total Operating Expense	5,700,000	5,700,000
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SUPREME COURT TITLE IV-D

Total Operating Expense	1,950,000	1,950,000
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TRIAL COURT OPERATIONS

Total Operating Expense	1,545,719	1,545,719
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Of the above appropriations, \$500,000 each fiscal year is for court interpreters.

INDIANA COURT TECHNOLOGY

Total Operating Expense	20,588,380	20,588,380
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Of the above appropriations, \$3,000,000 each fiscal year shall be used for the INjail statewide management system.

INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY

Total Operating Expense	739,813	739,813
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GUARDIAN AD LITEM

Total Operating Expense	6,020,920	6,020,920
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The Office of Judicial Administration shall use the above appropriations to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33.

A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed



special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds.

ADULT GUARDIANSHIP

Total Operating Expense	1,425,000	1,425,000
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The above appropriations are for the administration of the office of adult guardianship and to provide matching funds to county courts with probate jurisdiction that implement and administer programs for volunteer advocates for seniors and incapacitated adults who are appointed a guardian under IC 29. Volunteer advocates for seniors and incapacitated adults programs shall provide a match of 50% of the funds appropriated by the office of judicial administration of which up to half may be an in-kind match and the remainder must be county funds or other local county resources. Only programs certified by the supreme court are eligible for matching funds. The above appropriations include funds to maintain an adult guardianship registry to serve as a data repository for adult guardianship cases and guardians appointed by the courts.

CIVIL LEGAL AID

Total Operating Expense	2,850,000	2,850,000
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SPECIAL JUDGES - COUNTY COURTS

Total Operating Expense	141,550	141,550
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If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

INTERSTATE COMPACT FOR ADULT OFFENDERS

Total Operating Expense	224,371	224,371
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COMMISSION ON IMPROVING THE STATUS OF CHILDREN

Total Operating Expense	350,000	350,000
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PROBATION OFFICERS TRAINING

Total Operating Expense	712,500	712,500
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DRUG AND ALCOHOL PROGRAMS

Total Operating Expense	95,000	95,000
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PRE-TRIAL COMPLIANCE

Total Operating Expense	3,800,000	3,800,000
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FOR THE COMMISSION ON COURT APPOINTED ATTORNEYS

Total Operating Expense	32,370,120	32,370,120
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Public Defense Fund (IC 33-40-6-1)

Total Operating Expense	7,400,000	7,400,000
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The above appropriations from the public defense fund are made from the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. Administrative costs may be paid from the public



defense fund. Any balance in the public defense fund is appropriated to the commission on court appointed attorneys.

FOR THE COURT OF APPEALS

Total Operating Expense	14,291,240	14,291,240
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The above appropriations include the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT

Total Operating Expense	918,298	918,298
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FOR THE PUBLIC DEFENDER

Total Operating Expense	8,390,595	8,390,595
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PUBLIC DEFENDER INCARCERATED DEFENSE SERVICES

Total Operating Expense	1	1
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Augmentation is allowed from the General Fund to cover the costs.

The above appropriation shall be used for expenses related to the defense of an incarcerated person in accordance with IC 33-37-2-4.

FOR THE PUBLIC DEFENDER COUNCIL

Total Operating Expense	1,849,333	1,849,333
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AT RISK YOUTH AND FAMILIES

Total Operating Expense	237,500	237,500
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FOR THE PROSECUTING ATTORNEYS COUNCIL

Total Operating Expense	1,505,517	1,505,517
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DRUG PROSECUTION

Substance Abuse Prosecution Fund (IC 33-39-8-6)

Total Operating Expense	161,815	161,815
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Augmentation allowed.

HIGH TECH CRIMES UNIT PROGRAM

Total Operating Expense	3,000,000	3,000,000
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PROSECUTING ATTORNEYS TITLE IV-D

Total Operating Expense	1,950,000	1,950,000
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FOR THE INDIANA PUBLIC RETIREMENT SYSTEM

JUDGES' RETIREMENT FUND

Total Operating Expense	21,726,703	22,492,020
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PROSECUTING ATTORNEYS RETIREMENT FUND

Total Operating Expense	5,128,038	5,263,931
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C. EXECUTIVE

FOR THE GOVERNOR'S OFFICE

Total Operating Expense	3,220,500	3,220,500
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SUBSTANCE ABUSE PREVENTION, TREATMENT, AND ENFORCEMENT**State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))**

Total Operating Expense	5,000,000	5,000,000
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FOR THE LIEUTENANT GOVERNOR

Total Operating Expense	3,696,948	3,696,948
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FOR THE SECRETARY OF STATE**ADMINISTRATION**

Total Operating Expense	5,779,313	5,779,313
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ELECTION SECURITY

Total Operating Expense	1,590,000	1,590,000
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VOTER EDUCATION OUTREACH

Total Operating Expense	250,000	250,000
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VOTING SYSTEM TECHNOLOGY OVERSIGHT

Total Operating Expense	749,972	749,972
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STATE RECOUNT COMMISSION (IC 3-12-10-2.2)

Total Operating Expense	1	1
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ELECTRONIC AND ENHANCED ACCESS (IC 4-5-10-5)

Total Operating Expense	1	1
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SECURITIES DIVISION ENFORCEMENT (IC 23-19-6-1)

Total Operating Expense	1	1
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SECURITIES RESTITUTION (IC 23-20-1-26)

Total Operating Expense	1	1
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FOR THE ATTORNEY GENERAL

Total Operating Expense	27,877,264	27,877,264
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Agency Settlement Fund (IC 4-12-16-2)

Total Operating Expense	5,554,032	5,554,032
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Augmentation allowed.

Real Estate Appraiser Licensing

Total Operating Expense	50,000	50,000
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Augmentation allowed.

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	818,916	818,916
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Augmentation allowed.

Abandoned Property Fund (IC 32-34-1.5-42)

Total Operating Expense	2,527,916	2,527,916
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Augmentation allowed.

OFFICE-MEDICAID FRAUD CONTROL UNIT

Total Operating Expense	2,171,000	2,171,000
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The above appropriations are the state's matching share of funding for the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
CONSUMER DATA PRIVACY			
Total Operating Expense	475,000	475,000	
UNCLAIMED PROPERTY			
Abandoned Property Fund (IC 32-34-1.5-42)			
Total Operating Expense	7,883,908	7,883,908	
Augmentation allowed.			
D. FINANCIAL MANAGEMENT			
FOR THE STATE COMPTROLLER			
Total Operating Expense	8,201,668	8,201,668	
FOR THE STATE BOARD OF ACCOUNTS			
Total Operating Expense	19,956,429	19,956,429	
EXAMINATIONS			
Examinations Fund (IC 5-11-4-3)			
Total Operating Expense	15,292,119	15,292,119	
Augmentation allowed.			
FOR THE OFFICE OF MANAGEMENT AND BUDGET			
Total Operating Expense	926,199	926,199	
AGENCY CONTRACT MANAGEMENT REFORM			
Total Operating Expense	7,000,000	0	
FOR THE DISTRESSED UNIT APPEAL BOARD			
Total Operating Expense	1,000,000	1,000,000	
Augmentation allowed after budget committee review.			
FOR THE MANAGEMENT PERFORMANCE HUB			
Total Operating Expense	9,325,010	9,325,010	
FOR THE STATE BUDGET AGENCY			
Total Operating Expense	4,625,802	4,625,802	
STATE AGENCY CONTINGENCY FUND			
Total Operating Expense	10,000,000	0	
The above appropriations may be allotted to departments, institutions, and all state agencies by the budget agency with the approval of the governor. The above appropriations shall be allotted in the amount requested by the judicial branch, the legislative branch, and statewide elected officials by the budget agency.			
FINANCIAL RESPONSIBILITY AND OPPORTUNITY GROWTH FUND			
Total Operating Expense			300,000,000

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Subject to budget committee review, the above appropriation may be used by the budget agency to augment the state correctional facilities operations appropriation made to the department of correction, the Medicaid assistance appropriation made to the family and social services administration, and the family and children fund appropriation made to the department of child services.

PERSONAL SERVICES

Total Operating Expense	0	82,500,000
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The above appropriation shall be allotted by the budget agency to the judicial branch, the legislative branch, and statewide elected officials to support the costs of a supplemental pay period occurring in the fiscal year ending June 30, 2027.

The above appropriation may be allotted to departments, institutions, and all state agencies by the budget agency with the approval of the governor to support the costs of a supplemental pay period occurring in the fiscal year ending June 30, 2027.

OUTSIDE ACTS

Total Operating Expense	1	1
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Augmentation allowed after budget committee review.

STATE BUDGET COMMITTEE

Total Operating Expense	91,496	91,496
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Augmentation allowed.

Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of the budget committee is equal to one hundred fifty percent (150%) of the legislative business per diem allowance.

FOR THE INDIANA PUBLIC RETIREMENT SYSTEM

PUBLIC SAFETY PENSION

Total Operating Expense	140,000,000	130,000,000
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Augmentation allowed.

LOCAL PENSION REPORT

Total Operating Expense	30,000	30,000
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FOR THE TREASURER OF STATE

Total Operating Expense	1,976,054	1,976,054
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ABLE AUTHORITY (IC 12-11-14)

Total Operating Expense	356,853	356,853
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CAREER SCHOLARSHIP ACCOUNTS

Total Operating Expense	10,000,000	0
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The treasurer of state shall use the above appropriation to deposit \$5,000 into each eligible career scholarship participant's career scholarship account each fiscal



year.

INDIANA EDUCATION SCHOLARSHIP ACCOUNT PROGRAM (IC 20-51.4)

Total Operating Expense	10,000,000	0
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E. TAX ADMINISTRATION

**FOR THE DEPARTMENT OF REVENUE
COLLECTION AND ADMINISTRATION**

Total Operating Expense	76,868,727	76,868,727
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With the approval of the governor and the budget agency, the department shall annually reimburse the general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the above appropriations may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and fees.

OUTSIDE COLLECTIONS

Total Operating Expense	4,356,593	4,356,593
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With the approval of the governor and the budget agency, the above appropriations may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and fees.

MOTOR CARRIER REGULATION

Motor Carrier Regulation Fund (IC 8-2.1-23-1)

Total Operating Expense	10,029,579	10,029,579
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Augmentation allowed.

FOR THE INDIANA GAMING COMMISSION

State Gaming Fund (IC 4-33-13-2)

Total Operating Expense	3,642,785	3,642,785
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Gaming Investigations (IC 4-33-4-18(b))

Total Operating Expense	1,380,073	1,380,073
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The above appropriations are made from revenues accruing to the state gaming fund under IC 4-33 before any distribution is made under IC 4-33-13-5.

GAMING RESEARCH DIVISION

Total Operating Expense	325,000	325,000
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ATHLETIC COMMISSION

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
State Gaming Fund (IC 4-33-13-2)			
Total Operating Expense	16,383	16,383	
Athletic Fund (IC 4-33-22-9)			
Total Operating Expense	66,683	66,683	
FANTASY SPORTS REGULATION AND ADMINISTRATION			
Fantasy Sports Regulation and Administration Fund (IC 4-33-24-28)			
Total Operating Expense	49,990	49,990	
FOR THE INDIANA HORSE RACING COMMISSION			
Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)			
Total Operating Expense	3,795,825	3,795,825	
STANARDBRED ADVISORY BOARD			
Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)			
Total Operating Expense	193,500	193,500	
Augmentation allowed.			
FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE			
Total Operating Expense	4,420,648	4,420,648	
Assessment Training and Administration Fund (IC 6-1.1-5.5-4.7)			
Total Operating Expense	1,341,280	1,341,280	
Augmentation allowed from the assessment training and administration fund.			
FOR THE INDIANA BOARD OF TAX REVIEW			
Total Operating Expense	1,743,512	1,743,512	
Assessment Training and Administration Fund (IC 6-1.1-5.5-4.7)			
Total Operating Expense	320,628	320,628	
Augmentation allowed from the assessment training and administration fund.			
F. ADMINISTRATION			
FOR THE DEPARTMENT OF ADMINISTRATION			
Total Operating Expense	25,005,576	25,005,576	
MOTOR POOL ROTARY FUND			
Total Operating Expense	5,310,300	5,310,300	
Charity Gaming Enforcement Fund (IC 4-32.3-7-1)			
Total Operating Expense	91,500	91,500	
Fire and Building Services Fund (IC 22-12-6-1)			
Total Operating Expense	438,500	438,500	
State Highway Fund (IC 8-23-9-54)			
Total Operating Expense	3,659,200	3,659,200	
Integrated Public Safety Communications Fund (IC 5-26-4-1)			
Total Operating Expense	110,000	110,000	
ATC Enforcement and Administration Fund (IC 7.1-4-10-1)			
Total Operating Expense	540,000	540,000	
State Parks & Reservoirs Special Revenue Fund (IC 14-19-8-2)			

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	666,400	666,400	
Indiana Correctional Industries Fund (IC 11-10-6-6)			
Total Operating Expense	197,000	197,000	
Motorcycle Operator Safety Education Fund (IC 9-27-7-7)			
Total Operating Expense	174,621	174,621	
Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)			
Total Operating Expense	42,000	42,000	

The budget agency may transfer portions of the above dedicated fund appropriations from the department of administration back to the agency that provided the appropriation if necessary.

In addition to the above appropriations, the budget agency with the approval of the governor may transfer appropriations to the motor pool rotary fund established in IC 4-13-1-4 for the purchase of vehicles and related equipment.

FOR THE STATE PERSONNEL DEPARTMENT

Total Operating Expense	3,834,223	3,834,223
GOVERNOR'S FELLOWSHIP PROGRAM		
Total Operating Expense	321,600	321,600
OFFICE OF ADMINISTRATIVE LAW PROCEEDINGS		
Total Operating Expense	2,493,135	2,493,135
PCORI FEE		
Total Operating Expense	145,000	145,000
Augmentation allowed.		

FOR THE STATE EMPLOYEES' APPEALS COMMISSION

Total Operating Expense	182,643	182,643
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**FOR THE OFFICE OF TECHNOLOGY
IN MAPPING DATA AND STANDARD (GIS)**

Total Operating Expense	5,000,000	5,000,000
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FOR THE INDIANA ARCHIVES AND RECORDS ADMINISTRATION

Total Operating Expense	2,427,737	2,427,737
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FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

Total Operating Expense	339,390	339,390
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G. OTHER

FOR THE OFFICE OF THE INSPECTOR GENERAL AND THE STATE ETHICS COMMISSION

Total Operating Expense	1,493,591	1,493,591
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FOR THE SECRETARY OF STATE

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
ELECTION DIVISION			
Total Operating Expense	1,727,299	1,727,299	
VOTER LIST MAINTENANCE			
Total Operating Expense	2,250,000	2,250,000	
VOTER REGISTRATION SYSTEM			
Total Operating Expense	3,361,759	3,361,759	

SECTION 4. [EFFECTIVE JULY 1, 2025]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION

CENTRAL OFFICE		
Total Operating Expense	38,362,013	33,362,013
ESCAPEE COUNSEL AND TRIAL EXPENSE		
Total Operating Expense	199,736	199,736
COUNTY JAIL MISDEMEANANT HOUSING		
Total Operating Expense	4,152,639	4,152,639
ADULT CONTRACT BEDS		
Total Operating Expense	95,058	95,058
STAFF DEVELOPMENT AND TRAINING		
Total Operating Expense	2,906,366	2,906,366
PAROLE BOARD		
Total Operating Expense	950,259	950,259
INFORMATION MANAGEMENT SERVICES		
Total Operating Expense	7,238,356	7,238,356
JUVENILE TRANSITION		
Total Operating Expense	1,117,448	1,117,448
COMMUNITY CORRECTIONS PROGRAMS		
Total Operating Expense	65,625,165	65,625,165

Notwithstanding IC 4-9.1-1-7, IC 4-12-1-12, IC 4-13-2-23, or any other law, the above appropriations for community corrections programs are not subject to transfer to any other fund or transfer, assignment, or reassignment for any other use or purpose by the state board of finance or by the budget agency. Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for community corrections programs do not revert to the state general fund or another fund at the close of a state fiscal year but remain available in subsequent state fiscal years for the purposes of the programs.

HOOSIER INITIATIVE FOR RE-ENTRY (HIRE)		
Total Operating Expense	832,806	832,806
CENTRAL EMERGENCY RESPONSE		
Total Operating Expense	1,469,866	1,469,866

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
HEPATITIS C TREATMENT			
Total Operating Expense	10,000,000	10,000,000	
DRUG ABUSE PREVENTION			
Corrections Drug Abuse Fund (IC 11-8-2-11)			
Total Operating Expense	127,500	127,500	
Augmentation allowed.			
CORRECTIONAL FACILITIES CALLING SYSTEM			
Correctional Facilities Calling System (IC 5-22-23-7)			
Total Operating Expense	11,000,000	11,000,000	
Augmentation allowed.			
EXONERATION			
Total Operating Expense	1	1	
Augmentation allowed.			

The above appropriations shall be used for expenses relating to the restitution of wrongfully incarcerated persons pursuant to IC 5-2-23. The department shall collaborate with the Indiana Criminal Justice Institute to administer this program.

COUNTY JAIL MAINTENANCE CONTINGENCY

Total Operating Expense	45,000,000	41,000,000
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The above appropriations are for reimbursing sheriffs for the costs of: (1) persons convicted of level 6 felonies that are incarcerated in county jails, and (2) jail and parole holds. The department shall reimburse sheriffs \$42 per day for the costs described in this section. All requests for reimbursement shall be submitted within 60 days of expenses incurred in order to be eligible for reimbursement. All requests for reimbursement shall be in conformity with department policy.

If the above appropriations are insufficient to cover the full cost of reimbursement in a state fiscal year the amount needed to cover the full cost of reimbursement shall be transferred from appropriations made to the department of correction central office.

For persons convicted of level 6 felonies that are incarcerated in county jails, sheriffs shall be entitled to reimbursement only for the time that the person is incarcerated in the county jail.

For jail and parole holds, reimbursement shall be based on the later of: (1) the dates of incarceration when persons are incarcerated for more than five (5) days after the day of sentencing; or (2) the date upon which the department receives the abstract of judgment and sentencing order. The state shall reimburse the sheriffs for expenses determined by the sheriff to be medically necessary medical care to the convicted persons. If the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect to the convicted person shall be reduced by the



amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

CORRECTIONAL SERVICES

Total Operating Expense 225,063,624 225,063,624

JUVENILE DETENTION ALTERNATIVES INITIATIVE (JDAI)

Total Operating Expense 2,899,778 2,899,778

PAROLE DIVISION

Total Operating Expense 19,854,491 19,854,491

STATE CORRECTIONAL FACILITIES OPERATIONS

Total Operating Expense 598,138,820 582,467,382

Augmentation allowed.

Work Release Fund (IC 11-10-8-6.5)

Total Operating Expense 655,820 655,820

Augmentation allowed from the work release fund.

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU

Total Operating Expense 238,357 238,357

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE

Total Operating Expense 215,000,000 220,000,000

Motor Carrier Regulation Fund (IC 8-2.1-23-1)

Total Operating Expense 5,684,355 5,684,355

Augmentation allowed from the motor carrier regulation fund.

The above appropriations include funds for the state police minority recruiting program.

The above appropriations include funds for the police security detail to be provided to the Indiana state fair board. However, amounts actually expended to provide security for the Indiana state fair board as determined by the budget agency shall be reimbursed by the Indiana state fair board to the state general fund.

ISP OPEB CONTRIBUTION

Total Operating Expense 4,400,000 4,400,000

INTERNET CRIMES AGAINST CHILDREN (IC 10-11-10-2)

Total Operating Expense 1,000,000 1,000,000

INDIANA INTELLIGENCE FUSION CENTER

Total Operating Expense 1,600,000 1,600,000

FORENSIC AND HEALTH SCIENCES LABORATORIES

Total Operating Expense 18,000,000 18,000,000

Motor Carrier Regulation Fund (IC 8-2.1-23-1)



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	1,320,708	1,320,708	
Augmentation allowed from the motor carrier regulation fund.			

ENFORCEMENT AID

Total Operating Expense	59,791	59,791
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The above appropriations are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's authority.

RETIREMENT PENSION FUND

Total Operating Expense	37,628,220	37,628,220
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The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

If the amount actually required under IC 10-12-2 is greater than the above appropriations, the above appropriations may be augmented from the general fund with the approval of the governor and the budget agency.

BENEFIT TRUST FUND

Total Operating Expense	6,000,000	6,000,000
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All benefits to members shall be paid by warrant drawn on the treasurer of state by the state comptroller on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-12-2.

If the amount actually required under IC 10-12-2 is greater than the above appropriations, the above appropriations may be augmented from the general fund with the approval of the governor and the budget agency.

PRE-1987 RETIREMENT

Total Operating Expense	5,450,000	5,450,000
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ACCIDENT REPORTING

Accident Report Account (IC 9-26-9-3)

Total Operating Expense	4,122	4,122
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Augmentation allowed.

DRUG INTERDICTION

Drug Interdiction Fund (IC 10-11-7-1)

Total Operating Expense	202,249	202,249
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Augmentation allowed.

DNA SAMPLE PROCESSING FUND

DNA Sample Processing Fund (IC 10-13-6-9.5)

Total Operating Expense	1,789,875	1,789,875
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Augmentation allowed.

FOR THE INTEGRATED PUBLIC SAFETY COMMISSION

Integrated Public Safety Communications Fund (IC 5-26-4-1)

Total Operating Expense	14,912,849	14,912,849
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Augmentation allowed.

FOR THE ADJUTANT GENERAL

Total Operating Expense	9,394,647	9,394,647
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CAMP ATTERBURY MUSCATATUCK CENTER FOR COMPLEX OPERATIONS

Total Operating Expense	533,326	533,326
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MUSCATATUCK URBAN TRAINING CENTER

Total Operating Expense	1,185,602	1,185,602
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HOOSIER YOUTH CHALLENGE ACADEMY

Total Operating Expense	2,398,363	2,398,363
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GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND

Total Operating Expense	237,500	237,500
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The above appropriations are made under IC 10-16-11-1.

FOR THE CRIMINAL JUSTICE INSTITUTE

Total Operating Expense	3,130,277	3,130,277
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Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Total Operating Expense	10,000	10,000
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Augmentation allowed.

Victim and Witness Assistance (IC 5-2-6-14)

Total Operating Expense	50,000	50,000
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Augmentation allowed.

State Drug Free Communities (IC 5-2-10-2)

Total Operating Expense	50,000	50,000
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Augmentation allowed.

DRUG ENFORCEMENT MATCH

Total Operating Expense	250,000	250,000
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To facilitate the duties of the Indiana criminal justice institute as outlined in IC 5-2-6-3, the above appropriations are not subject to the provisions of IC 4-9.1-1-7 when used to support other state agencies through the awarding of state match dollars.

VICTIM AND WITNESS ASSISTANCE FUND

Victim and Witness Assistance (IC 5-2-6-14)

Total Operating Expense	381,833	381,833
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Augmentation allowed.

ALCOHOL AND DRUG COUNTERMEASURES

Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	335,000	335,000	
Augmentation allowed.			
STATE DRUG FREE COMMUNITIES FUND			
State Drug Free Communities (IC 5-2-10-2)			
Total Operating Expense	362,845	362,845	
Augmentation allowed.			
INDIANA LOCAL LAW ENFORCEMENT TRAINING DISTRIBUTION			
Total Operating Expense	5,000,000	5,000,000	

The above appropriations are for the purpose of providing distributions to city, town, and county law enforcement agencies to conduct law enforcement training, including the purchase of supplies and training materials. A distribution to a law enforcement agency in a fiscal year may not exceed the amount that the law enforcement agency received from fees collected pursuant to IC 35-47-2-3 in calendar year 2020.

OFFICE OF TRAFFIC SAFETY

Total Operating Expense	707,633	707,633
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The above appropriations may be used as the state match requirement for this program according to the current highway safety plan approved by the governor and the budget agency.

SEXUAL ASSAULT VICTIMS' ASSISTANCE

Total Operating Expense	4,018,782	4,018,782
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VICTIMS OF VIOLENT CRIME ADMINISTRATION

Total Operating Expense	3,708,133	3,708,133
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Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Total Operating Expense	3,325,844	3,325,844
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Augmentation allowed from the violent crime victims compensation fund.

If the above appropriations are insufficient to pay eligible claims, the budget agency may augment the above appropriations from the general fund.

DOMESTIC VIOLENCE PREVENTION AND TREATMENT

Total Operating Expense	8,000,000	8,000,000
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Domestic Violence Prevention and Treatment Fund (IC 5-2-6.7-4)

Total Operating Expense	1,226,800	1,226,800
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Augmentation allowed from the domestic violence prevention and treatment fund.

The above appropriations may not be used to construct a new domestic violence shelter but may be used to repair existing shelters.

JUVENILE RECIDIVISM REDUCTION PILOT PROJECT

Total Operating Expense	100,000	100,000
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INDIANA CRIME GUNS TASK FORCE



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	2,000,000	2,000,000	
FOR THE DEPARTMENT OF TOXICOLOGY			
Total Operating Expense	2,760,026	2,760,026	
BREATH TEST TRAINING AND CERTIFICATION			
Breath Test Training and Certification Fund (IC 10-20-2-9)			
Total Operating Expense	355,000	355,000	
Augmentation allowed from the breath test training and certification fund.			
FOR THE CORONERS TRAINING BOARD			
Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)			
Total Operating Expense	475,000	475,000	
Augmentation allowed.			
The department of health shall administer the coroners training and continuing education fund.			
FOR THE LAW ENFORCEMENT TRAINING ACADEMY			
Total Operating Expense	4,332,967	4,332,967	
Law Enforcement Academy Fund (IC 5-2-1-13)			
Total Operating Expense	2,938,086	2,938,086	
Augmentation allowed from the law enforcement academy fund.			
C. REGULATORY AND LICENSING			
FOR THE BUREAU OF MOTOR VEHICLES			
Total Operating Expense	29,284,278	29,284,278	
STATE MOTOR VEHICLE TECHNOLOGY			
State Motor Vehicle Technology Fund (IC 9-14-14-3)			
Total Operating Expense	18,091,800	18,091,800	
Augmentation allowed.			
MOTORCYCLE OPERATOR SAFETY			
Motorcycle Operator Safety Education Fund (IC 9-27-7-7)			
Total Operating Expense	1,705,222	1,705,222	
Augmentation allowed.			
LICENSE BRANCHES			
Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)			
Total Operating Expense	135,819,542	135,819,542	
Augmentation allowed.			
FOR THE DEPARTMENT OF LABOR			
Total Operating Expense	871,387	871,387	
BUREAU OF MINES AND SAFETY			
Total Operating Expense	181,074	181,074	

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
QUALITY, METRICS, AND STATISTICS (M.I.S.)			
Total Operating Expense	144,098	144,098	
OCCUPATIONAL SAFETY AND HEALTH			
Total Operating Expense	2,269,118	2,269,118	

The above appropriations for occupational safety and health and M.I.S. research and statistics reflect only the general fund portion of the total program costs of the Indiana occupational safety and health plan as approved by the U.S. Department of Labor. It is the intent of the general assembly that the Indiana department of labor apply to the federal government for the federal share of the total program costs.

EMPLOYMENT OF YOUTH

Labor Education and Youth Employment Fund (IC 22-2-18.1-32)

Total Operating Expense	635,794	635,794
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Augmentation allowed.

INSAFE

Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)

Total Operating Expense	380,873	380,873
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Augmentation allowed.

FOR THE DEPARTMENT OF INSURANCE

Department of Insurance Fund (IC 27-1-3-28)

Total Operating Expense	18,095,972	18,095,972
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Augmentation allowed.

ALL PAYER CLAIMS DATABASE

Department of Insurance Fund (IC 27-1-3-28)

Total Operating Expense	4,512,442	4,512,442
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Augmentation allowed.

BAIL BOND DIVISION

Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)

Total Operating Expense	81,880	81,880
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Augmentation allowed.

PATIENT'S COMPENSATION AUTHORITY

Patients' Compensation Fund (IC 34-18-6-1)

Total Operating Expense	4,216,705	4,216,705
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Augmentation allowed.

POLITICAL SUBDIVISION RISK MANAGEMENT

Political Subdivision Risk Management Fund (IC 27-1-29-10)

Total Operating Expense	133,108	133,108
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Augmentation allowed.

MINE SUBSIDENCE INSURANCE

Mine Subsidence Insurance Fund (IC 27-7-9-7)

Total Operating Expense	2,400,000	2,400,000
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Augmentation allowed.

TITLE INSURANCE ENFORCEMENT OPERATING

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Title Insurance Enforcement Fund (IC 27-7-3.6-1)			
Total Operating Expense	941,121	941,121	
Augmentation allowed.			
FOR THE ALCOHOL AND TOBACCO COMMISSION (ATC)			
ATC Enforcement and Administration Fund (IC 7.1-4-10-1)			
Total Operating Expense	17,483,329	17,483,329	
Augmentation allowed.			
The above appropriations include \$500,000 each fiscal year for the purchase and maintenance of excise officer body cameras.			
YOUTH TOBACCO EDUCATION AND ENFORCEMENT			
Richard D. Doyle Tobacco Education and Enforcement Fund (IC 7.1-6-2-6)			
Total Operating Expense	72,849	72,849	
Augmentation allowed.			
ATC OPEB CONTRIBUTION			
ATC Enforcement and Administration Fund (IC 7.1-4-10-1)			
Total Operating Expense	658,617	658,617	
Augmentation allowed.			
FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS			
Financial Institutions Fund (IC 28-11-2-9)			
Total Operating Expense	12,472,649	12,472,649	
Augmentation allowed.			
FOR THE PROFESSIONAL LICENSING AGENCY			
Total Operating Expense	9,816,091	9,816,091	
CONTROLLED SUBSTANCES DATA FUND (INSPECT)			
Controlled Substances Data Fund (IC 25-26-24-23)			
Total Operating Expense	2,271,134	2,271,134	
Augmentation allowed.			
PRENEED CONSUMER PROTECTION			
Preneed Consumer Protection Fund (IC 30-2-13-28)			
Total Operating Expense	67,000	67,000	
Augmentation allowed.			
BOARD OF FUNERAL AND CEMETERY SERVICE			
Funeral Service Education Fund (IC 25-15-9-13)			
Total Operating Expense	250	250	
Augmentation allowed.			
DENTAL PROFESSION INVESTIGATION			
Dental Compliance Fund (IC 25-14-1-3.7)			
Total Operating Expense	175,014	175,014	
Augmentation allowed.			

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PHYSICIAN INVESTIGATION**Physician Compliance Fund (IC 25-22.5-2-8)**

Total Operating Expense	7,586	7,586
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Augmentation allowed.**FOR THE CIVIL RIGHTS COMMISSION****COMMISSION ON THE SOCIAL STATUS OF BLACK MALES**

Total Operating Expense	128,659	128,659
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COMMISSION ON HISPANIC/LATINO AFFAIRS

Total Operating Expense	114,255	114,255
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CIVIL RIGHTS COMMISSION

Total Operating Expense	2,256,958	2,256,958
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The above appropriations for the Indiana civil rights commission reflect only the general fund portion of the total program costs for the processing of employment and housing discrimination complaints. It is the intent of the general assembly that the commission shall apply to the federal government for funding based upon the processing of employment and housing discrimination complaints.

NATIVE AMERICAN INDIAN AFFAIRS COMMISSION

Total Operating Expense	103,909	103,909
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DR. MARTIN LUTHER KING JR. HOLIDAY COMMISSION

Total Operating Expense	47,500	47,500
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FOR THE UTILITY CONSUMER COUNSELOR

Total Operating Expense	7,970,317	7,970,317
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Augmentation allowed.**EXPERT WITNESS FEES AND AUDIT**

Total Operating Expense	748,598	748,598
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Augmentation allowed.**FOR THE UTILITY REGULATORY COMMISSION**

Total Operating Expense	11,065,069	11,065,069
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Augmentation allowed.**FOR THE WORKER'S COMPENSATION BOARD**

Total Operating Expense	2,038,063	2,038,063
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Workers' Compensation Supplemental Administrative Fund (IC 22-3-5-6)

Total Operating Expense	409,155	409,155
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Augmentation allowed from the worker's compensation supplemental administrative fund.**FOR THE STATE BOARD OF ANIMAL HEALTH**

Total Operating Expense	6,888,952	6,888,952
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ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM

Total Operating Expense	5,000,000	5,000,000
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The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 21-46-3-5.

INDEMNITY

Total Operating Expense	42,500	42,500
Augmentation allowed.		

MEAT & POULTRY

Total Operating Expense	2,485,974	2,485,974
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CAPTIVE CERVIDAE PROGRAMS

Captive Cervidae Programs Fund (IC 15-17-14.7-16)

Total Operating Expense	47,000	47,000
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Augmentation allowed.

FOR THE DEPARTMENT OF HOMELAND SECURITY

Total Operating Expense	2,964,172	2,964,172
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The department may use the above appropriations for a statewide platform that connects data between state and local agencies to provide information to keep schools safe.

Fire and Building Services Fund (IC 22-12-6-1)

Total Operating Expense	17,914,929	17,914,929
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Augmentation allowed.

REGIONAL PUBLIC SAFETY TRAINING

Total Operating Expense	8,631,876	8,631,876
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RADIOLOGICAL HEALTH

Total Operating Expense	70,438	70,438
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OFFICE OF SCHOOL SAFETY

Total Operating Expense	1,000,000	1,000,000
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INDIANA SECURED SCHOOL SAFETY

Total Operating Expense	27,100,000	27,100,000
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Indiana Secured School Fund (IC 10-21-1-2)

Total Operating Expense	400,000	400,000
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Augmentation allowed from the Indiana secured school fund.

Of the above appropriations, the department shall make \$400,000 available each fiscal year to provide grants to school corporations, charter schools, and accredited nonpublic schools for bullying prevention programs.

Of the above appropriations, the department shall make \$1,000,000 available each fiscal year to provide grants to school corporations, charter schools, and accredited nonpublic schools to implement a student and parent support services plan.



Of the above appropriations, the department shall make \$700,000 available each fiscal year to accredited nonpublic schools that apply for grants for the purchase of security equipment or other security upgrades. The department shall prioritize grants to nonpublic schools that demonstrate a heightened risk of security threats.

EMERGENCY MANAGEMENT CONTINGENCY FUND

Total Operating Expense	92,424	92,424
Augmentation allowed.		

The above appropriations are made under IC 10-14-3-28. The budget agency shall report any augmentations of the emergency management contingency fund to the state budget committee no more than 60 days after the augmentation is made.

PUBLIC ASSISTANCE GRANT PROGRAM

Total Operating Expense	1	1
Augmentation allowed.		

INDIANA EMERGENCY RESPONSE COMMISSION

Total Operating Expense	54,294	54,294
Local Emergency Planning and Right to Know Fund (IC 13-25-2-10.5)		
Total Operating Expense	74,413	74,413
Augmentation allowed.		

STATE DISASTER RELIEF

State Disaster Relief Fund (IC 10-14-4-5)		
Total Operating Expense	149,784	149,784
Augmentation allowed.		

FIRE PREVENTION AND PUBLIC SAFETY

Fire Prevention and Public Safety Fund (IC 22-14-7-27)		
Total Operating Expense	32,000	32,000
Augmentation allowed.		

STATEWIDE FIRE AND BUILDING SAFETY EDUCATION

Statewide Fire and Building Safety Education Fund (IC 22-12-6-3)		
Total Operating Expense	120,959	120,959
Augmentation allowed.		

EMERGENCY MEDICAL SERVICES (EMS) READINESS

Total Operating Expense	4,100,000	4,100,000
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The above appropriations shall be used to improve the readiness and sustainability of emergency medical services. Eligible uses of the funding include the following:

- (1) To fund initiatives that address EMS recruitment, training, retention, and other workforce challenges;
- (2) To fund mobile integrated healthcare programs;
- (3) To improve EMS availability for interfacility transfers;
- (4) To reduce the financial burden on EMS provider organizations or EMS training institutions to purchase EMS equipment;



- (5) To conduct a feasibility analysis regarding how computer aided dispatch systems used by public safety answering points in Indiana can be interoperable with the intent to facilitate the closest and most appropriate EMS response; and
- (6) To fund technology and data connectivity for computer aided dispatch systems used by public safety answering points in Indiana to be interoperable to facilitate the closest and most appropriate EMS response.

The department may use any portion of the above appropriations to award grants.

SECTION 5. [EFFECTIVE JULY 1, 2025]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES (DNR) - ADMINISTRATION

Total Operating Expense	14,343,591	14,343,591
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OPEB TRUST FUND - DNR

Total Operating Expense	2,454,372	2,454,372
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ENTOMOLOGY AND PLANT PATHOLOGY

Total Operating Expense	967,250	967,250
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Entomology and Plant Pathology Fund (IC 14-24-10-3)

Total Operating Expense	302,415	302,415
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DIVISION OF HISTORIC PRESERVATION AND ARCHAEOLOGY

Total Operating Expense	1,038,841	1,038,841
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NATURE PRESERVES DIVISION

Total Operating Expense	525,709	525,709
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WATER DIVISION

Total Operating Expense	5,468,337	5,468,337
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DEER RESEARCH AND MANAGEMENT

Deer Research and Management Fund (IC 14-22-5-2)

Total Operating Expense	90,180	90,180
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Augmentation allowed.

OIL AND GAS DIVISION

Total Operating Expense	781,413	781,413
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Oil and Gas Fund (IC 6-8-1-27)

Total Operating Expense	1,356,665	1,356,665
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Augmentation allowed.

STATE PARKS AND RESERVOIRS

Total Operating Expense	3,411,177	3,411,177
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State Parks & Reservoirs Special Revenue Fund (IC 14-19-8-2)

Total Operating Expense	43,591,652	43,591,652
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Augmentation allowed from the state parks and reservoirs special revenue fund.

SNOWMOBILE FUND

Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	78,209	78,209	
Augmentation allowed.			
DNR LAW ENFORCEMENT DIVISION			
Total Operating Expense	24,825,338	24,825,338	
Fish and Wildlife Fund (IC 14-22-3-2)			
Total Operating Expense	3,853,137	3,853,137	
Augmentation allowed.			
SPORTSMEN'S BENEVOLENCE			
Total Operating Expense	145,500	145,500	
FISH AND WILDLIFE DIVISION			
Fish and Wildlife Fund (IC 14-22-3-2)			
Total Operating Expense	16,825,151	16,825,151	
Augmentation allowed.			
FORESTRY DIVISION			
Total Operating Expense	7,588,714	7,588,714	
State Forestry Fund (IC 14-23-3-2)			
Total Operating Expense	3,643,741	3,643,741	
Augmentation allowed from the state forestry fund.			

In addition to any of the above appropriations for the department of natural resources, any federal funds received by the state of Indiana for the planning, acquisition, and development of approved outdoor recreation projects under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

SEMIQUINCENTENNIAL COMMISSION			
Total Operating Expense	125,000	125,000	
LAKE MICHIGAN COASTAL PROGRAM MATCH			
Cigarette Tax Fund (IC 6-7-1-28.1)			
Total Operating Expense	117,313	117,313	
Augmentation allowed.			
LAKE AND RIVER ENHANCEMENT			
Lake and River Enhancement Fund (IC 14-22-3.5-1)			
Total Operating Expense	2,079,013	2,079,013	
Augmentation allowed.			
CARBON SEQUESTRATION PROJECT PROGRAM ADMINISTRATION			
Carbon Sequestration Project Program Administration Fund (IC 14-39-2-10.5)			
Total Operating Expense	750,000	750,000	
PRESIDENT BENJAMIN HARRISON CONSERVATION TRUST			
Benjamin Harrison Conservation Trust Fund (IC 14-12-2-25)			
Total Operating Expense	811,750	811,750	
Augmentation allowed.			

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INSTITUTIONAL ROAD CONSTRUCTION**State Highway Fund (IC 8-23-9-54)**

Total Operating Expense	5,000,000	5,000,000
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Subject to approval by the budget director, the above appropriations may be used for road and bridge construction, relocation, and other related improvement projects at state-owned properties managed by the department of natural resources.

B. OTHER NATURAL RESOURCES**FOR THE INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION**

Total Operating Expense	10,615,778	10,615,778
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In lieu of billing the University of Southern Indiana, the above appropriations include \$25,000 each fiscal year for the purpose of maintaining historic properties in New Harmony.

FOR THE WAR MEMORIALS COMMISSION

Total Operating Expense	1,319,377	1,319,377
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All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be deposited into the general fund.

FOR THE WHITE RIVER STATE PARK DEVELOPMENT COMMISSION

Total Operating Expense	806,081	806,081
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FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	96,758	96,758
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FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	99,725	99,725
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FOR THE KANKAKEE RIVER BASIN COMMISSION

Total Operating Expense	75,513	75,513
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C. ENVIRONMENTAL MANAGEMENT**FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT****OPERATING**

Total Operating Expense	27,501,536	27,501,536
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OFFICE OF ENVIRONMENTAL RESPONSE

Total Operating Expense	2,587,050	2,587,050
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POLLUTION PREVENTION AND TECHNICAL ASSISTANCE

	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	718,451	718,451	
RIVERSIDE CLEAN-UP			
Total Operating Expense	489,830	489,830	
STATE SOLID WASTE GRANTS MANAGEMENT			
State Solid Waste Management Fund (IC 13-20-22-2)			
Total Operating Expense	3,702,735	3,702,735	
Augmentation allowed.			
RECYCLING PROMOTION AND ASSISTANCE PROGRAM			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Total Operating Expense	2,225,116	2,225,116	
Augmentation allowed.			
VOLUNTARY CLEAN-UP PROGRAM			
Voluntary Remediation Fund (IC 13-25-5-21)			
Total Operating Expense	1,520,376	1,520,376	
Augmentation allowed.			
TITLE V AIR PERMIT PROGRAM			
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)			
Total Operating Expense	11,567,859	11,567,859	
Augmentation allowed.			
WATER MANAGEMENT PERMITTING			
Environmental Management Permit Operation Fund (IC 13-15-11-1)			
Total Operating Expense	7,799,674	7,799,674	
Augmentation allowed.			
SOLID WASTE MANAGEMENT PERMITTING			
Environmental Management Permit Operation Fund (IC 13-15-11-1)			
Total Operating Expense	4,278,656	4,278,656	
Augmentation allowed.			
CFO/CAFO INSPECTIONS			
Total Operating Expense	2,489,738	2,489,738	
HAZARDOUS WASTE MANAGEMENT PERMITTING			
Environmental Management Permit Operation Fund (IC 13-15-11-1)			
Total Operating Expense	1,221,577	1,221,577	
Augmentation allowed.			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	1,500,000	1,500,000	
ENVIRONMENTAL MANAGEMENT SPECIAL OPERATING			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	3,136,726	3,136,726	
Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Total Operating Expense	110,000	110,000	
Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Total Operating Expense	1,500,000	1,500,000	
ELECTRONIC WASTE			
Electronic Waste Fund (IC 13-20.5-2-3)			
Total Operating Expense	213,685	213,685	

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Augmentation allowed.
AUTO EMISSIONS TESTING PROGRAM
Total Operating Expense

4,841,666

4,841,666

The above appropriations are the maximum amounts available for this purpose. If it becomes necessary to conduct additional tests in other locations, the above appropriations shall be prorated among all locations.

HAZARDOUS WASTE SITES - STATE CLEAN-UP

Hazardous Substances Response Trust Fund (IC 13-25-4-1)

Total Operating Expense

3,565,961

3,565,961

Augmentation allowed.

HAZARDOUS WASTE - NATURAL RESOURCE DAMAGES

Hazardous Substances Response Trust Fund (IC 13-25-4-1)

Total Operating Expense

237,215

237,215

Augmentation allowed.

SUPERFUND MATCH

Hazardous Substances Response Trust Fund (IC 13-25-4-1)

Total Operating Expense

1,500,000

1,500,000

Augmentation allowed.

ASBESTOS TRUST - OPERATING

Asbestos Trust Fund (IC 13-17-6-3)

Total Operating Expense

595,641

595,641

Augmentation allowed.

PETROLEUM STORAGE TANK - OPERATING

Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

Total Operating Expense

37,260,610

37,260,610

Augmentation allowed.

WASTE TIRE MANAGEMENT

Waste Tire Management Fund (IC 13-20-13-8)

Total Operating Expense

1,586,492

1,586,492

Augmentation allowed.

COAL COMBUSTION RESIDUALS (CCR) STATE PERMIT PROGRAM

CCR State Permit Program (IC 13-19-3-3.2)

Total Operating Expense

450,000

450,000

Augmentation allowed.

VOLUNTARY COMPLIANCE

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense

604,856

604,856

Augmentation allowed.

PETROLEUM TRUST - OPERATING

Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

Total Operating Expense

1,110,000

1,110,000

Augmentation allowed.



Notwithstanding any other law, with the approval of the governor and the budget agency, the above appropriations for hazardous waste management permitting, wetlands protection, groundwater program, underground storage tank program, air management operating, asbestos trust operating, water management, safe drinking water program, and any other appropriation eligible to be included in a performance partnership grant may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the department of environmental management.

SECTION 6. [EFFECTIVE JULY 1, 2025]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE

Total Operating Expense	2,337,262	2,337,262
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The above appropriations include \$5,000 each fiscal year to purchase plaques for the recipients of the Hoosier Homestead award.

DISTRIBUTIONS TO FOOD BANKS

Total Operating Expense	2,000,000	2,000,000
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CLEAN WATER INDIANA

Total Operating Expense	6,000,000	6,000,000
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Cigarette Tax Fund (IC 6-7-1-28.1)

Total Operating Expense	2,519,014	2,519,014
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SOIL CONSERVATION DIVISION

Cigarette Tax Fund (IC 6-7-1-28.1)

Total Operating Expense	1,629,324	1,629,324
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Augmentation allowed.

GRAIN BUYERS AND WAREHOUSE LICENSING

Total Operating Expense	600,000	0
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Grain Buyers and Warehouse Licensing Agency License Fee Fund (IC 26-3-7-6.3)

Total Operating Expense	675,768	675,768
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Augmentation allowed from the grain buyers and warehouse licensing agency license fee fund in FY 2026 only.

INDIANA GROWN

Total Operating Expense	250,000	250,000
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B. COMMERCE

FOR THE LIEUTENANT GOVERNOR

OFFICE OF COMMUNITY AND RURAL AFFAIRS

Total Operating Expense	1,287,959	1,287,959
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FOR THE INDIANA DESTINATION DEVELOPMENT CORPORATION

Total Operating Expense	3,000,000	3,000,000
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The above appropriations include \$500,000 each fiscal year to assist the department of natural resources with marketing efforts.

The office may retain any advertising revenue generated by the office. Any revenue received is in addition to the above appropriations and is appropriated for the purposes of the office.

LINCOLN AMPHITHEATER OPERATIONS

Total Operating Expense	329,280	329,280
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VETERANS CAREER AND RELOCATION ASSISTANCE

Total Operating Expense	1,000,000	1,000,000
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STATEWIDE SPORTS AND TOURISM BID FUND

Total Operating Expense	5,000,000	5,000,000
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The above appropriations are pursuant to IC 5-33-6.5-8.

INDIANA SPORTS CORPORATION

Total Operating Expense	750,000	750,000
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FUTURE FARMERS OF AMERICA

Total Operating Expense	500,000	500,000
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GRISSOM AIR MUSEUM

Total Operating Expense	50,000	50,000
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The Grissom Air Museum distribution requires a \$50,000 match.

STUDEBAKER NATIONAL MUSEUM

Total Operating Expense	50,000	50,000
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The Studebaker Museum distribution requires a \$50,000 match.

FOR THE OFFICE OF ENERGY DEVELOPMENT

Total Operating Expense	560,026	560,026
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GRID RESILIENCE MATCH

Total Operating Expense	700,000	700,000
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FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION

ADMINISTRATIVE AND FINANCIAL SERVICES

Total Operating Expense	11,310,159	11,310,159
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INDIANA 21ST CENTURY RESEARCH & TECHNOLOGY FUND (IC 5-28-16-2)

Total Operating Expense	25,000,000	25,000,000
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INDIANA OFFICE OF DEFENSE DEVELOPMENT



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	782,446	782,446	
BUSINESS PROMOTION AND INNOVATION			
Total Operating Expense	37,000,000	37,000,000	

The above appropriations for business promotion and innovation may not be used to pay for administrative expenses of the corporation.

**FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS (IC 4-4-28)**

Total Operating Expense	579,448	579,448
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The housing and community development authority shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The division of family resources shall apply all qualifying expenditures for individual development account deposits toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

**FOR THE INDIANA FINANCE AUTHORITY
ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM
Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**

Total Operating Expense	4,000,000	4,000,000
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C. EMPLOYMENT SERVICES

**FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT
ADMINISTRATION**

Total Operating Expense	2,748,115	2,748,115
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SERVE INDIANA ADMINISTRATION

Total Operating Expense	239,560	239,560
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INDIANA CONSTRUCTION ROUNDTABLE FOUNDATION

Total Operating Expense	950,000	950,000
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ADULT EDUCATION DISTRIBUTION

Total Operating Expense	16,985,041	16,985,041
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It is the intent of the general assembly that the above appropriations shall be the total allowable state expenditure for such program. If disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of workforce development shall reduce the distributions proportionately.

WORKFORCE INNOVATION

Total Operating Expense	18,000,000	18,000,000
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The above appropriations may be used for the employer training grant program, workforce



ready grants, and workforce innovation programs including the reemployment skills training pilot program.

WORKFORCE DIPLOMA REIMBURSEMENT PROGRAM

Total Operating Expense	1,425,000	1,425,000
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FOR THE OFFICE OF ENTREPRENEURSHIP AND INNOVATION

Total Operating Expense	1,000,000	1,000,000
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D. OTHER ECONOMIC DEVELOPMENT

FOR THE INDIANA STATE FAIR BOARD

Total Operating Expense	2,474,312	2,474,312
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SECTION 7. [EFFECTIVE JULY 1, 2025]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

RAILROAD GRADE CROSSING IMPROVEMENT

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	1,000,000	1,000,000
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HIGH SPEED RAIL

High Speed Rail Development Fund (IC 8-23-25)

Total Operating Expense	20,000	20,000
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PUBLIC MASS TRANSPORTATION

Total Operating Expense	45,000,000	45,000,000
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The above appropriations are to be used solely for the promotion and development of public transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 5301 et seq.) or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

The distribution formula established by the department is subject to approval by



the budget director to ensure that a public mass transportation system located in a county other than an eligible county (as defined by IC 8-25-1-4) is not adversely affected by a public transportation project carried out under IC 8-25. This applies in a calendar year beginning after December 31 of a calendar year in which an eligible county begins to carry out a public transportation project approved under IC 8-25.

AIRPORT DEVELOPMENT

Airport Development Grant Fund (IC 8-21-11-4)

Total Operating Expense	3,600,000	3,600,000
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Augmentation allowed.

HIGHWAY OPERATING

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	435,051,877	435,051,877
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Augmentation allowed.

HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	35,936,185	35,936,185
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Augmentation allowed.

HIGHWAY MAINTENANCE WORK PROGRAM

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	143,967,253	143,967,253
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Augmentation allowed.

The above appropriations may be used for:

- (1) materials for patching roadways and shoulders;
- (2) repairing and painting bridges;
- (3) installing signs and signals and painting roadways for traffic control;
- (4) mowing, herbicide application, and brush control;
- (5) drainage control;
- (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
- (7) materials for snow and ice removal;
- (8) utility costs for roadway lighting; and
- (9) other maintenance and support activities consistent with the program.

HIGHWAY CAPITAL IMPROVEMENTS

State Highway Fund (IC 8-23-9-54)

Right-of-Way Expense	50,000,000	50,000,000
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Formal Contracts Expense	933,426,729	933,426,729
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Consulting Services Expense	100,000,000	100,000,000
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Institutional Road Construction	7,500,000	7,500,000
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Augmentation allowed for the highway capital improvements program.

The above appropriations may be used for:

- (1) bridge rehabilitation and replacement;

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- (2) road construction, reconstruction, or replacement;
- (3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
- (4) relocation and modernization of existing roads;
- (5) resurfacing;
- (6) erosion and slide control;
- (7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
- (8) small structure replacements;
- (9) safety and spot improvements; and
- (10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

Subject to approval by the state budget director, the above appropriations for institutional road construction may be used for road, bridge, and parking lot construction, maintenance, and improvement projects at any state-owned property.

No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

TOLL ROAD COUNTIES STATE HIGHWAY PROGRAM

Toll Road Lease Amendment Proceeds Fund (IC 8-14-14.2-1)

Total Operating Expense	6,000,000	6,000,000
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Augmentation allowed.

HIGHWAY PLANNING AND RESEARCH PROGRAM

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	3,780,000	3,780,000
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Augmentation allowed.

STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM

State Highway Road Construction and Improvement Fund (IC 8-14-10-5)

Lease Rental Payments Expense	70,000,000	70,000,000
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Augmentation allowed.

The above appropriations shall be first used for payment of rentals and leases relating to projects under IC 8-14.5. If any funds remain, the funds may be used for the following purposes:

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
- (3) relocation and modernization of existing roads; and
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

CROSSROADS 2000 PROGRAM

Crossroads 2000 Fund (IC 8-14-10-9)

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Lease Rental Payment Expense	29,627,309	29,627,309	
Augmentation allowed.			

The above appropriations shall be first used for payment of rentals and leases relating to projects under IC 8-14-10-9. If any funds remain, the funds may be used for the following purposes:

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
- (3) relocation and modernization of existing roads; and
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

JOINT MAJOR MOVES CONSTRUCTION

Major Moves Construction Fund (IC 8-14-14-5)

Total Operating Expense	500,000	500,000
Augmentation allowed.		

FEDERAL APPORTIONMENT

Total Operating Expense	1,499,442,852	1,499,442,852
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The department may establish an account to be known as the "local government revolving account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest reserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations



shall be made from the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	250,000	250,000
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The above appropriations are for developing and maintaining a centralized electronic statewide asset management data base that may be used to aggregate data on local road conditions. The data base shall be developed in cooperation with the department and the office of management and budget per IC 8-14-3-3.

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:

- (1) the program of technical assistance under IC 8-23-2-5(a)(6); and
- (2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7), there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

- (1) one-half (1/2) from the thirty-eight percent (38%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
- (2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

OHIO RIVER BRIDGE

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	500,000	500,000
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SECTION 8. [EFFECTIVE JULY 1, 2025]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

HEA 1001 — CC 1



FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

FAMILY AND SOCIAL SERVICES ADMINISTRATION - CENTRAL OFFICE

Total Operating Expense	16,037,800	16,037,800
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SOCIAL SERVICES DATA WAREHOUSE

Total Operating Expense	36,359	36,359
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211 SERVICES

Total Operating Expense	2,902,577	2,902,577
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INDIANA PRESCRIPTION DRUG PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	443,315	443,315
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CHILDREN'S HEALTH INSURANCE PROGRAM

Total Operating Expense	88,900,000	94,700,000
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OFFICE OF MEDICAID POLICY AND PLANNING STATE PROGRAMS

Total Operating Expense	2,306,334	2,306,334
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MEDICAID ADMINISTRATION

Total Operating Expense	47,092,686	47,092,686
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MEDICAID ASSISTANCE

Total Operating Expense	4,836,500,000	4,962,900,000
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The above appropriations are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6.5. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of Medicaid policy and planning for the respective purposes for which the money was allocated and paid to the state. Subject to the provisions of IC 12-8-1.5-11, if the sums herein appropriated for Medicaid assistance and for Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

HEALTHY INDIANA PLAN

Healthy Indiana Plan Trust Fund (IC 12-15-44.2-17)

Total Operating Expense	71,434,565	68,844,565
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Augmentation allowed.

MENTAL HEALTH ADMINISTRATION

Total Operating Expense	4,150,038	4,150,038
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Of the above appropriations, \$250,000 each state fiscal year shall be used for the Sagamore Institute Indiana Mental Health Roundtable Summit.

Of the above appropriations, \$218,525 each fiscal year is for the Child Assessment Needs Survey (CANS). Of the above appropriations, the administration shall distribute \$275,000 each fiscal year to neighborhood-based community service programs.



MENTAL HEALTH AND ADDICTION FORENSIC TREATMENT SERVICES GRANT

Total Operating Expense	12,500,000	12,500,000
COMMUNITY MENTAL HEALTH		
Total Operating Expense	50,000,000	50,000,000
CHILD PSYCHIATRIC SERVICES		
Total Operating Expense	13,810,179	13,810,179

The above appropriations include \$5,500,000 each year for the family and social services administration to contract with no more than three regionally diverse social services providers to implement an evidence-based program that partners with school corporations, charter schools, and accredited nonpublic schools to provide social work services and evidence-based prevention programs to children, parents, caregivers, teachers, and the community to prevent substance abuse, promote healthy behaviors, and maximize student success. In making contracts, the family and social services administration shall require the contracted social services providers to secure a minimum of twenty percent (20%) matching funds and require the contracted social services providers to have experience in providing similar services including independent evaluation of those services.

SERIOUSLY EMOTIONALLY DISTURBED/MENTALLY ILL

Total Operating Expense	100,113,727	100,113,727
COMMUNITY MENTAL HEALTH CENTERS		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	7,200,000	7,200,000

The above appropriations include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

The comprehensive community mental health centers shall submit their proposed annual budgets (including income and operating statements) to the budget agency on or before August 1 of each year. All federal funds shall be used to augment the above appropriations rather than supplant any portion of the appropriation. The office of the secretary, with the approval of the budget agency, shall determine an equitable allocation of the appropriation among the mental health centers.

THERAPEUTIC PSILOCYBIN AND IBOGAINE RESEARCH (IC 12-21-9)

State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))		
Total Operating Expense	300,000	300,000

GAMBLERS' ASSISTANCE

Addiction Services Fund (IC 12-23-2-2)		
Total Operating Expense	3,063,652	3,063,652
Augmentation allowed.		

SUBSTANCE ABUSE TREATMENT

State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))		
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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	9,100,000	9,100,000	
Augmentation allowed.			
PREVENTION			
Addiction Services Fund (IC 12-23-2-2)			
Total Operating Expense	1,672,675	1,672,675	
Augmentation allowed.			
METHADONE DIVERSION CONTROL AND OVERSIGHT (MDCO) PROGRAM			
Opioid Treatment Program Fund (IC 12-23-18-4)			
Total Operating Expense	427,010	427,010	
Augmentation allowed.			
DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	250,000	250,000	
Augmentation allowed.			
STATE PSYCHIATRIC HOSPITALS OPERATIONS			
Total Operating Expense	169,141,147	169,141,147	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	20,318,888	20,318,888	
Augmentation allowed from the mental health fund.			
PATIENT PAYROLL			
Total Operating Expense	148,533	148,533	

The federal share of revenue accruing to the state mental health institutions under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established by IC 12-24-14, and the remainder shall be deposited in the general fund.

DIVISION OF FAMILY RESOURCES ADMINISTRATION			
Total Operating Expense	1,997,280	1,997,280	
ELECTRONIC BENEFITS TRANSFER ADMINISTRATION			
Total Operating Expense	116,184	116,184	
DIVISION OF FAMILY RESOURCES - COUNTY ADMINISTRATION			
Total Operating Expense	109,116,033	109,116,033	
INDIANA ELIGIBILITY SYSTEM			
Total Operating Expense	10,592,237	10,592,237	
SNAP/IMPACT ADMINISTRATION			
Total Operating Expense	9,077,940	9,077,940	
TEMPORARY ASSISTANCE TO NEEDY FAMILIES – STATE APPROPRIATION			
Total Operating Expense	17,886,301	17,886,301	
BURIAL EXPENSES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	5,861,121	5,861,121	
Augmentation allowed.			
DIVISION OF AGING ADMINISTRATION			
Total Operating Expense	735,845	735,845	

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
DIVISION OF AGING SERVICES			
Total Operating Expense	1,204,337	1,204,337	
ROOM AND BOARD ASSISTANCE (R-CAP)			
Total Operating Expense	4,000,000	4,000,000	
DEMENTIA CARE SPECIALIST PROGRAM (IC 12-10-5.7)			
Total Operating Expense	1,425,000	1,425,000	
C.H.O.I.C.E. IN-HOME SERVICES			
Total Operating Expense	46,327,361	46,327,361	

The above appropriations include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver.

The intragovernmental transfers for use in the Medicaid aged and disabled waiver may not exceed \$12,500,000 annually.

The Family and Social Services Administration shall conduct an annual evaluation of the cost effectiveness of providing home and community-based services. Before January of each year, the agency shall submit a report to the budget committee, the budget agency, and the legislative council (in an electronic format under IC 5-14-6) that covers all aspects of the agency's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:

- (1) the number and demographic characteristics of the recipients of home and community-based services during the preceding fiscal year, including a separate count of individuals who received no services other than case management services (as defined in 455 IAC 2-4-10) during the preceding fiscal year; and
- (2) the total cost and per recipient cost of providing home and community-based services during the preceding fiscal year.

The agency shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6.

OLDER HOOSIERS ACT

Total Operating Expense	1,494,774	1,494,774
ADULT PROTECTIVE SERVICES		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	5,459,948	5,459,948
Augmentation allowed.		

The above appropriations may be used for emergency adult protective services placement. Funds shall be used to the extent that such services are not available to an individual through a policy of accident and sickness insurance, a health maintenance organization contract, the Medicaid program, the federal Medicare program, or any other federal



program.

ADULT GUARDIANSHIP SERVICES

Total Operating Expense	385,287	385,287
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DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION

Total Operating Expense	509,032	509,032
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BUREAU OF REHABILITATIVE SERVICES - VOCATIONAL REHABILITATION

Total Operating Expense	16,223,661	16,223,661
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INDEPENDENT LIVING

Total Operating Expense	1,900,000	1,900,000
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REHABILITATIVE SERVICES - DEAF AND HARD OF HEARING SERVICES

Total Operating Expense	257,699	257,699
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BLIND VENDING - STATE APPROPRIATION

Total Operating Expense	69,874	69,874
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FIRST STEPS

Total Operating Expense	25,546,118	25,546,118
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BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - OPERATING

Total Operating Expense	9,647,973	9,647,973
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In the development of new community residential settings for persons with developmental disabilities, the division of disability and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

SCHOOL AGE CHILD CARE PROJECT FUND

Total Operating Expense	771,792	771,792
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The above appropriations are made under IC 6-7-1-30.2(c) and not in addition to the transfer required by IC 6-7-1-30.2(c).

EARLY CHILDHOOD LEARNING

Total Operating Expense	39,400,000	39,400,000
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CCDF HOLD HARMLESS FUNDING

Total Operating Expense		147,250,000
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PRE-K EDUCATION

Total Operating Expense	26,065,043	26,065,043
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The above appropriations shall be transferred into the prekindergarten program fund established in IC 12-17.2-7.2-13.5. Of the above appropriations, \$1,000,000 shall be used each fiscal year for reimbursement of technology based in-home early education services under IC 12-17.2-7.5.

FOR THE DEPARTMENT OF CHILD SERVICES

HEA 1001 — CC 1



CHILD SERVICES ADMINISTRATION

Total Operating Expense	301,452,728	301,452,728
Augmentation allowed.		

The department of child services shall on or before January 1, 2026 coordinate a regional pilot program in two regions through which the county prosecutor's office shall have the exclusive right to act as department of child services legal counsel for children in need of services cases. Each region shall consist of up to four contiguous counties.

With the above appropriations, the department shall award grants to All Pro Dad chapters located in Indiana in an amount of \$375,000 each fiscal year for the purpose of building relationships between fathers and their children.

With the above appropriations, the department shall award grants to the Boys and Girls Clubs Indiana Alliance in an amount of \$2,000,000 each fiscal year for the purpose of providing grants to Indiana Boys and Girls Clubs for the promotion of the social welfare of youth.

CHILD WELFARE PROGRAM

Total Operating Expense	91,423,093	91,423,093
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The above appropriations include state matching funds for Title IV-D and Title IV-E federal grants. The above appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

CHILD WELFARE SERVICES STATE GRANTS

Total Operating Expense	11,416,415	11,416,415
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FAMILY AND CHILDREN FUND

Total Operating Expense	688,873,384	601,373,384
Augmentation allowed.		

YOUTH SERVICE BUREAU

Total Operating Expense	1,008,947	1,008,947
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PROJECT SAFEPLACE

Total Operating Expense	112,000	112,000
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HEALTHY FAMILIES INDIANA

Total Operating Expense	5,093,145	5,093,145
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ADOPTION SERVICES

Total Operating Expense	26,862,735	26,862,735
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FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CHILD SERVICES OMBUDSMAN BUREAU

Total Operating Expense	404,715	404,715
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B. PUBLIC HEALTH

FOR THE INDIANA DEPARTMENT OF HEALTH

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	30,403,383	30,403,383
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Augmentation allowed.

All receipts accruing to the department from licenses or permit fees shall be deposited in the general fund.

AREA HEALTH EDUCATION CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,630,676	2,630,676
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MINORITY HEALTH INITIATIVE

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,500,000	3,500,000
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The above appropriations shall be allocated to the Indiana Minority Health Coalition to work with the department on the implementation of IC 16-46-11.

SICKLE CELL

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	1,000,000	1,000,000
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MEDICARE-MEDICAID CERTIFICATION

Total Operating Expense	7,123,395	7,123,395
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Augmentation allowed in amounts not to exceed revenue from health facilities license fees or from health care providers (as defined in IC 16-18-2-163) fee increases or those adopted by the executive board of the Indiana department of health under IC 16-19-3.

LOCAL PUBLIC HEALTH

Total Operating Expense	40,000,000	40,000,000
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The above appropriations shall be used to establish a partnership responsibility between the state, local government, and health care providers for the provision of core public health services.

INFECTIOUS DISEASE

Total Operating Expense	5,211,485	5,211,485
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LEAD SCREENING & SURVEILLANCE

Total Operating Expense	2,090,000	2,090,000
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TRAUMA SYSTEM QUALITY IMPROVEMENT

Total Operating Expense	5,503,594	5,503,594
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NUTRITION ASSISTANCE

Total Operating Expense	266,766	266,766
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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
HIV/AIDS SERVICES			
Total Operating Expense	2,809,249	2,809,249	
Addiction Services Fund (IC 12-23-2-2)			
Total Operating Expense	900,000	900,000	
CANCER PREVENTION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	1,079,442	1,079,442	
MATERNAL & CHILD HEALTH INITIATIVES			
Total Operating Expense	7,827,657	7,827,657	
TUBERCULOSIS TREATMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	100,000	100,000	
STATE CHRONIC DISEASES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	870,329	870,329	

Of the above appropriations, \$82,560 each fiscal year shall be distributed as grants to community groups and organizations as provided in IC 16-46-7-8. The department may consider grants to the Kidney Foundation not to exceed \$50,000.

MY HEALTHY BABY

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	3,300,000	3,300,000	

The department shall before November 1 of each year present a report to the Interim Study Committee on Public Health, Behavioral Health, and Human Services on the metrics used to evaluate the My Healthy Baby program. The report must be in an electronic format under IC 5-14-6.

ADOPTION HISTORY

Adoption History Fund (IC 31-19-18-6)			
Total Operating Expense	195,163	195,163	
Augmentation allowed.			

CHILDREN WITH SPECIAL HEALTH CARE NEEDS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	15,033,700	15,033,700	
Augmentation allowed.			

NEWBORN SCREENING PROGRAM

Newborn Screening Fund (IC 16-41-17-11)			
Total Operating Expense	2,802,821	2,802,821	
Augmentation allowed.			

CENTER FOR DEAF AND HARD OF HEARING EDUCATION

Total Operating Expense	2,828,661	2,828,661	
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VISUALLY IMPAIRED PRESCHOOL SERVICES

Total Operating Expense	570,000	570,000	
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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
RADON GAS TRUST FUND			
Radon Gas Trust Fund (IC 16-41-38-8)			
Total Operating Expense	10,670	10,670	
Augmentation allowed.			
SAFETY PIN PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	11,020,938	11,020,938	
REAL ALTERNATIVES, INC.			
Total Operating Expense	3,800,000	3,800,000	
TELECARE WOMEN'S CLINIC PILOT PROGRAM			
Total Operating Expense	1,000,000	1,000,000	
BIRTH PROBLEMS REGISTRY			
Birth Problems Registry Fund (IC 16-38-4-17)			
Total Operating Expense	73,517	73,517	
Augmentation allowed.			
MOTOR FUEL INSPECTION PROGRAM			
Motor Fuel Inspection Fund (IC 16-44-3-10)			
Total Operating Expense	246,043	246,043	
Augmentation allowed.			
DONATED DENTAL SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	200,000	200,000	

The above appropriations shall be used by the Indiana foundation for dentistry to provide dental services to individuals with disabilities.

BONE MARROW DONOR RECRUITMENT PROGRAM (IC 16-46-12-3.5)			
Total Operating Expense	95,000	95,000	
OFFICE OF WOMEN'S HEALTH			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	96,970	96,970	
SPINAL CORD AND BRAIN INJURY			
Spinal Cord and Brain Injury Fund (IC 16-41-42.2-3)			
Total Operating Expense	1,700,000	1,700,000	
Augmentation allowed.			
IMMUNIZATIONS AND HEALTH INITIATIVES			
Healthy Indiana Plan Trust Fund (IC 12-15-44.2-17)			
Total Operating Expense	10,665,435	10,665,435	
WEIGHTS AND MEASURES FUND			
Weights and Measures Fund (IC 16-19-5-4)			
Total Operating Expense	7,106	7,106	
Augmentation allowed.			
MINORITY EPIDEMIOLOGY			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	750,000	750,000	

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COMMUNITY HEALTH CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	14,453,000	14,453,000
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PRENATAL SUBSTANCE USE & PREVENTION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	119,965	119,965
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OPIOID OVERDOSE INTERVENTION

State Unrestricted Opioid Settlement Account (IC 4-12-16.2-5(1))

Total Operating Expense	250,000	250,000
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NURSE FAMILY PARTNERSHIP

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	15,000,000	15,000,000
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HEARING AND BLIND SERVICES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	500,000	500,000
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Of the above appropriations, \$375,000 shall be deposited each fiscal year into the Hearing Aid Fund established under IC 16-35-8-3.

TOBACCO USE PREVENTION AND CESSATION PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	7,612,152	7,612,152
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Agency Settlement Fund (IC 4-12-16-2)

Total Operating Expense	1,500,000	1,500,000
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A minimum of 90% of the above appropriations shall be distributed as grants to local agencies and other entities with programs designed to reduce smoking.

FOR THE INDIANA SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

Total Operating Expense	14,099,597	14,099,597
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The above appropriations include \$2,000,000 each fiscal year to purchase refreshable Braille and tactile graphics tablets.

FOR THE INDIANA SCHOOL FOR THE DEAF

Total Operating Expense	17,439,609	17,439,609
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C. VETERANS' AFFAIRS

FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS

Total Operating Expense	2,968,891	2,968,891
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The above appropriations include funding for a women's veteran services officer and \$300,000 each year for six state veteran services officers.



VETERAN SERVICE ORGANIZATIONS

Total Operating Expense	1,140,000	1,140,000
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The above appropriations shall be used by the Indiana Department of Veterans' Affairs to provide grants to organizations in accordance with Section 5902 (formerly Section 3402) of Title 38, United States Code (U.S.C.) and subsections 14.628(a) and (c) of 38 C.F.R. Eligible organizations shall have an accredited Veteran Service Officer with a presence in Indiana. Awarded grant funds shall be used to assist veterans in securing available benefits.

OPERATION OF VETERANS' CEMETERY

Total Operating Expense	503,349	503,349
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GRANTS FOR VETERANS' SERVICES

Veterans' Affairs Trust Fund (IC 10-17-13-3)

Total Operating Expense	1,250,000	1,250,000
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VETERAN SUICIDE PREVENTION

Total Operating Expense	950,000	950,000
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INDIANA VETERANS' HOME

Veterans' Home Comfort and Welfare Fund (IC 10-17-9-7(d))

Total Operating Expense	10,939,169	10,939,169
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IVH Medicaid Reimbursement Fund

Total Operating Expense	14,500,000	14,500,000
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Augmentation allowed from the veterans' home comfort and welfare fund and the IVH Medicaid reimbursement fund.

SECTION 9. [EFFECTIVE JULY 1, 2025]

EDUCATION

A. HIGHER EDUCATION

FOR INDIANA UNIVERSITY

BLOOMINGTON CAMPUS

Total Operating Expense	198,999,577	198,999,577
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Fee Replacement	18,528,752	18,526,235
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FOR INDIANA UNIVERSITY REGIONAL CAMPUSES

EAST

Total Operating Expense	14,962,211	14,962,211
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KOKOMO

Total Operating Expense	16,557,593	16,557,593
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NORTHWEST

Total Operating Expense	19,649,174	19,649,174
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Fee Replacement	2,984,375	2,986,625
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SOUTH BEND



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	25,286,941	25,286,941	
Fee Replacement	1,447,700	1,443,150	
SOUTHEAST			
Total Operating Expense	21,357,262	21,357,262	
FORT WAYNE HEALTH SCIENCES PROGRAM			
Total Operating Expense	4,864,369	4,864,369	
INDIANAPOLIS CAMPUS			
Total Operating Expense	128,250,000	128,250,000	
Fee Replacement	4,339,198	4,337,415	
FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE			
INDIANA UNIVERSITY SCHOOL OF MEDICINE - EVANSVILLE			
Total Operating Expense	2,208,363	2,208,363	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - FORT WAYNE			
Total Operating Expense	2,064,138	2,064,138	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - NORTHWEST - GARY			
Total Operating Expense	2,761,198	2,761,198	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - LAFAYETTE			
Total Operating Expense	2,508,451	2,508,451	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - MUNCIE			
Total Operating Expense	2,296,547	2,296,547	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - SOUTH BEND			
Total Operating Expense	2,159,326	2,159,326	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - TERRE HAUTE			
Total Operating Expense	2,496,156	2,496,156	
I.U. SCHOOLS OF MEDICINE AND DENTISTRY			
Total Operating Expense	105,508,772	105,508,772	
Fee Replacement	6,966,301	6,965,787	

The Indiana University School of Medicine - Indianapolis shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

DUAL CREDIT

Total Operating Expense	4,583,560	4,583,560
CLINICAL AND TRANSLATIONAL SCIENCES INSTITUTE		
Total Operating Expense	2,375,000	2,375,000
GLOBAL NETWORK OPERATIONS CENTER		
Total Operating Expense	685,768	685,768



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
SPINAL CORD AND HEAD INJURY RESEARCH CENTER			
Total Operating Expense	525,758	525,758	
INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES			
Total Operating Expense	2,000,533	2,000,533	
GEOLOGICAL SURVEY			
Total Operating Expense	2,644,593	2,644,593	
I-LIGHT NETWORK OPERATIONS			
Total Operating Expense	1,433,197	1,433,197	
GIGAPOP PROJECT			
Total Operating Expense	638,934	638,934	
FOR PURDUE UNIVERSITY			
 WEST LAFAYETTE			
Total Operating Expense	240,323,252	240,323,252	
Fee Replacement	27,485,700	24,141,450	
 COLLEGE OF VETERINARY MEDICINE			
Total Operating Expense	18,025,173	18,025,173	
FOR PURDUE UNIVERSITY REGIONAL CAMPUSES			
 NORTHWEST			
Total Operating Expense	48,128,405	48,128,405	
Fee Replacement	3,781,240	3,780,740	
 FORT WAYNE			
Total Operating Expense	45,066,622	45,066,622	
Fee Replacement	3,044,250	3,040,750	
Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.			
DUAL CREDIT			
Total Operating Expense	1,006,668	1,006,668	
COUNTY AGRICULTURAL EXTENSION EDUCATORS			
Total Operating Expense	7,600,000	7,600,000	
AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS			
Total Operating Expense	8,550,000	8,550,000	
IN TECH ASST. AND ADV. MFG. COMPETITIVENESS PROGRAM			
Total Operating Expense	4,208,701	4,208,701	
STATEWIDE TECHNOLOGY			
Total Operating Expense	6,360,495	6,360,495	
CENTER FOR PARALYSIS RESEARCH			
Total Operating Expense	496,430	496,430	
FOR INDIANA STATE UNIVERSITY			
Total Operating Expense	74,062,310	74,062,310	

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Fee Replacement	10,498,371	10,593,848	
DUAL CREDIT			
Total Operating Expense	192,803	192,803	
NURSING PROGRAM			
Total Operating Expense	193,800	193,800	
DEGREE LINK			
Total Operating Expense	424,116	424,116	
FOR UNIVERSITY OF SOUTHERN INDIANA			
Total Operating Expense	51,140,028	51,140,028	
Fee Replacement	11,847,730	8,898,786	
DUAL CREDIT			
Total Operating Expense	485,355	485,355	
HISTORIC NEW HARMONY			
Total Operating Expense	462,534	462,534	
EARLY COLLEGE BRIDGE PROGRAM			
Total Operating Expense	570,000	570,000	
FOR BALL STATE UNIVERSITY			
Total Operating Expense	132,004,424	132,004,424	
Fee Replacement	21,836,212	20,324,337	
DUAL CREDIT			
Total Operating Expense	275,548	275,548	
ENTREPRENEURIAL COLLEGE			
Total Operating Expense	2,375,000	2,375,000	
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES			
Total Operating Expense	4,165,708	4,165,708	
FOR VINCENNES UNIVERSITY			
Total Operating Expense	44,449,687	44,449,687	
Fee Replacement	4,926,599	4,932,056	
DUAL CREDIT			
Total Operating Expense	4,638,328	4,638,328	
CAREER AND TECHNICAL EARLY COLLEGE PROGRAM			
Total Operating Expense	2,850,000	2,850,000	
Additional Early College sites may be established upon approval by the Commission for Higher Education and after review by the budget committee.			
FOR IVY TECH COMMUNITY COLLEGE			
Total Operating Expense	236,333,680	236,333,680	
Fee Replacement	27,980,512	28,218,420	
DUAL CREDIT			
Total Operating Expense	17,742,343	17,742,343	
STATEWIDE NURSING			

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	8,550,000	8,550,000	
TESTING CENTERS			
Total Operating Expense	675,270	675,270	
SOUTHERN INDIANA EDUCATIONAL ALLIANCE			
Total Operating Expense	1,004,851	1,004,851	

The above appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College are in addition to all income of said institutions, respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2025, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and may be expended for any necessary expenses of the respective institutions, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations.

The above appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College include the employers' share of Social Security payments for university employees under the public employees' retirement fund, or institutions covered by the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for each institution's employees covered by these retirement plans.

Notwithstanding IC 4-10-11, the state comptroller shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College on the basis of vouchers stating the total amount claimed against each fund or account, or both, but not to exceed the legally made appropriations.

For universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations



shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, and the trustees of Ivy Tech Community College are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

FOR THE COMMISSION FOR HIGHER EDUCATION

Total Operating Expense	7,370,948	7,370,948
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The above appropriations include funding for Learn More Indiana, commission technology, and the administration of the 21st Century scholars program.

FREEDOM OF CHOICE GRANTS

Total Operating Expense	66,225,902	66,225,902
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HIGHER EDUCATION AWARD PROGRAM

Total Operating Expense	101,425,081	101,425,081
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For the higher education awards and freedom of choice grants, notwithstanding current administrative rule or practice, the commission shall maintain the proportionality of award maximums for public, private, and proprietary institutions when setting forth amounts under IC 21-12-1.7.

The commission shall reduce award amounts as necessary to stay within the available funding.

CAREER COACHING GRANT FUND

Total Operating Expense	7,500,000	7,500,000
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PERKINS STATE MATCH

Total Operating Expense	500,000	500,000
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PROMOTED INDUSTRY CERTIFICATIONS

Total Operating Expense	1,900,000	1,900,000
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The above appropriations are for the purpose of reimbursing students enrolled in school corporations, charter schools, and accredited nonpublic schools for the fees incurred for taking exams required to earn certifications on Indiana's promoted industry certification list.

TUITION AND FEE EXEMPTION FOR CHILDREN OF VETERANS AND PUBLIC SAFETY OFFICERS

Total Operating Expense	31,773,696	31,773,696
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MIDWEST HIGHER EDUCATION COMPACT

Total Operating Expense	109,250	109,250
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ADULT STUDENT GRANT APPROPRIATION

Total Operating Expense	7,200,865	7,200,865
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Priority for awards made from the above appropriations shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the adult grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 21-12-3 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources, shall apply all qualifying expenditures for the part-time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

TEACHER RESIDENCY GRANT PILOT PROGRAM (IC 21-18-15.1)

Total Operating Expense	950,000	950,000
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MINORITY TEACHER SCHOLARSHIP FUND (IC 21-13-2-1)

Total Operating Expense	380,000	380,000
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NEXT GENERATION MINORITY EDUCATOR SCHOLARSHIP (IC 21-12-16.5)

Total Operating Expense	570,000	570,000
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HIGH NEED STUDENT TEACHING SCHOLARSHIP FUND (IC 21-13-7)

Total Operating Expense	427,500	427,500
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MINORITY STUDENT TEACHING SCHOLARSHIP (IC 21-13-8)

Total Operating Expense	95,000	95,000
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EARN INDIANA WORK STUDY PROGRAM (IC 21-16-2)

Total Operating Expense	2,475,794	2,475,794
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21ST CENTURY SCHOLAR AWARDS

Total Operating Expense	166,270,623	166,270,623
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The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR 265.

The division of family resources shall apply all qualifying expenditures for the 21st century scholars program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).



	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
INSTITUTE FOR WORKFORCE EXCELLENCE			
Total Operating Expense	250,000	250,000	
NEXT GENERATION HOOSIER EDUCATORS			
Total Operating Expense	11,400,000	11,400,000	
NATIONAL GUARD TUITION SCHOLARSHIP			
Total Operating Expense	3,492,428	3,492,428	

The above appropriations for national guard scholarships plus reserve balances in the fund shall be the total allowable state expenditure for the program in the biennium.

PRIMARY CARE SCHOLARSHIP		
Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
Total Operating Expense	2,000,000	2,000,000

The above appropriations shall be distributed in accordance with IC 21-13-9.

HIGH VALUE WORKFORCE READY CREDIT BEARING GRANT (IC 21-12-8)		
Total Operating Expense	5,734,739	5,734,739

MEDICAL EDUCATION BOARD		
FAMILY PRACTICE RESIDENCY		
Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
Total Operating Expense	2,382,197	2,382,197

Of the above appropriations, \$1,000,000 each year shall be distributed as grants for the purpose of improving family practice residency programs serving medically underserved areas.

GRADUATE MEDICAL EDUCATION BOARD		
MEDICAL RESIDENCY EDUCATION GRANTS		
Pokagon Band Tribal-State Compact Fund (IC 4-12-1-20)		
Total Operating Expense	7,000,000	7,000,000

The above appropriations for medical residency education grants are to be distributed in accordance with IC 21-13-6.5.

FOR THE DEPARTMENT OF ADMINISTRATION		
COLUMBUS LEARNING CENTER OPERATIONAL SUPPORT		
Total Operating Expense	2,250,000	2,250,000

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION		
Total Operating Expense	18,863,634	18,863,634
Professional Standards Fund (IC 20-28-2-10)		
Total Operating Expense	1,237,940	1,237,940

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Augmentation allowed from the professional standards fund.

STATE BOARD OF EDUCATION

Total Operating Expense	1,000,000	1,000,000
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FREEDOM AND OPPORTUNITY IN EDUCATION

Total Operating Expense	50,000,000	50,000,000
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The above appropriations may be used for initiatives to improve academic performance and increase freedom and opportunity in education, including but not limited to expanding the current ILEARN checkpoint pilot statewide; designing and deploying an interactive advising tool to support the implementation of new diploma requirements; operating the real-time educator supply and demand marketplace; recruiting educators in high-need areas, including special education, English learner, STEM teachers, and school counselors; expanding computer science education programs; supporting highly effective dropout prevention programs; funding initiatives related to the Science of Reading; piloting evidence-based reading intervention programs; supporting the Crossing the Finish Line initiative; providing literacy achievement grants; the teacher higher education and industry collaboration, and supporting student learning recovery grants.

Of the above appropriations, the department may allocate up to \$1,000,000 each fiscal year to create a localized educational attainment pilot program to address critical literacy, educational training, and support service needs in a selected community. The pilot program should focus on literacy training and outreach and aim to improve reading proficiency among children and adults, leveraging targeted, evidence-based interventions, including literacy programming, school partnerships, and outreach to reach underserved populations.

STEM PROGRAM ALIGNMENT

Total Operating Expense	6,850,000	6,850,000
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The above appropriations shall be used to provide competitive grants to school corporations, charter schools, and other entities for the purpose of increasing access to high quality STEM programming, implementing qualified STEM curricula and professional development plans, to develop methods of evaluating STEM curricula and professional development plans for the purpose of awarding STEM grants, and to develop a system for measuring student growth in critical thinking, problem-solving, and other STEM-based skills in schools that receive STEM grants. The department shall provide an annual report to the general assembly, the office of the governor, and the state board of education describing the department's progress toward implementing the state's STEM plan. All data collected by the department shall be tracked electronically and shared with the management and performance hub for the purpose of collecting longitudinal data.



Of the above appropriations, up to \$1,000,000 in each fiscal year shall be used to provide grants to colleges or universities for the purpose of supporting programs and statewide initiatives dedicated to increasing student enrollment and improving student scores in math and science Advanced Placement courses. Of the above appropriations, up to \$500,000 in each fiscal year may be used to provide grants to schools or corporations for the purpose of supporting programs dedicated to increasing student enrollment and improving student scores in math and science Cambridge International courses.

Of the above appropriations, \$4,000,000 each fiscal year shall be used to support robotics programs, as defined by IC 20-20-45.5, and the Indiana Bar Foundation's We the People programs at school corporations and charter schools.

Of the above appropriations, \$300,000 each fiscal year shall be used to partner with the commission for higher education to provide professional development and technical assistance to schools that pilot the transitions math course for students transitioning from secondary to post-secondary education.

RILEY HOSPITAL

Total Operating Expense	250,000	250,000
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BEST BUDDIES

Total Operating Expense	195,819	195,819
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SCHOOL TRAFFIC SAFETY

Total Operating Expense	215,786	215,786
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SPECIAL EDUCATION (S-5) (IC 20-35-6-2)

Total Operating Expense	29,070,000	29,070,000
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AUDITORY-VERBAL ACCELERATED EDUCATION PROGRAM (IC 20-35-13)

Total Operating Expense	1,900,000	1,900,000
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CHARTER AND INNOVATION NETWORK SCHOOL GRANT PROGRAM

Total Operating Expense	52,600,000	52,600,000
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Augmentation allowed.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION

Total Operating Expense	1,894,521	1,894,521
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The above appropriations shall be distributed by the department of education on a monthly basis in equal payments to special education cooperatives, area career and technical education schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teachers' retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

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Total Operating Expense	9,370,000,000	9,650,000,000
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The above appropriations are to be distributed in accordance with a statute enacted for this purpose during the 2025 session of the general assembly.

If the above appropriations are more than the amount required by statute, the excess appropriations shall revert to the general fund at the end of each fiscal year.

The above appropriations shall be distributed under a schedule set by the budget agency and approved by the governor. The schedule shall provide for at least twelve (12) payments made at least once every forty (40) days, and the aggregate of the payments in each fiscal year shall equal the amount required by statute.

TEACHER APPRECIATION GRANTS

Total Operating Expense	35,625,000	35,625,000
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It is the intent of the general assembly that the above appropriations shall be the total allowable state expenditure for the program. If disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

DISTRIBUTION FOR SUMMER SCHOOL

Total Operating Expense	17,442,000	17,442,000
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It is the intent of the general assembly that the above appropriations shall be the total allowable state expenditure for the program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

CAREER SCHOLARSHIP ACCOUNT PROGRAM (IC 20-51.4)

Total Operating Expense	0	10,000,000
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The department shall use the above appropriation to deposit \$5,000 into each eligible career scholarship participant's career scholarship account each fiscal year.

INDIANA EDUCATION SCHOLARSHIP ACCOUNT PROGRAM (IC 20-51.4)

Total Operating Expense	0	10,000,000
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DISTRIBUTION FOR ADULT LEARNERS

Total Operating Expense	49,512,500	49,512,500
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NATIONAL SCHOOL LUNCH PROGRAM

Total Operating Expense	5,108,582	5,108,582
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TESTING

Total Operating Expense	22,355,000	22,355,000
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The above appropriations are for assessments, including special education alternate



assessments, as determined by the state board of education and the department of education.

REMEDATION TESTING

Total Operating Expense	14,126,474	14,126,474
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The above appropriations for remediation testing are for grants to school corporations, charter schools, and accredited nonpublic schools through the department of education. School corporations, charter schools, and accredited nonpublic schools shall use the grants to fund formative tests to identify students who require remediation. The department may also use the above appropriations to fund through-year assessments that identify students who require remediation.

GRADUATION PATHWAYS POST-SECONDARY COMPETENCIES

Total Operating Expense	5,320,000	5,320,000
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The above appropriations are to provide funding for students enrolled in school corporations, charter schools, and accredited nonpublic schools to take the Advanced Placement and Cambridge International exams. A maximum of three (3) exams per student may be funded. Any remaining funds available after exam fees have been paid shall be prioritized for use by teachers of Advanced Placement or Cambridge International courses to attend professional development training.

PSAT PROGRAM

Total Operating Expense	2,574,500	2,574,500
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The above appropriations are to provide funding for students enrolled in school corporations, charter schools, and accredited nonpublic schools in grade 10 and 11 to take the PSAT exam.

NON-ENGLISH SPEAKING PROGRAM

Total Operating Expense	190,000	190,000
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The above appropriations shall be distributed to the department of correction, the Indiana school for the blind and visually impaired, the Indiana school for the deaf, the Excel Centers for Adult Learners, the Christel House DORS Centers, and the Gary Middle College charter schools to support non-English speaking programs. Funds may only be used to educate students who are less than twenty-three (23) years of age.

GIFTED AND TALENTED EDUCATION PROGRAM

Total Operating Expense	15,000,000	15,000,000
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Each fiscal year, the department shall make \$750,000 available to school corporations and charter schools to purchase verbal and quantitative reasoning tests to be administered to all students within the corporation or charter school that are enrolled in kindergarten,



second grade, and fifth grade.

ALTERNATIVE EDUCATION

Total Operating Expense	766,074	766,074
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The above appropriations include funding to provide \$10,000 for each child in recovery from alcohol or drug abuse who attends a charter school accredited by the National Association of Recovery Schools. This funding is in addition to any funding received by the charter school from the student funding formula.

SENATOR DAVID C. FORD EDUCATIONAL TECHNOLOGY PROGRAM

Total Operating Expense	3,000,000	3,000,000
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The department shall use the above appropriations to make grants to school corporations and charter schools to promote student learning through the use of technology and to acquire innovative education technologies that can be accessed and utilized by all school corporations and charter schools.

Of the above appropriations, \$1,350,000 shall be used for each fiscal year to provide grants to school corporations and charter schools to purchase robotic technology and provide professional development endorsed by the Council of Administrators of Special Education to improve the social and behavioral skills for students with autism.

**FOR THE INDIANA PUBLIC RETIREMENT SYSTEM
TEACHERS' RETIREMENT FUND DISTRIBUTION**

Total Operating Expense	1,066,300,000	1,066,300,000
Augmentation allowed.		

If the amount required under the pre-1996 account of the teachers' retirement fund for actual benefits for the Post Retirement Pension Increases that are funded on a "pay as you go" basis plus the base benefits under the pre-1996 account of the teachers' retirement fund is:

- (1) greater than the above appropriations for a year, after notice to the governor and the budget agency of the deficiency, the above appropriation for the year shall be augmented from the state general fund. Any augmentation shall be included in the required pension stabilization calculation under IC 5-10.4; or
- (2) less than the above appropriations for a year, the excess shall be retained in the state general fund. The portion of the benefit funded by the actuarially funded Post Retirement Pension Increases shall not be part of this calculation.

C. OTHER EDUCATION

FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD

Total Operating Expense	1,227,219	1,227,219
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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
FOR THE STATE LIBRARY			
Total Operating Expense	2,627,285	2,627,285	
STATEWIDE LIBRARY SERVICES			
Total Operating Expense	1,433,108	1,433,108	
LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES			
Total Operating Expense	180,000	180,000	
FOR THE ARTS COMMISSION			
Total Operating Expense	3,450,796	3,450,796	

The above appropriations include \$650,000 each year to provide grants to:
(1) arts organizations that have recently qualified for general operating support as major arts organizations, as determined by the arts commission; and
(2) regional organizations that have recently qualified for general operating support as mid-major arts organizations, as determined by the arts commission and its regional re-granting partners.

SECTION 10. [EFFECTIVE JULY 1, 2025]

DISTRIBUTIONS

FOR THE STATE COMPTROLLER

GAMING TAX

Total Operating Expense	50,500,000	50,500,000
Augmentation allowed.		

The above appropriations include \$48,000,000 each year for the supplemental wagering tax distribution in IC 4-33-13-5 and \$2,500,000 each year for the historic hotel district community support fee distribution in IC 4-35-8.3-4.

SECTION 11. [EFFECTIVE JULY 1, 2025]

Federal funds are available for career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for Career and Technical Education). Funds shall be received by the commission of higher education and may be allocated by the budget agency after consultation with the commission for higher education and any other state agencies, commissions, or organizations required by state law.

SECTION 12. [EFFECTIVE JULY 1, 2025]

In accordance with IC 20-20-38, the budget agency, upon the request of the commission for higher education, may proportionately augment or reduce an allocation of federal funds made under SECTION 11 of this act.



SECTION 13. [EFFECTIVE JULY 1, 2025]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

SECTION 14. [EFFECTIVE JULY 1, 2025]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of \$50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than \$90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than \$85 for any twenty-four (24) hour period. While traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than \$65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.



Before reimbursing overnight travel expenses, the state comptroller shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2025]

Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is equal to \$100 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2025]

No payment for personal services shall be made by the state comptroller unless the payment has been approved by the budget agency or the designee of the budget agency.

SECTION 17. [EFFECTIVE JULY 1, 2025]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution have been deposited into the state treasury for the month. However, if a department or an institution has more than \$10,000 in daily receipts, the receipts shall be deposited into the state treasury daily.

SECTION 18. [EFFECTIVE JULY 1, 2025]

In case of loss by fire or any other cause involving any state institution or department, the proceeds derived from the settlement of any claim for the loss shall be deposited in the state treasury, and the amount deposited is hereby reappropriated to the institution or department for the purpose of replacing the loss. If it is determined that the loss shall not be replaced, any funds received from the settlement of a claim shall be deposited into the state general fund.

SECTION 19. [EFFECTIVE JULY 1, 2025]

If an agency has computer equipment in excess of the needs of that agency, then the excess computer equipment may be sold under the provisions of surplus property



sales, and the proceeds of the sale or sales shall be deposited in the state treasury. The amount so deposited is hereby reappropriated to that agency for other operating expenses of the current year, if approved by the director of the budget agency.

SECTION 20. [EFFECTIVE JULY 1, 2025]

This act does not authorize any rehabilitation and repairs to any state buildings, nor does it allow that any obligations be incurred for lands and structures, without the prior approval of the budget director or the director's designee. This SECTION does not apply to contracts for the state universities supported in whole or in part by state funds.

SECTION 21. [EFFECTIVE JULY 1, 2025]

If an agency has an annual appropriation fixed by law, and if the agency also receives an appropriation in this act for the same function or program, the appropriation in this act supersedes any other appropriations and is the total appropriation for the agency for that program or function.

SECTION 22. [EFFECTIVE JULY 1, 2025]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided in this act placed to the credit of any division of the state of Indiana, the powers, duties, and functions whereof are assigned and transferred to any department for salaries, maintenance, operation, construction, or other expenses in the exercise of such powers, duties, and functions, shall be transferred to the credit of the department to which such assignment and transfer is made, and the same shall be available for the objects and purposes for which appropriated originally.

SECTION 23. [EFFECTIVE JULY 1, 2025]

The director of the division of procurement of the Indiana department of administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of an automobile that is to be paid for from any appropriation made by this act or any other act, unless the following facts are shown to the satisfaction of the commissioner of the Indiana department of administration or the commissioner's designee:

- (1) In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.
- (2) In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a greater distance than one thousand (1,000) miles each month or that they are subject to official duty call at all times.
- (3) In the case of employees, it shall be shown that the major portion of the duties



assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment.

In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station is not to be considered as a part of the total. Department heads shall annually submit justification for the continued assignment of each vehicle in their department, which shall be reviewed by the commissioner of the Indiana department of administration, or the commissioner's designee. There shall be an insignia permanently affixed on each side of all state owned cars, designating the cars as being state owned. However, this requirement does not apply to state owned cars driven by elected state officials or to cases where the commissioner of the Indiana department of administration or the commissioner's designee determines that affixing insignia on state owned cars would hinder or handicap the persons driving the cars in the performance of their official duties.

SECTION 24. [EFFECTIVE JULY 1, 2025]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory recommendation. The budget committee may hold hearings and take any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 25. [EFFECTIVE JULY 1, 2025]

Except as provided for under IC 4-12-18, the governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 26. [EFFECTIVE JULY 1, 2025]

Except as provided for under IC 4-12-18, federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

SECTION 27. [EFFECTIVE JULY 1, 2025]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval



of the budget agency or the designee of the budget director.

SECTION 28. [EFFECTIVE JULY 1, 2025]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the state comptroller shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 29. [EFFECTIVE JULY 1, 2025]

Subject to SECTION 24 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 30. [EFFECTIVE JULY 1, 2025]

CONSTRUCTION

For the 2025-2027 biennium, the following amounts, from the funds listed as follows, are appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals, and the purchase and sale of land, including equipment for these properties and other projects as specified.

State General Fund - Lease Rentals	
	146,967,420
State General Fund - Construction	
	457,027,195
Employment Security Special Fund (IC 22-4-25)	
	500,000
State Construction Fund (IC 9-13-2-173.1)	
	40,000,000
Veterans' Home Building Fund (IC 10-17-9-7)	
	6,322,100
State Highway Fund (IC 8-23-9-54)	
	65,462,500
Indiana Correctional Industries Fund (IC 11-10-6-6)	
	20,170,000
TOTAL	736,449,215

The allocations provided under this SECTION are made from the state general fund,

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unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

A. GENERAL GOVERNMENT

FOR THE STATE BUDGET AGENCY

Stadium Lease Rental	43,467,088	43,486,244
Convention Center Lease Rental	17,494,449	17,839,637
Housing Infrastructure Assistance	25,000,000	25,000,000
Water Infrastructure Assistance	20,000,000	20,000,000
Indiana Motorsports Commission	7,000,000	7,000,000
S. Ind. Reg. Aviation Training Dev. Init.	6,500,000	0
Northern Indiana Reg. Dev. Authority	28,000,000	0

The above appropriation shall be used for the South Shore Line realignment project.

State Agency Capital Improvement	200,000,000
State Construction Fund (IC 9-13-2-173.1)	
State Agency Capital Improvement	40,000,000

The above appropriations may be used to fund preventative maintenance, repair and rehabilitation, and other capital improvement projects for state agencies. The budget agency, with the approval of the governor, shall allocate the funds to projects, subject to review by the budget committee.

DEPARTMENT OF ADMINISTRATION - LEASES

Neuro-Diagnostic Inst. Capital Lease	12,341,059	12,338,943
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B. PUBLIC SAFETY

CORRECTIONS

INDIANA CORRECTION INDUSTRIES

Indiana Correctional Industries Fund (IC 11-10-6-6)		
Repair and Rehabilitation	805,000	375,000
Pendleton Industries Building	2,090,000	0
Commissary Warehouse Expansion	6,270,000	0
New Castle Industries	4,180,000	0
Vehicle Wrap Building	360,000	0
Pendleton Industries Building	0	2,090,000
Metal Shop Equip	0	4,000,000

C. ECONOMIC AND WORKFORCE DEVELOPMENT

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INDIANA ECONOMIC DEVELOPMENT CORPORATION

Deal Closing Fund	1	1
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After review by the budget committee, the appropriation for the deal closing fund may be augmented by the budget agency for any economic development project located within an innovation development district.

DEPARTMENT OF WORKFORCE DEVELOPMENT

Employment Security Special Fund (IC 22-4-25)

Preventive Maintenance	250,000	250,000
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D. TRANSPORTATION

DEPARTMENT OF TRANSPORTATION - BUILDINGS AND GROUNDS

State Highway Fund (IC 8-23-9-54)

Preventive Maintenance	3,735,351	3,930,813
Repair and Rehabilitation	5,154,649	4,959,187
Architectural and Engineering Fee	127,500	0
Indianapolis Traffic Management Ctr	1,500,000	0
A&E for Borman Traffic Mgt Ctr	340,000	0
Construction of Borman Traffic Mgt Ctr	0	4,000,000
Construction of Jasper Unit and Salt Bldg	0	9,500,000
A&E Austin Subdist/Unit and Salt Bldg	1,650,000	0
Const of Austin Subdist/Unit and Salt Bldg	0	16,500,000
A&E for Jasper Unit and Salt Bldg	950,000	0
Const of Evansville Unit and Salt Bldg	11,500,000	0
A&E Fee for Monticello Subdist Bldg	0	600,000
A&E for Albany Unit and Salt Bldg	0	515,000
Land Purchase	250,000	250,000

E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

(1) VETERANS' AFFAIRS

INDIANA VETERANS' HOME

Veterans' Home Building Fund (IC 10-17-9-7)

Preventive Maintenance	637,500	637,500
Repair and Rehabilitation	4,746,300	300,800

(2) HIGHER EDUCATION

INDIANA UNIVERSITY - TOTAL SYSTEM

Repair and Rehabilitation	41,840,489	0
Regional Deferred Maintenance	9,287,069	0

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	<i>FY 2025-2026 Appropriation</i>	<i>FY 2026-2027 Appropriation</i>	<i>Biennial Appropriation</i>
PURDUE UNIVERSITY - TOTAL SYSTEM			
Repair and Rehabilitation	35,350,955	0	
Regional Deferred Maintenance	4,012,931	0	
INDIANA STATE UNIVERSITY			
Repair and Rehabilitation	4,058,497	0	
UNIVERSITY OF SOUTHERN INDIANA			
Repair and Rehabilitation	3,300,156	0	
BALL STATE UNIVERSITY			
Repair and Rehabilitation	8,593,288	0	
VINCENNES UNIVERSITY			
Repair and Rehabilitation	2,801,495	0	
IVY TECH COMMUNITY COLLEGE			
Repair and Rehabilitation	9,282,313	0	

SECTION 31. [EFFECTIVE JULY 1, 2025]

The budget agency may employ one (1) or more architects or engineers to inspect construction, rehabilitation, and repair projects covered by the appropriations in this act or previous acts.

SECTION 32. [EFFECTIVE UPON PASSAGE]

If any part of a construction or rehabilitation and repair appropriation made by this act or any previous acts has not been allotted or encumbered before the expiration of the biennium, the budget agency may determine that the balance of the appropriation is not available for allotment. The appropriation may be terminated, and the balance may revert to the fund from which the original appropriation was made.

SECTION 33. [EFFECTIVE JULY 1, 2025]

The budget agency may retain balances in the mental health fund at the end of any fiscal year to ensure there are sufficient funds to meet the service needs of the developmentally disabled and the mentally ill in any year.

SECTION 34. [EFFECTIVE JULY 1, 2025]

If the budget director determines at any time during the biennium that the executive branch of state government cannot meet its statutory obligations due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with the approval of the governor and after review by the budget committee, may transfer from the counter-cyclical revenue and economic stabilization fund to the general fund any additional amount necessary to maintain a positive balance in the general fund.

SECTION 35. IC 2-3-1-1, AS AMENDED BY P.L.229-2011, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (c), the annual salary of the members of the general assembly shall be an amount equal to eighteen percent



(18%) of the annual salary of a judge under IC 33-38-5-6, as adjusted under IC 33-38-5-8.1.

(b) One-half (1/2) the annual salary shall be paid on the fifteenth day of January, and one-half (1/2) the annual salary shall be paid on the fifteenth day of February.

(c) Notwithstanding any other law, the annual salary of the members of the general assembly shall not be increased during the state fiscal year beginning July 1, ~~2011~~, **2025**, or during the state fiscal year beginning July 1, ~~2012~~, **2026**, regardless of any increase in the annual salary of a judge under IC 33-38-5-6, as adjusted under IC 33-38-5-8.1.

SECTION 36. IC 2-5-1.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The council shall maintain a bipartisan service and administrative agency for the general assembly to assist it in the performance of its constitutional responsibilities as a separate and independent legislative branch of state government. The service and administrative agency shall be known as the "Legislative Services Agency".

(b) In maintaining the legislative services agency the council shall:

- (1) establish the qualifications for and employ such personnel as are required to carry out the purposes and provisions of this chapter;
- (2) employ an executive director, to be charged with the administrative responsibility of all offices, departments, or divisions which the council may from time to time establish, and to serve as chief executive under the council;
- (3) adopt rules and regulations governing personnel practices and establishing the rights, privileges, powers, and duties of all employees;
- (4) provide for employees to be covered by the public employees' retirement fund; and
- (5) establish a pay scale for all employees including the executive director.

Rules and regulations adopted by the council under subdivision (3) are not subject to IC 4-22-2. In those rules and regulations, the council may limit the political activity of legislative services agency employees.

(c) The executive director is entitled to serve as long as he properly performs his duties, but he may be removed at any time upon the affirmative vote of twelve (12) members of the council.

(d) The executive director may submit to the council such reports and drafts of resolutions, budgets, and appropriation bills as may be required for the efficient operation of the council's activities and programs.

(e) The legislative services agency shall perform such bill drafting, research, code revision, fiscal, budgetary, and management analysis, information, administrative, and other services as are requested by the council.

(f) The legislative services agency shall perform a fiscal impact analysis for each executive order issued by the governor under IC 10-14-3 within seven (7) days of the executive order issuance and provide the fiscal note to:

- (1) the legislative council; and**
- (2) the budget committee.**

SECTION 37. IC 2-5-3.2-1, AS AMENDED BY P.L.9-2024, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) As used in this section, "tax incentive" means a benefit provided through a state or local tax that is intended to alter, reward, or subsidize a particular action or behavior by the tax incentive recipient, including a benefit intended to encourage economic development. The term includes the following:

- (1) An exemption, deduction, credit, preferential rate, or other tax benefit that:
 - (A) reduces the amount of a tax that would otherwise be due to the state;



- (B) results in a tax refund in excess of any tax due; or
 - (C) reduces the amount of property taxes that would otherwise be due to a political subdivision of the state.
- (2) The dedication of revenue by a political subdivision to provide improvements or to retire bonds issued to pay for improvements in an economic or sports development area, a community revitalization area, an enterprise zone, a tax increment financing district, or any other similar area or district.
- (b) The general assembly intends that each tax incentive effectuate the purposes for which it was enacted and that the cost of tax incentives should be included more readily in the biennial budgeting process. To provide the general assembly with the information it needs to make informed policy choices about the efficacy of each tax incentive, the legislative services agency shall conduct a regular review, analysis, and evaluation of ~~all~~ tax incentives according to a schedule developed by the legislative services agency.
- (c) The legislative services agency shall conduct a systematic ~~and comprehensive~~ review, analysis, and evaluation of each tax incentive scheduled for review. The review, analysis, and evaluation must include information about each tax incentive that is necessary to achieve the goals described in subsection (b), which may include any of the following:
- (1) The basic attributes and policy goals of the tax incentive, including the statutory and programmatic goals of the tax incentive, the economic parameters of the tax incentive, the original scope and purpose of the tax incentive, and how the scope or purpose has changed over time.
 - (2) The tax incentive's equity, simplicity, competitiveness, public purpose, adequacy, and extent of conformance with the original purposes of the legislation enacting the tax incentive.
 - (3) The types of activities on which the tax incentive is based and how effective the tax incentive has been in promoting these targeted activities and in assisting recipients of the tax incentive.
 - (4) The count of the following:
 - (A) Applicants for the tax incentive.
 - (B) Applicants that qualify for the tax incentive.
 - (C) Qualified applicants that, if applicable, are approved to receive the tax incentive.
 - (D) Taxpayers that actually claim the tax incentive.
 - (E) Taxpayers that actually receive the tax incentive.
 - (5) The dollar amount of the tax incentive benefits that has been actually claimed by all taxpayers over time, including the following:
 - (A) The dollar amount of the tax incentive, listed by the North American Industrial Classification System (NAICS) Code associated with the tax incentive recipients, if an NAICS Code is available.
 - (B) The dollar amount of income tax credits that can be carried forward for the next five (5) state fiscal years.
 - (6) An estimate of the economic impact of the tax incentive, including the following:
 - (A) A return on investment calculation for the tax incentive. For purposes of this clause, "return on investment calculation" means analyzing the cost to the state or political subdivision of providing the tax incentive, analyzing the benefits realized by the state or political subdivision from providing the tax incentive.
 - (B) A cost-benefit comparison of the state and local revenue foregone and property taxes shifted to other taxpayers as a result of allowing the tax incentive, compared to tax revenue generated



by the taxpayer receiving the incentive, including direct taxes applied to the taxpayer and taxes applied to the taxpayer's employees.

(C) An estimate of the number of jobs that were the direct result of the tax incentive.

(D) For any tax incentive that is reviewed or approved by the Indiana economic development corporation, a statement by the chief executive officer of the Indiana economic development corporation as to whether the statutory and programmatic goals of the tax incentive are being met, with obstacles to these goals identified, if possible.

(7) The methodology and assumptions used in carrying out the reviews, analyses, and evaluations required under this subsection.

(8) The estimated cost to the state to administer the tax incentive.

(9) An estimate of the extent to which benefits of the tax incentive remained in Indiana or flowed outside Indiana.

(10) Whether the effectiveness of the tax incentive could be determined more definitively if the general assembly were to clarify or modify the tax incentive's goals and intended purpose.

(11) Whether measuring the economic impact is significantly limited due to data constraints and whether any changes in statute would facilitate data collection in a way that would allow for better review, analysis, or evaluation.

(12) An estimate of the indirect economic benefit or activity stimulated by the tax incentive.

(13) Any additional review, analysis, or evaluation that the legislative services agency considers advisable, including comparisons with tax incentives offered by other states if those comparisons would add value to the review, analysis, and evaluation.

The legislative services agency may request a state or local official or a state agency, a political subdivision, a body corporate and politic, or a county or municipal redevelopment commission to furnish information necessary to complete the tax incentive review, analysis, and evaluation required by this section. An official or entity presented with a request from the legislative services agency under this subsection shall cooperate with the legislative services agency in providing the requested information. An official or entity may require that the legislative services agency adhere to the provider's rules, if any, that concern the confidential nature of the information.

(d) The legislative services agency shall, before October 1 of each year, submit a report to the legislative council, in an electronic format under IC 5-14-6, and to the interim study committee on fiscal policy established by IC 2-5-1.3-4 containing the results of the legislative services agency's review, analysis, and evaluation. ~~The report must include at least the following:~~

~~(1) A detailed description of the review, analysis, and evaluation for each tax incentive reviewed.~~

~~(2) Information to be used by the general assembly to determine whether a reviewed tax incentive should be continued, modified, or terminated; the basis for the recommendation; and the expected impact of the recommendation on the state's economy.~~

~~(3) Information to be used by the general assembly to better align a reviewed tax incentive with the original intent of the legislation that enacted the tax incentive.~~

The report required by this subsection must not disclose any proprietary or otherwise confidential taxpayer information.

(e) The interim study committee on fiscal policy shall do the following:

(1) Hold at least one (1) public hearing after September 30 and before November 1 of each year at which:

(A) the legislative services agency presents the review, analysis, and evaluation of tax incentives;



and

(B) the interim study committee receives information concerning tax incentives.

(2) Submit to the legislative council, in an electronic format under IC 5-14-6, any recommendations made by the interim study committee that are related to the legislative services agency's review, analysis, and evaluation of tax incentives prepared under this section.

(f) The general assembly shall use the legislative services agency's report under this section and the interim study committee on fiscal policy's recommendations under this section to determine whether a particular tax incentive:

(1) is successful;

(2) is provided at a cost that can be accommodated by the state's biennial budget; and

(3) should be continued, amended, or repealed.

(g) The legislative services agency shall establish and maintain a system for making available to the public information about the amount and effectiveness of tax incentives.

(h) The legislative services agency shall develop and publish on the general assembly's website a multi-year schedule that lists all tax incentives and indicates the year when the report will be published for each tax incentive reviewed. The legislative services agency may revise the schedule as long as ~~the legislative services agency provides for a systematic review, analysis, and evaluation of all tax incentives and that each tax incentive is reviewed at least once. every seven (7) years.~~

(i) This section expires December 31, ~~2025.~~ **2030.**

SECTION 38. IC 3-6-3.7-4, AS ADDED BY P.L.258-2013, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) The voter education outreach fund is established for the purpose of receiving, holding, and disbursing funds for education and outreach to citizens concerning voter rights and responsibilities, including voter identification requirements.

(b) The fund shall be administered by the secretary of state **and money in the fund expended subject to appropriation by the general assembly. The fund may be augmented after budget committee review.**

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

SECTION 39. IC 3-11-6.5-2, AS AMENDED BY P.L.9-2024, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) In accordance with 52 U.S.C. 21004, the election administration assistance fund is established for the following purposes:

(1) As provided by 52 U.S.C. 21001, to carry out activities to improve the administration of elections for federal office.

(2) As provided by 52 U.S.C. 21001, to use funds provided to the state under Title II, Subtitle D, Part I of HAVA (52 U.S.C. 21001 through 52 U.S.C. 21008) as a reimbursement of costs in obtaining voting equipment that complies with 52 U.S.C. 21081 if the state obtains the equipment after November 7, 2000.

(3) As provided by 52 U.S.C. 21001, to use funds provided to the state under Title II, Subtitle D, Part I of HAVA (52 U.S.C. 21001 through 52 U.S.C. 21008) as a reimbursement of costs in obtaining voting equipment that complies with 52 U.S.C. 21081 under a multiyear contract incurred after December 31, 2000.

(4) For reimbursing counties for the purchase of new voting systems or for the upgrade or expansion of existing voting systems that would not qualify for reimbursement under subdivision (2) or (3).



- (b) The fund consists of the following:
 - (1) Money appropriated to the fund by the general assembly.
 - (2) All money allocated to the state by the federal government:
 - (A) under Section 101 of HAVA (52 U.S.C. 20901), as required by 52 U.S.C. 20904;
 - (B) under Section 102 of HAVA (52 U.S.C. 20902), as required by 52 U.S.C. 20904;
 - (C) under Title II, Subtitle D, Part I of HAVA (52 U.S.C. 21001 through 52 U.S.C. 21008); and
 - (D) under any other program for the improvement of election administration.
 - (3) Proceeds of bonds issued by the Indiana bond bank for improvement of voting systems as authorized by law.

The state comptroller shall establish an account within the fund for money appropriated by the general assembly and separate accounts within the fund for any money received by the state from the federal government for each source of allocations described under subdivision (2). Proceeds of bonds issued by the Indiana bond bank under subdivision (3) may be deposited into any account, as determined by the election division.

(c) The secretary of state shall administer the fund **and money in the fund expended subject to appropriation by the general assembly. The fund may be augmented after budget committee review.**

(d) The expenses of administering the fund shall be paid from money in the Section 101 account of the fund. If money is not available for this purpose in the Section 101 account of the fund, the expenses of administering the fund shall be paid from money appropriated under subsection (b)(1).

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund and allocated among the accounts within the fund according to the balances of the respective accounts.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

~~(g) Money in the fund is appropriated continuously for the purposes stated in subsection (a):~~

SECTION 40. IC 3-11-17-6, AS AMENDED BY P.L.201-2023, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. (a) The voting system technical oversight program account is established within the state general fund to provide money for administering and enforcing IC 3-11-7, IC 3-11-7.5, IC 3-11-15, IC 3-11-16, and this chapter.

(b) The secretary of state shall administer the account. **Subject to appropriation by the general assembly and** with the approval of the budget agency, funds in the account are available to augment and supplement the funds appropriated to the secretary of state for the purposes described in this section. **The fund may be augmented after budget committee review.**

(c) The expenses of administering the account shall be paid from the money in the account.

(d) The account consists of the following:

- (1) All civil penalties collected under this chapter.
- (2) Fees collected under IC 3-11-15-4.
- (3) Contributions to the account made in accordance with a settlement agreement executed with a voting system vendor.
- (4) Money appropriated by the general assembly for the voting system technical oversight program.

(e) Money in the account at the end of a state fiscal year does not revert to the state general fund.

SECTION 41. IC 3-12-10-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2.2. (a) The state recount fund is established for the purpose of receiving, holding, and disbursing funds as a fiduciary for the state recount commission and individuals who have provided a cash



deposit under this article. The fund shall be administered by the administrative division of the office of the secretary of state **and money in the fund expended subject to appropriation by the general assembly. The fund may be augmented after budget committee review.**

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

~~(d) All money accruing to the fund is appropriated continuously for the purposes specified in subsection (a).~~

SECTION 42. IC 4-2-1-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 5. On or before October 1, 2025, and on or before October 1 of each year thereafter, the governor, governor's cabinet, and each state officer listed in section 1.5(a) of this chapter shall provide a report to the budget committee concerning the following for the immediately preceding state fiscal year:**

(1) The purpose and location of each trip taken in an official capacity whether in-state or out of state.

(2) The total travel expenses incurred.

(3) The state fund used to pay for each trip taken.

SECTION 43. IC 4-3-27 IS REPEALED [EFFECTIVE JULY 1, 2025]. (Governor's Workforce Cabinet).

SECTION 44. IC 4-3-27.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 27.3. General Provisions Concerning the Transfer of Responsibilities From the Governor's Workforce Cabinet to the Department of Workforce Development

Sec. 1. As used in this chapter, "department" means the department of workforce development established by IC 22-4.1-2-1.

Sec. 2. (a) The governor's workforce cabinet established by IC 4-3-27-3 (before its repeal) is abolished.

(b) The following are transferred on July 1, 2025, the effective date of HEA 1001-2025, from the governor's workforce cabinet established by IC 4-3-27-3 (before its repeal) to the department:

(1) All real and personal property of the governor's workforce cabinet.

(2) All powers, duties, assets, and liabilities of the governor's workforce cabinet.

(3) All appropriations to the governor's workforce cabinet.

(c) All rules or policies that were adopted by the governor's workforce cabinet before July 1, 2025, shall be treated as though the rules were adopted by the department until the department adopts new rules or policies.

(d) After July 1, 2025, a reference to the governor's workforce cabinet in a statute or rule shall be treated as a reference to the department.

Sec. 3. (a) After July 1, 2025, the effective date of HEA 1001-2025, a contract entered into by the governor's workforce cabinet (before its abolishment on July 1, 2025) is a contract of the department.

(b) The repeal of IC 4-3-27 does not affect the rights, duties, or obligations of the department or a person who before July 1, 2025, had a contract with the governor's workforce cabinet (before its abolishment on July 1, 2025).

(c) A person or the department may enforce a right to compel performance of a duty for a contract as if the repeal of IC 4-3-27 had not been enacted.



SECTION 45. IC 4-5-10-5, AS AMENDED BY P.L.177-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 5. (a) The electronic and enhanced access fund is established to do the following:

- (1) Improve and enhance the technology necessary and desirable to fulfill the duties of the secretary of state and state agencies as provided in section 1 of this chapter.
- (2) Improve service to customers of the secretary of state and state agencies as provided in section 1 of this chapter.
- (3) Provide the public electronic and other enhanced access to information maintained by:
 - (A) the secretary of state under IC 23, IC 24, IC 26, or IC 33; and
 - (B) the secretary of state and state agencies as provided in section 1 of this chapter.
- (4) Allow the public to conduct business electronically with the secretary of state and state agencies as provided in section 1 of this chapter.
- (5) Acquire and finance technology necessary or desirable to accomplish the purposes stated in subdivisions (1) through (4), including the purchase or lease of hardware, software, and other appropriate goods and services.

The secretary of state may enter into one (1) or more agreements in furtherance of the purposes of this chapter.

(b) The fund consists solely of the following:

- (1) Electronic and enhanced access fees established and collected by the secretary of state under section 2 of this chapter.
- (2) Other money specifically provided to the fund by law.

Fees collected by the secretary of state under IC 23, IC 24, IC 26, or IC 33 may not be deposited into the fund.

- (c) The secretary of state shall administer the fund.
- (d) The expenses of administering the fund shall be paid from money in the fund.
- (e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) **Subject to appropriation by the general assembly**, the secretary of state may use money in the fund to pay expenses related to the purposes of the fund as set forth in section 5 of the chapter, to make payments under any agreement authorized by subsection (a) or authorized by law and directly relating to the purpose of the fund, and monies in the fund are continuously appropriated for the purposes set forth in this chapter. **The fund may be augmented after budget committee review.**

(g) Money in the fund not currently needed to meet the obligations of the fund may be invested by either of the following:

- (1) The treasurer of state in the same manner as other public funds may be invested.
- (2) A financial institution designated by trust agreement with the secretary of state.

Interest that accrues from investment of money in the fund shall be deposited into the fund.

SECTION 46. IC 4-8.1-2-7, AS AMENDED BY P.L.9-2024, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) Except as otherwise specified in this section, the treasurer of state may not pay any money out of the state treasury except upon warrant of the state comptroller **or upon check drawn against a financial institution** based on an approved claim.

(b) The treasurer of state may transfer money invested or on deposit in a public depository to any deposit account in the same or a different public depository. A transfer between deposit accounts may be made by warrant, check, or electronic funds transfer.

(c) If a political subdivision (as defined in IC 36-1-2-13) elects to receive distributions from the state



or if a state employee elects to have wages deposited directly in a financial institution under IC 4-15-5.9-2 by means of an electronic transfer of funds, the treasurer of state shall have the funds transferred electronically.

(d) Notwithstanding any other law, if:

- (1) a vendor or claimant requests that one (1) or more payments be made by means of an electronic funds transfer; and
- (2) the state comptroller and the treasurer of state agree that payment by electronic funds transfer is advantageous to the state;

the state comptroller may elect to authorize an electronic funds transfer method of payment. If authorized by the state comptroller, the treasurer of state may pay money from the state treasury by electronic funds transfer.

(e) With regard to electronic funds transfer, a record of each transfer authorization shall be made by the treasurer of state immediately following the authorization and shall be made in a form which conforms to accounting systems approved by the state board of accounts.

(f) As used in this section, "electronic funds transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account.

SECTION 47. IC 4-8.1-2-10, AS AMENDED BY P.L.215-2016, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. The treasurer of state shall keep double entry records of warrants paid, **checks drawn**, receipts, cash on hand, and investments for which the treasurer of state is accountable by law in sufficient detail to fulfill the requirements of the law and the duty of the treasurer of state's office to safeguard the state treasury.

SECTION 48. IC 4-12-1-20, AS ADDED BY P.L.165-2021, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 20. (a) As used in this section, "fund" refers to the Pokagon Band Tribal-state compact fund established by subsection (c).

(b) As used in this section, "Tribal-state compact" refers to the compact between the state and the Pokagon Band of Potawatomi Indians pursuant to IC 4-29.

(c) The Pokagon Band Tribal-state compact fund is established for the purposes set forth in subsection (f). The fund shall be administered by the budget agency. The fund consists of the following:

- (1) Money transferred to the fund as a result of the Tribal-state compact.
- (2) Appropriations, if any, made by the general assembly.
- (3) Grants and gifts intended for deposit in the fund.
- (4) Any earnings on money in the fund.

(d) The expenses of administering the fund shall be paid from money in the fund.

(e) Money in the fund at the end of the state fiscal year does not revert to the state general fund.

(f) Money in the fund may be used only for the following program areas:

- (1) Economic and workforce development.
- (2) Tourism promotion.
- (3) Public health.
- (4) Education.

(g) There is appropriated two million dollars (\$2,000,000) per state fiscal year from the fund to the Midwest continental divide commission fund established under IC 36-10-16-28 for a period of twenty (20) state fiscal years beginning July 1, 2026, and ending June 30, 2046.



SECTION 49. IC 4-13-2-1, AS AMENDED BY P.L.2-2007, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) This chapter may be known and cited as the "Financial Reorganization Act of 1947".

(b) This chapter applies to all agencies of the state. **Except as provided in section 30 of this chapter**, as used in this chapter, "agency" refers to every officer, board, commission, department, division, bureau, committee, employee, and other instrumentality of the state, including: state hospitals, state penal institutions, and other state institution enterprises and activities wherever located, except, unless specifically included, the following:

- (1) Military officers and military and armory boards of the state.
- (2) The state fair commission.
- (3) The supreme court and the court of appeals.
- (4) The legislative department of state government including:
 - (A) the senate;
 - (B) the house of representatives;
 - (C) the legislative council; and
 - (D) the legislative services agency.
- (5) State educational institutions.
- (6) Persons and institutions under the control of an entity described in subdivision (1), (2), (3), (4), or (5).
- (7) All counties, cities, towns, townships, school towns, townships, and other municipal corporations or political subdivisions of the state.

(c) As used in this chapter, "supplies", "materials", "equipment", and "services" means any and all articles and things, and all services other than personal, used by, or furnished to, any agency, including printing, binding, publication of books and records, repairs and improvements, utility services, and any and all other services required for the maintenance, operation, or upkeep of buildings and offices.

(d) The enumeration of the things specified in this section are not exclusive.

SECTION 50. IC 4-13-2-1.5, AS AMENDED BY P.L.85-2017, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1.5. (a) Notwithstanding section 1 of this chapter, **but except as provided in section 30 of this chapter**, the term "agencies of state", "state agency", or "agency", as used in sections 7, 19, and 23 of this chapter, include the judicial and legislative departments of state government.

(b) Notwithstanding section 1 of this chapter, section 19 of this chapter applies to the judicial and legislative departments of state government.

(c) Notwithstanding section 1 of this chapter, section 5.2 of this chapter applies to a body corporate and politic.

SECTION 51. IC 4-13-2-18, AS AMENDED BY P.L.9-2024, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 18. (a) For the purpose of the administration of the allotment system provided by this section, each fiscal year shall be divided into four (4) quarterly allotment periods, beginning respectively on the first day of July, October, January, and April. In any case where the quarterly allotment period is impracticable, the budget director may prescribe a different period suited to the circumstances but not extending beyond the end of any fiscal year.

(b) Except as otherwise expressly provided in this section, the provisions of this chapter relating to the allotment system and to the encumbering of funds shall apply to appropriations and funds of all kinds, including standing or annual appropriations and dedicated funds, from which expenditures are to be made



from time to time by or under the authority of any state agency. The provisions relating to the allotment system shall not apply to money made available for the purpose of conducting a post-audit of financial transactions of any state agency. Likewise, appropriations for construction or for the acquisition of real estate for public purposes may be exempted from the allotment system by the budget director. The budget director shall prescribe regulations as will ensure the proper application and encumbering of those funds.

(c) No appropriation to any state agency shall become available for expenditure until:

- (1) the state agency shall have submitted to the budget agency a request for allotment, the request for allotment to consist of an estimate of the amount required for each activity and each purpose for which money is to be expended during the applicable allotment period; and
- (2) the estimate contained in the request for allotment shall have been approved, increased, or decreased by the budget director and funds allotted as provided.

The form of a request for allotment, including a request by hand, mail, facsimile transmission, or other electronic transmission, shall be prescribed by the budget agency with the approval of the state comptroller and shall be submitted to them at least twenty-five (25) days prior to the beginning of the allotment period.

(d) **Subject to subsection (k)**, each request for allotment shall be reviewed by the budget agency and respective amounts shall be allotted for expenditure if:

- (1) the estimate is within the terms of the appropriation as to amount and purpose, having due regard for the probable future needs of the state agency for the remainder of the fiscal year or other term for which the appropriation was made; and
- (2) the agency contemplates expenditure of the allotment during the period.

Otherwise the budget agency shall modify the estimate to conform with the terms of the appropriation and the prospective needs of the state agency, and shall reduce the amount to be allotted accordingly. The budget agency shall act promptly upon all requests for allotment and shall notify every state agency of its allotments at least five (5) days before the beginning of each allotment period. The total amount allotted to any agency for the fiscal year or other term for which the appropriation was made shall not exceed the amount appropriated for the year or term.

(e) The budget director shall also have authority at any time to modify or amend any allotment previously made by the budget director.

(f) In case the budget director shall discover at any time that:

- (1) the probable receipts from taxes or other sources for any fund will be less than were anticipated; and
- (2) as a consequence the amount available for the remainder of the term of the appropriation or for any allotment period will be less than the amount estimated or allotted;

the budget director shall, with the approval of the governor, and after notice to the state agency or agencies concerned, reduce the amount or amounts allotted or to be allotted to prevent a deficit.

(g) The budget agency shall promptly transmit records of all allotments and modifications to the state comptroller.

(h) The state comptroller shall maintain as a part of the central accounting system for the state, as provided, records showing at all times, by funds, accounts, and other pertinent classifications, the amounts appropriated, the estimated revenues, the actual revenues or receipts; the amounts allotted and available for expenditure, the total expenditures, the unliquidated obligations, actual balances on hand, and the unencumbered balances of the allotments for each state agency.

(i) No payment shall be made from any fund, allotment, or appropriation unless the state comptroller



shall first certify that there is a sufficient unencumbered balance in the fund, allotment, or appropriation, after taking into consideration all previous expenditures to meet the same. In the case of an obligation to be paid from federal funds, a notice of a federal grant award shall be considered an appropriation against which obligations may be incurred, funds may be allotted, and encumbrances may be made.

(j) Every expenditure or obligation authorized or incurred in violation of the provisions of this chapter shall be void. Every payment made in violation of the provisions of this chapter shall be illegal, and every official authorizing or making a void payment, or taking part in a void payment, and every person receiving a void payment, or any part of a void payment, shall be jointly and severally liable to the state for the full amount paid or received. If any appointive officer or employee of the state shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of this chapter, or take any part, it shall be ground for removal of the appointive officer or employee of the state by the officer appointing the appointive officer or employee of the state. If the appointing officer is a person other than the governor and fails to remove the officer or employee, the governor may exercise the power of removal after giving notice of the charges and opportunity for hearing to the accused officer or employee and to the officer appointing the accused officer or employee.

(k) **If the budget director determines at any time that a state agency can perform the agency's statutory obligations with less than the amount appropriated, the budget director shall, with the approval of the governor, and after notice to the state agency or agencies concerned, reduce the amount or amounts allotted or to be allotted. The budget agency shall maintain a list of each appropriation from which the amount or amounts allotted or to be allotted are reduced and publish the list on the budget agency's website.**

SECTION 52. IC 4-13-2-18.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18.5. (a) The budget agency shall provide a report to the budget committee by September 1 of each year containing each augmentation for the most recently preceding state fiscal year. The report shall include the reason that each augmentation was necessary.**

(b) This section expires December 31, 2027.

SECTION 53. IC 4-13-2-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 30. (a) This section applies in each of the state fiscal years:**

- (1) beginning July 1, 2025, and ending June 30, 2026; and**
- (2) beginning July 1, 2026, and ending June 30, 2027.**

(b) As used in this section, "state agency" means an authority, board, branch, commission, committee, department, division, or other instrumentality of any of the following:

- (1) The executive, including the administrative department of state government.**
- (2) A state educational institution.**
- (3) A body corporate and politic created by statute.**

(c) Each state fiscal year, the budget director shall withhold, from each appropriation for the state fiscal year made in the biennial budget bill to a state agency that is predominantly used, as determined by the budget director, for:

- (1) salaries or other wages for state agency employees; or**
- (2) general operating expenses of the state agency;**

an amount not less than five percent (5%) of the appropriation for the state fiscal year.

(d) The budget director may, with the approval of the governor, release any part of the amount



of the appropriation withheld under subsection (c) during the state fiscal year to the state agency upon written request from the state agency.

(e) The withholding requirement under subsection (c) does not apply to an appropriation for the state fiscal year to a state agency that is predominantly used, as determined by the budget director, to pay for services performed by vendors, to provide grants or distributions, to fund fee replacement for a state educational institution, or otherwise used for a purpose not described in subsection (c).

(f) The budget director shall, not later than August 1 and December 31 of each state fiscal year, provide a report to the budget committee that:

- (1) lists each appropriation from which funds were withheld under this section;
- (2) details any appropriation for which the budget director released any part of the amount withheld, as permitted under subsection (d); and
- (3) provides the rationale for releasing each amount described in subdivision (2).

SECTION 54. IC 4-13-12.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8. (a) The department may enter into a lease with the society for the society's use of any part of the building, exterior improvements, and surrounding site.

(b) Notwithstanding the term limitation for a lease under IC 4-13-1-4(10), the department may enter into a lease under subsection (a) for a term of not more than ninety-nine (99) years.

(c) Rent under a lease entered into under this section is one dollar (\$1) each year, payable in advance.

~~(d) A lease entered into under this section must require the department to provide, at no cost to the society, the following services in relation to the building, the exterior improvements, and the surrounding site:~~

- ~~(1) Management;~~
- ~~(2) Maintenance;~~
- ~~(3) Operation;~~
- ~~(4) Utilities (other than telephone services);~~
- ~~(5) Other services reasonably necessary to maintain the building, exterior improvements, and the surrounding site.~~

~~(e) A lease entered into under this section must provide that the lease terminates if the society or its successor vacates the building.~~

~~(f) (d) A lease entered into under this section may permit the building to house state activities or functions.~~

SECTION 55. IC 4-20.5-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section does not apply to enforcement matters that are the responsibility of the state police department under IC 10-11-2-28.

(b) The department shall maintain, equip, and operate the following:

- (1) The state capitol building.
- (2) The office buildings and other property owned or leased by the state for the use of an agency.

(c) The department has sole control and jurisdiction over the:

- (1) policies governing; and**
- (2) usage of;**

the Beth Bowen Meditation Room in the state capitol building.

SECTION 56. IC 4-22-2.6-4, AS ADDED BY P.L.249-2023, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) To readopt a rule, an agency must conduct a



review of the rule to consider the continued need for the rule and whether the rule, if readopted, will meet each of the standards in IC 4-22-2-19.5 and (if applicable) the requirements for fees, fines, and civil penalties in IC 4-22-2-19.6.

(b) In the review, the agency shall reexamine previous cost benefit, economic impact, fiscal impact, and regulatory burden statements prepared by the agency for the rule under IC 4-3-22-13, ~~IC 4-3-27-12~~, IC 4-22-2-22.7, IC 4-22-2-22.8, IC 4-22-2-28, IC 4-22-2.1-5, or an executive order and revise the statements to reflect any change in circumstances that affect the analysis. The agency shall identify any alternative methods of achieving the purpose of the rule that are less costly or less intrusive, or that would otherwise minimize the economic impact of the proposed rule on small businesses (as defined in IC 4-22-2.1-4) and other regulated entities. The agency also shall consider the following:

- (1) The nature of any complaints or comments received from the public, including small businesses (as defined in IC 4-22-2.1-4), concerning the rule or the rule's implementation by the agency.
- (2) The complexity of the rule, including any difficulties encountered by:
 - (A) the agency in administering the rule; or
 - (B) small businesses (as defined in IC 4-22-2.1-4) or other regulated persons in complying with the rule.
- (3) The degree to which technology, economic conditions, or other factors have changed in the area affected by the rule since the last time the rule was reviewed.

(c) The agency shall prepare written findings concerning the agency's determinations under this section.

SECTION 57. IC 4-23-34-7, AS ADDED BY P.L.3-2022, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. The chairperson shall call the first meeting of the commission before October 1, 2022. Thereafter, the commission shall meet quarterly. ~~All meetings must be convened at the Indiana World War Memorial in Indianapolis.~~ The commission may conduct a meeting electronically in accordance with the requirements set forth in IC 5-14-1.5-3.6.

SECTION 58. IC 4-23-34-9, AS ADDED BY P.L.3-2022, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. The Indiana department of ~~veterans' affairs~~ **natural resources** shall furnish the necessary staff support for the commission.

SECTION 59. IC 4-23-34-10, AS ADDED BY P.L.3-2022, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. The commission shall do the following:

- (1) Plan, encourage, develop, and coordinate an overall program in 2026 commemorating the history of the United States leading up to the 250th anniversary of the founding of the United States.
- (2) Encourage and assist state agencies (as defined in IC 4-13-1-1), counties, municipalities, townships, and private organizations in coordinating, organizing, and participating in activities that commemorate the semiquincentennial of the United States.
- (3) Plan and promote an event to occur on July 4, 2026. ~~at the World War Memorial in Indianapolis.~~
- (4) Give due consideration, in developing the plans for the program, to any related plans and programs developed by federal, state, local, and private groups.
- (5) Coordinate the commission's activities and projects with the United States Semiquincentennial Commission, community organizations, local municipalities, and other entities that the commission determines to be appropriate.
- (6) Create a logo that incorporates the America250 logo used by the America250 Foundation, Inc., and adds a design component specific to Indiana.

SECTION 60. IC 5-1.2-5-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ



AS FOLLOWS [EFFECTIVE JULY 1, 2027]: **Sec. 14. (a) The Indiana economic development corporation shall conduct a study on the feasibility of constructing, equipping, purchasing, leasing, renovating, refurbishing, or altering the Learning and Training Center located in Boone County.**

(b) The authority may, after receiving the feasibility study required in subsection (a), undertake and complete a project for the construction, equipping, purchasing, leasing, renovation, refurbishing, or alteration of the Learning and Training Center located in Boone County, including, subject to subsection (c), the borrowing of money or the issuance and sale of bonds, or both.

(c) Before borrowing money or issuing bonds, the authority shall review the feasibility plan and cost estimate for the project and present the authority's findings to the budget committee.

(d) This section may not be construed to authorize any additional construction or issuance of additional bonds or other evidence of indebtedness other than that described in subsection (b).

(e) The authority may enter into a public-private agreement for the project.

SECTION 61. IC 5-13-9-4, AS AMENDED BY P.L.117-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 4. (a) Each officer designated in section 1 of this chapter may, subject to the restrictions provided in IC 5-13-8-9(a) through IC 5-13-8-9(e), deposit, invest, or reinvest any funds that are held by the officer and available for investment in transaction accounts issued or offered by a designated depository of a political subdivision for the rates and terms agreed upon periodically by the officer making the investment and the designated depository.**

(b) The investing officer making a deposit in a certificate of deposit shall obtain quotes of the specific rates of interest for the term of that certificate of deposit that each designated depository will pay on the certificate of deposit. Quotes may be solicited and taken by telephone. A memorandum of all quotes solicited and taken shall be retained by the investing officer as a public record of the political subdivision under IC 5-14-3. If the deposit is not placed in the designated depository quoting the highest rate of interest, the investing officer shall:

(1) place the deposit in the depository quoting the second or third highest rate of interest; and

(2) note the reason for placing the deposit on the memorandum of quotes.

(c) If all of the designated depositories of a political subdivision decline to issue or receive any deposit account, or to issue or receive the deposit account at a rate of interest equal to the highest rate being offered other investors, investments may be made in the deposit accounts of any financial institution designated for state deposits as a depository by the state board of finance under IC 5-13-9.5.

(d) Counties and political subdivisions subject to the requirements of IC 5-13-8 and this chapter shall treat the local government investment pool established by section 11 of this chapter as a financial institution located within the state but not located in the county or political subdivision nor in a contiguous county.

(e) The seven (7) day yield published weekly by the treasurer of state shall act as a quote for purposes of this chapter.

SECTION 62. IC 5-13-9-11, AS AMENDED BY P.L.9-2024, SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 11. (a) The following definitions apply throughout this section:**

(1) "Clearinghouse" refers to the clearinghouse registered with the department of state revenue under IC 6-8.1-9.5-3.5.

(2) "Investment pool" means the local government investment pool established by subsection (b).

(3) "Board" refers to the Indiana local government investment pool board established by section 12 of this chapter.



(b) The local government investment pool is established within the office and custody of the treasurer of state.

(c) An officer designated in section 1 of this chapter may pay any funds held by the officer into the investment pool, **subject to the requirements provided in section 4 of this chapter**, for the purpose of deposit, investment, and reinvestment of the funds by the treasurer of state on behalf of the unit of government paying the funds into the investment pool.

(d) The treasurer of state may pay state funds into the investment pool for the purpose of deposit, investment, and reinvestment of the state funds.

(e) The treasurer of state shall establish an account in the investment pool for the operator of the clearinghouse. The treasurer shall hold amounts paid by the department of state revenue for deposit in the clearinghouse operator's account in the investment pool.

(f) Upon signed written request of the operator of the clearinghouse, the treasurer of state shall distribute the money in the operator's account established under subsection (e):

(1) to the operator of the clearinghouse; or

(2) to specific investment pool accounts of political subdivisions represented by the clearinghouse, if the written request submitted under this subsection specifies:

(A) the political subdivision to which the funds are to be disbursed;

(B) the specific amount of the funds to be disbursed; and

(C) the specific investment pool account to which the disbursement is owed.

The clearinghouse shall assume liability for any legal or administrative claims filed against a disbursement made by the treasurer of state that complies with this section.

(g) Any interest accrued by the investment pool on funds held in the operator's account shall be distributed to the political subdivisions at a rate equal to the percentage owed to that political subdivision based on the overall setoff paid by the department of state revenue. No interest shall accrue under this subsection on any fees owed to the clearinghouse under IC 6-8.1-9.5-10(b).

(h) The treasurer of state shall invest the funds in the investment pool in the same manner, in the same type of instruments, and subject to the same limitations provided for the deposit and investment of state funds by the treasurer of state under IC 5-13-10.5.

(i) The treasurer of state:

(1) shall administer the investment pool **in accordance with the policies of the board**; and

(2) **with the permission of the board**, may contract with accountants, attorneys, regulated investment advisors, money managers, and other finance and investment professionals to make investments and provide for the public accounting and legal compliance necessary to ensure and maintain the safety, liquidity, and yield of the investment pool.

(j) The treasurer of state shall **follow the policies established by the board**. ~~establish and make public the policies that the treasurer of state will follow to ensure the efficient administration of and accounting for the investment pool. The policies treasurer of state must provide ensure~~ the following:

~~(1) There is not a minimum time for which funds paid into the investment pool must be retained by the investment pool.~~

~~(2) (1)~~ The administrative expenses of the investment pool shall be accounted for by the treasurer of state and shall be paid from the earnings of the investment pool.

~~(3) (2)~~ The earnings of the investment pool in excess of the administrative expenses of the investment pool shall be credited to the state and each unit of government participating in the investment pool in a manner that equitably reflects the different amounts and terms of the state's



investment and each unit's investment in the investment pool.

~~(4) There is not a limit on the number of accounts that the state or a unit of government participating in the investment pool may establish within the investment pool.~~

~~(5) (3)~~ The state and each unit of government participating in the investment pool shall receive electronic or paper reports, including:

(A) a daily transaction confirmation, reflecting any activity in the state's or unit's account; and

(B) a monthly report showing:

(i) the state's or unit's investment activity in the investment pool; and

(ii) the performance and composition of the investment pool.

(4) Publish the seven (7) day yield of the local government investment pool every week to serve as a bid required for investment under section 4 of this chapter.

~~(6) The investment pool shall be audited at least annually by an independent auditing firm; with an electronic or a paper copy of the audit provided to the state and each unit of government participating in the pool.~~

~~(7) No less than fifty percent (50%) of funds available for investment shall be deposited in banks qualified to hold deposits of participating local government entities.~~

(k) A unit of government participating in the investment pool may elect to have any funds due from the state wired directly to the custodian bank of the investment pool for credit to the unit's investment pool account by submitting in writing a request to the state comptroller to wire the funds as directed. An election made by a unit of government under this subsection may be revoked at any time by the unit by submitting in writing a request to the state comptroller to cease wiring the funds as previously directed by the unit.

SECTION 63. IC 5-13-9-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 12. (a) As used in this section, "board" refers to the Indiana local government investment pool board established by subsection (c).**

(b) As used in this section, "investment pool" refers to the local government investment pool established by section 11(b) of this chapter.

(c) The Indiana local government investment pool board is established as a continuing board under the executive branch of state government. The purpose of the board is to establish policies for the investment of funds contributed to the investment pool.

(d) The board consists of the following seven (7) members:

(1) The treasurer of state.

(2) The director of the Indiana department of financial institutions.

(3) Two (2) members with practical experience with financial institutions, local government or public finance, or financial investments domiciled in Indiana, appointed by the president pro tempore of the senate.

(4) Two (2) members with practical experience with financial institutions, local government or public finance, or financial investments domiciled in Indiana, appointed by the speaker of the house of representatives.

(5) One (1) member with practical experience with financial institutions, local government or public finance, or financial investments domiciled in Indiana, appointed by the governor.

(e) A member appointed under subsection (d)(3), (d)(4), or (d)(5) serves a term of four (4) years and may be reappointed by the appointing authority.

(f) A member appointed under subsection (d)(1) or (d)(2) who ceases to hold the office or



qualification described in that subsection ceases to be a member of the board.

(g) The governor shall designate one (1) of the members as chairperson. The chairperson has one (1) vote on all matters voted on by the members.

(h) A member of the board who is appointed under subsection (d)(3), (d)(4), or (d)(5) serves a term that ends June 30 of the odd-numbered year four (4) years after appointment.

(i) The board shall meet at least four (4) times a year and at the call of the chairperson.

(j) Five (5) members of the board constitute a quorum. The affirmative votes of four (4) members are required to take any action.

(k) Each member of the board who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b) for each day that the member is engaged in the official business of the board. The member is also entitled to reimbursement for mileage, traveling expenses, and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(l) The expenses of the board shall be paid from the investment pool.

(m) The board shall establish policies regarding how the treasurer of state shall administer and invest the funds in the investment pool. The policies must provide the following:

(1) There is not a minimum time for which funds paid into the investment pool must be retained by the investment pool.

(2) There is not a limit on the number of accounts that the state or a unit of government participating in the investment pool may establish within the investment pool.

(3) The investment pool shall be audited at least annually by an independent auditing firm, with an electronic or paper copy of the audit provided to the state and each unit of government participating in the pool.

(4) Not less than fifty percent (50%) of funds available for investment shall be deposited in banks qualified to hold deposits of participating local government entities.

(n) The board may select and direct the treasurer of state to contract with accountants, attorneys, regulated investment advisors, money managers, and other finance and investment professionals to make investments and provide for the public accounting and legal compliance necessary to ensure and maintain the safety, liquidity, and yield of the investment pool.

SECTION 64. IC 5-13-10.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. In addition to any other statutory power to make investments under any other law:

(1) the treasurer of state, under the guidelines established by the state board of finance **and the Indiana local government investment pool board**; and

(2) any other public officer of the state authorized by statute or court order to make investments; may invest or reinvest funds held by the treasurer of state or other public officer in any combination of the investments authorized under this chapter. In making the investment, the public official shall comply with the requirements in this chapter that apply to the investment.

SECTION 65. IC 5-13-12-2, AS AMENDED BY P.L.9-2024, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The board for depositories consists of the governor, the treasurer of state, the state comptroller, the chairperson of the department of financial institutions, the chief examiner of the state board of accounts, and four (4) appointed members. For appointments after June 30, 2010, one (1) member shall be appointed by the speaker of the house of representatives, one (1) member shall be appointed by the president pro tempore of the senate, and two



(2) members shall be appointed by the governor. All appointed members must be residents of Indiana. The speaker of the house of representatives shall make the appointment to fill the first vacancy on the board, and the president pro tempore of the senate shall make the appointment to fill the second vacancy on the board that occurs after June 30, 2010. ~~In making the governor's two (2) appointments, the governor shall assure that no more than two (2) of the four (4) appointees identify with the same political party.~~ For appointments after June 30, 2010, all four (4) appointed members must be a chief executive officer or a chief financial officer of a depository at the time of the appointment if the depository is domiciled in Indiana. If the depository is not domiciled in Indiana, the appointee must be the most senior corporate officer of the depository with management or operational responsibility, or both, or the person designated to manage public funds for the depository that is located in Indiana. In making the governor's appointments, the governor shall provide for geographic representation of all regions of Indiana, including both urban and rural communities. In addition, the appointees must, at the time of the appointment, be employed by the following depositories:

- (1) One (1) member appointed by the governor who must be the chief executive officer or the chief financial officer of a depository that is a state chartered credit union.
- (2) One (1) member appointed by the governor who must be employed by a depository that:
 - (A) is not a state chartered credit union; and
 - (B) has total deposits of less than two hundred fifty million dollars (\$250,000,000).
- (3) The member appointed by the president pro tempore of the senate must be employed by a depository that:
 - (A) is not a state chartered credit union; and
 - (B) has total deposits of at least two hundred fifty million dollars (\$250,000,000) but less than one billion dollars (\$1,000,000,000).
- (4) The member appointed by the speaker of the house of representatives must be employed by a depository that:
 - (A) is not a state chartered credit union; and
 - (B) has total deposits of at least one billion dollars (\$1,000,000,000).

Total deposits shall be determined using the depository's reported deposits based on the information contained in the most recent June 30th FDIC Summary of Deposits, Market Share Selection for Indiana. The term of an appointed member is four (4) years from the effective date of the member's appointment. Each appointed member holds office for the term of this appointment and serves after the expiration of that appointment until the member's successor is appointed and qualified. An appointed member may be reappointed if the individual satisfies the requirements of this subsection at the time of the reappointment. Any appointed member may be removed from office by, and at the pleasure of, the appointing authority.

(b) The officers of the board consist of a chairman, a secretary-investment manager, a vice chairman, and other officers the board determines to be necessary. The governor shall name a member of the board to serve as its chairman. The treasurer of state shall serve as the secretary-investment manager of the board. The board, by majority vote, shall elect the other officers. Officers, except the secretary-investment manager, shall be named or elected for one (1) year terms in January of each year. The members and officers of the board are not entitled to any compensation for their services but are entitled to reimbursement for actual and necessary expenses on the same basis as state employees.

(c) Five (5) members of the board constitute a quorum for the transaction of business, and all actions of the board must be approved by at least a simple majority of those members voting on each individual business issue. The board may adopt, amend, or repeal bylaws and rules for the conduct of its meetings



and the number and times of its meetings. The board shall hold a regular meeting at least once semiannually and may hold other regular and special meetings as prescribed in its rules. All meetings of the board are open to the public under IC 5-14-1.5. However, the board shall discuss the following in executive session:

- (1) The financial strength of a particular financial institution.
- (2) The collateral requirements of a particular financial institution.
- (3) Any other matters concerning a particular financial institution.

All records of the board are subject to public inspection under IC 5-14-3. However, records regarding matters that are discussed in executive session are confidential.

(d) Two (2) days notice of the time and place of all meetings to determine and fix the assessment rate to be paid by depositories on account of insurance on public funds or the establishment or redetermination of the reserve for losses of the insurance fund shall be given by one (1) publication in a newspaper of general circulation printed and published in the city of Indianapolis. The time, place, notice, and waiver requirements for the members of the board for all meetings shall be determined by its rules. The secretary-investment manager of the board shall enter the board's proceedings at length in a record provided for that purpose, and the records of the proceedings shall be approved and signed respectively by the chairman or vice chairman and attested by the secretary-investment manager.

SECTION 66. IC 5-14-1.5-2.9, AS AMENDED BY P.L.68-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2.9. (a) This section does not apply to the following:

- (1) A meeting under section 6.1 of this chapter.
- (2) A state educational institution.
- (3) Subject to IC 8-1-1-8.1, a hearing noticed under IC 8-1-1-8, regarding which a stenographic record is required to be made and kept pursuant to IC 8-1-2-65.
- (4) A meeting conducted under IC 6-1.5-2-4, for which a record of the proceedings and any orders are required to be kept under IC 6-1.5-2-5.**

(b) This section applies only to the following:

- (1) A governing body of a state agency.
- (2) The following governing bodies of agencies that are not state agencies:
 - (A) The executive (as defined in IC 36-1-2-5), legislative body (as defined in IC 36-1-2-9), or fiscal body (IC 36-1-2-6) of a county, city, town, or township.
 - (B) A school board that has members who are elected.
 - (C) Any governing body that conducts the governing body's regular meetings in the same meeting room in which a governing body described in clause (A) or (B) conducts its regular meetings.

(c) Except as provided in subsection (e), a governing body shall provide on a publicly accessible platform of the public agency's choice, the following:

- (1) Live transmissions of the governing body's meetings.
- (2) Archived copies of the live transmissions described in subdivision (1). Each archived copy of a live transmission must provide access by links to the meeting's:
 - (A) agenda, if any;
 - (B) minutes, if any; and
 - (C) memoranda.

(d) A governing body shall include the website for live transmissions and archived copies of live transmissions in the meeting notice.



(e) If a governing body does not have Internet capability for live transmission of meetings, the governing body shall record the meeting and retain the recording as provided in subsection (f).

(f) The public agency is subject to the following:

(1) The public agency shall make a copy of the transmission or recording available for public inspection and copying or downloading for at least ninety (90) days after the date of the meeting. The public agency shall, at the public agency's discretion, permit a person to inspect and copy or download the transmission or recording:

(A) without charge, from a publicly accessible platform of the public agency's choosing; or

(B) from the public agency's data storage system:

(i) upon a request submitted by the person under IC 5-14-3-3; and

(ii) during the regular business hours of the public agency.

The public agency may charge a fee under IC 5-14-3-8 for providing a copy or downloaded copy under clause (B).

(2) More than ninety (90) days after the date of the meeting, the public agency may destroy the transmission or recording.

(g) A technological failure that disrupts or prevents the governing body from live streaming, recording, archiving, or maintaining a copy of a live transmission or recording of a meeting does not:

(1) prevent the governing body from conducting the meeting;

(2) affect the validity of an action taken by the governing body at the meeting;

(3) violate this chapter or any statute concerning the retention, preservation, or production of public records; or

(4) subject any person to civil or criminal liability.

SECTION 67. IC 5-22-1-3, AS AMENDED BY P.L.222-2005, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) Except as provided in ~~subsection (b)~~, **subsections (b) and (c)**, this article does not apply to the following types of activities:

(1) A contract between governmental bodies except for a contract authorized under this article.

(2) A public works project.

(3) A collective bargaining agreement between a governmental body and its employees.

(4) The employment relationship between a governmental body and an employee of the governmental body.

(5) An investment of public funds.

(6) A contract between a governmental body and a body corporate and politic.

(7) A contract for social services.

(8) A contract with a body corporate and politic.

(b) IC 5-22-3-7 applies to any:

(1) contract;

(2) project;

(3) agreement;

(4) employment relationship; or

(5) investment;

described in subsection (a).

(c) IC 5-22-15-26 applies to any proposal, contract, project, or agreement of the Indiana department of transportation, including any proposal, contract, project, or agreement obtained, entered into in accordance with, or otherwise covered by IC 8-23-9 to the extent that the bid does



not exceed the estimated cost of the project.

SECTION 68. IC 5-28-2-1.5, AS AMENDED BY P.L.214-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1.5. "Applicable tax credit" means a tax credit available under any of the following:

- (1) IC 6-3.1-13.
- (2) IC 6-3.1-17.1.**
- ~~(2)~~ **(3)** IC 6-3.1-19.
- ~~(3)~~ **(4)** IC 6-3.1-26.
- ~~(4)~~ **(5)** IC 6-3.1-30.
- ~~(5)~~ **(6)** IC 6-3.1-34.
- ~~(6)~~ **(7)** IC 6-3.1-36.
- ~~(7)~~ **(8)** IC 6-3.1-37.2.

SECTION 69. IC 5-28-6-9, AS AMENDED BY P.L.201-2023, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. (a) Subject to subsection (c), the aggregate amount of applicable tax credits that the corporation may certify:

- (1) for a state fiscal year each state fiscal year ending on or before June 30, 2025, for all taxpayers is two hundred fifty million dollars (\$250,000,000); and**
- (2) for each state fiscal year ending on or after July 1, 2025, for all taxpayers is three hundred million dollars (\$300,000,000). Each certification under this subdivision is subject to budget committee review.**

(b) For purposes of determining the amount of applicable tax credits that have been certified for a state fiscal year, the following apply:

- (1) An applicable tax credit is considered awarded in the state fiscal year in which the taxpayer can first claim the credit, determined without regard to any carryforward period or carryback period.
- (2) An applicable tax credit awarded by the corporation before July 1, 2022, shall be counted toward the aggregate credit limitation under this section.
- (3) If an accelerated credit is awarded under IC 6-3.1-26-15, the amount counted toward the aggregate credit limitation under this section for a state fiscal year shall be the amount of the credit for the taxable year described in subdivision (1) prior to any discount.

(c) Notwithstanding subsection (a), if the corporation determines that:

- (1) an applicable tax credit should be certified in a state fiscal year; and
- (2) certification of the applicable tax credit will result in an aggregate amount of applicable tax credits certified for that state fiscal year that exceeds the maximum amount provided in subsection (a);

the corporation may, after review by the budget committee, certify the applicable tax credit to the taxpayer.

(d) This section expires December 31, 2032.

SECTION 70. IC 6-1.1-10-54, AS ADDED BY HEA 1601-2025, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 54. (a) As used in this section, "designating body" means the fiscal body of:

- (1) a county that does not contain a consolidated city; or
- (2) a municipality.

(b) As used in this section, "eligible business" means an entity that meets the following requirements:

- (1) The entity is engaged in a business that:



- (A) operates; or
- (B) leases qualified property for use in;
one (1) or more facilities.
- (2) The entity's qualified property is located at a facility in Indiana.
- (3) The entity, the lessor of qualified property (if the entity is a lessee), and all lessees of qualified property invest in the aggregate at least one hundred million dollars (\$100,000,000) in real and personal property at one (1) or more facilities in Indiana after ~~May 1, 2025~~; **January 1, 2026**.
- (4) The average wage of employees who are located in the county or municipality and engaged in the operation of the facility is at least one hundred twenty-five percent (125%) of the county average wage for the county in which the facility operates.
- (c) As used in this section, "facility" has the meaning set forth in IC 6-2.5-15-5.
- (d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.
- (e) As used in this section, "municipality" has the meaning set forth in IC 36-1-2-11.
- (f) As used in this section, "qualified property" means quantum safe fiber network equipment purchased after ~~May 1, 2025~~; **January 1, 2026**, and any additions to or replacements to such property.
- (g) As used in this section, "quantum safe fiber network equipment" has the meaning set forth in IC 6-2.5-15-13.3.
- (h) A designating body may enter into an agreement with an eligible business to grant the eligible business a property tax exemption. In the case of a county, the exemption applies only to qualified property that is located in unincorporated territory of the county. In the case of a municipality, the exemption applies only to qualified property that is located in the municipality. The property tax exemption applies to the qualified property only if the designating body and the eligible business enter into an agreement concerning the property tax exemption. The agreement must specify the duration of the property tax exemption. The agreement may specify that if the ownership of qualified property is transferred by an eligible business, the transferee is entitled to the property tax exemption on the same terms as the transferor. If a designating body enters into an agreement with an eligible business, the qualified property owned by the eligible business is exempt from property taxation as provided in the resolution and the agreement.
- (i) If a designating body enters into an agreement under subsection (h) to provide a property tax exemption, the property tax exemption continues for the period specified in the agreement.

SECTION 71. IC 6-2.5-15-3, AS AMENDED BY HEA 1601-2025, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 3. As used in this chapter, "eligible costs" means expenditures made:

- (1) after December 31, 2018, for the development, acquisition, construction, and operation of a facility to be used as a qualified data center, including costs of land, buildings, site improvements, modular data centers, computer data center equipment acquisition and permitting, lease payments, site characterization and assessment, engineering, and design used directly and exclusively in a qualified data center; or
- (2) after ~~May 1, 2025~~; **January 1, 2026**, for the development, acquisition, construction, and operation of a facility to be used as part of a quantum computing research, advanced computing, and defense infrastructure network that is connected by quantum safe fiber network equipment and used for quantum research or advanced computing at, or related to, a qualified military installation in Indiana or the I-Light network, including costs of all quantum safe fiber network equipment, rights-of-way, conduit, other required access, land, buildings, site improvements, modular data



centers, computer data center equipment acquisition and permitting, lease payments, site characterization and assessment, engineering, and design used directly and exclusively as part of a quantum computing research, advanced computing, and defense infrastructure network.

SECTION 72. IC 6-3-2.1-6, AS ADDED BY P.L.1-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Except as otherwise provided in this section, an electing entity shall be subject to the obligation to make estimated tax payments under this article for the tax imposed under section 4 of this chapter in the same manner as applicable to corporations under IC 6-3-4-4.1(c).

(b) For taxable years ending on or before June 30, 2023, an electing entity is not required to make estimated tax payments.

(c) For taxable years ending after June 30, 2023, and on or before December 31, 2024, an electing entity shall make an estimated tax payment for the taxable years on or before the end of the taxable year. There shall be no penalty for underpayment of estimated tax, except to the extent the underpayment fails to equal or exceed fifty percent (50%) of the tax imposed by section 4 of this chapter for the taxable year.

(d) For taxable years ending after December 31, 2024, there shall be no penalty for underpayment of estimated tax, except to the extent ~~the one (1) or more payments required~~ during the taxable year fail to equal or exceed the lesser of ~~eighty percent (80%)~~ **twenty percent (20%)** of the tax imposed under this chapter for the taxable year or ~~one hundred percent (100%)~~ **twenty-five percent (25%)** of the tax imposed under this chapter for the preceding taxable year.

(e) In the event of an underpayment under subsection (c) or (d), the electing entity shall be subject to a penalty ~~in the amount at the rate~~ prescribed under IC 6-8.1-10-2.1(b) on the amount of the underpayment.

SECTION 73. IC 6-3-5-5, AS ADDED BY P.L.135-2022, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 5. (a) If the Indiana economic development corporation established by IC 5-28-3-1 enters into an agreement with a taxpayer for an economic development for a growing economy tax credit under IC 6-3.1-13, and the taxpayer elects to forgo claiming the credit against any state tax liability for that taxable year and requests the department to remit to the taxpayer an amount equal to the credit for the taxable year as set forth under IC 6-3.1-13-20(b), the provisions of this section shall apply.

(b) Before making a payment to a taxpayer under this section, the taxpayer shall provide to the department:

- (1) a copy of the taxpayer's agreement with the Indiana economic development corporation;
- (2) the credit awarded to the taxpayer for that taxable year; and
- (3) any other information required by the department.

(c) A payment by the department cannot exceed the actual incremental income tax withholdings collected by the department as a result of the employment of new employees subject to an agreement entered into under IC 6-3.1-13.

- (d) In the case of a credit awarded under IC 6-3.1-13 to a taxpayer that is a pass through entity, the:
- (1) pass through entity has the authority to make the election with regard to the credit;
 - (2) shareholders, partners, members, and beneficiaries of the pass through entity may not make an election separate from the pass through entity with regard to the credit;
 - (3) pass through entity is entitled to the payment allowable under this section; and
 - (4) pass through entity may not pass through any portion of the credit for which the pass through entity requests payment as a tax credit to the shareholders, partners, members, or beneficiaries of



the pass through entity.

(e) If a payment under this section is included in the federal adjusted gross income of an individual or the federal taxable income of any other entity, the payment must be treated as:

- (1) adjusted gross income from Indiana sources under this article and IC 6-5.5;
- (2) business income for purposes of this article; and
- (3) a receipt from Indiana sources for apportionment purposes under IC 6-3-2 and IC 6-5.5-4.

(f) For purposes of offsetting refunds and overpayments, a payment under this section is treated as an overpayment of tax under this article and IC 6-5.5 for purposes of IC 6-8.1-9-2, IC 6-8.1-9.5, and IC 6-8.1-9.7.

(g) A payment under this section is subject to IC 6-3.1-13-22 in the same manner as if the payment had been claimed as a credit.

(h) If all or a portion of a payment under this section is determined to have been made in error or is subject to assessment under IC 6-3.1-13-22, the department may issue an assessment for repayment of such amount before the later of:

- (1) ten (10) years from the date of the payment; or
- (2) three (3) years from the date the Indiana economic development corporation notifies the department of the taxpayer's noncompliance pursuant to IC 6-3.1-13-22.

(i) An assessment for repayment shall be treated as a proposed assessment for purposes of administrative review and judicial appeal under IC 6-8.1-5. However, review of the Indiana economic development corporation's determination of noncompliance shall be limited to an abuse of discretion by the Indiana economic development corporation.

(j) For purposes of this section, an election for payment in lieu of claiming the credit under IC 6-3.1-13 for a taxable year is not allowed if:

- (1) the taxpayer has claimed all or part of the credit for the taxable year;
- (2) in the case of a taxpayer who is a pass through entity, the taxpayer passes through all or part of the credit as a tax credit, regardless of whether the pass through entity subsequently provides information to the department, the Indiana economic development corporation, or any other affected person or entity, that the credit should not be passed through as a tax credit or whether the credit otherwise has been claimed as a tax credit; or
- (3) the taxpayer makes the election after the due date of the taxpayer's return under IC 6-3, IC 6-5.5, IC 6-8-15, or IC 27-1-18-2, determined without regard to extensions, on which it would have claimed the credit for which the taxpayer is requesting payment under this section.

(k) The amount needed to make a payment under this section shall be paid from funds appropriated to the Indiana economic development corporation for business promotion and innovation. ~~or from the statewide innovation development district fund established by IC 36-7-32.5-20.~~ Payments made under this section are subject to available funding.

SECTION 74. IC 6-3.1-13-20, AS AMENDED BY P.L.135-2022, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 20. (a) Except as provided in subsection (b), a taxpayer claiming a credit under this chapter must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department determines necessary for the calculation of the credit provided by this chapter and the determination of whether the credit was properly claimed.

(b) Notwithstanding subsection (a), if a taxpayer is entitled to a credit under this chapter, the taxpayer



may, with the approval of the corporation, elect to forgo claiming the credit against any state tax liability and submit the credit to the department with a request to receive a payment from the corporation, to be paid from funds appropriated to the corporation for business promotion and innovation ~~or from the statewide innovation development district fund established by IC 36-7-32.5-20~~; that is equal to the credit for that taxable year as provided in IC 6-3-5-5.

SECTION 75. IC 6-3.1-13-29 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2025]: **Sec. 29. A tax credit awarded under this chapter is subject to the limitations set forth in IC 5-28-6-9.**

SECTION 76. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) Except as provided in section 5 of this chapter **and subject to IC 5-28-6-9**, a taxpayer is entitled to a credit against the taxpayer's state and local tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by twenty-five percent (25%).

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of property redeveloped or rehabilitated under section 2 of this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department. The taxpayer may not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

(e) If a pass through entity is entitled to a credit under this chapter but does not have state and local tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same investment.

(f) A taxpayer that is otherwise entitled to a credit under this chapter for a taxable year may claim the credit regardless of whether any income tax incremental amount or gross retail incremental amount has been:

- (1) deposited in the incremental tax financing fund established for the community revitalization enhancement district; or
- (2) allocated to the district.

SECTION 77. IC 6-3.1-19-7 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2025]: **Sec. 7. A tax credit provided under this chapter is subject to the limitations set forth in IC 5-28-6-9.**

SECTION 78. IC 6-3.1-26-14, AS AMENDED BY P.L.158-2019, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. **Subject to IC 5-28-6-9**, the total amount of a tax credit claimed for a taxable year under this chapter is a percentage determined by the corporation, not to exceed:



(1) ten percent (10%), of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year, if the qualified investment is not a logistics investment;

(2) twenty-five percent (25%) of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year, if the qualified investment is a logistics investment. For purposes of this subdivision, the amount of a qualified investment that is used to determine the credit is limited to the difference of:

(A) the qualified investments made by the taxpayer during the taxable year; minus

(B) one hundred five percent (105%) of the average annual qualified investments made by the taxpayer during the two (2) taxable years immediately preceding the taxable year for which the credit is being claimed. However, if the total of the qualified investments for the earlier year of the two (2) year average is zero (0) and the taxpayer has not claimed the credit for a year that precedes that year, the taxpayer shall subtract only one hundred five percent (105%) of the amount of the qualified investments made during the taxable year immediately preceding the taxable year for which the credit is being claimed; and

(3) for taxable years beginning after December 31, 2018, and before January 1, 2030, fifteen percent (15%) of the amount of a qualified investment made by a taxpayer in Indiana during that taxable year, if the qualified investment made is described under section 8(a)(11) of this chapter.

The taxpayer may carry forward any unused credit as provided in section 15 of this chapter.

SECTION 79. IC 6-3.1-26-27 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 27. A tax credit awarded under this chapter is subject to the limitations set forth in IC 5-28-6-9.**

SECTION 80. IC 6-3.1-30-8, AS AMENDED BY P.L.135-2022, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 8.** Subject to entering into an agreement with the corporation under sections 14 and 15 of this chapter if the corporation certifies that a taxpayer:

- (1) is an eligible business;
- (2) completes a qualifying project; and
- (3) incurs relocation costs;

the taxpayer is entitled to a credit against the taxpayer's state tax liability for the taxable year in which the relocation costs are incurred. **Subject to IC 5-28-6-9**, the credit allowed under this section is equal to the amount determined under section 9 of this chapter.

SECTION 81. IC 6-3.1-30-17 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 17. A tax credit awarded under this chapter is subject to the limitations set forth in IC 5-28-6-9.**

SECTION 82. IC 6-3.1-34-11, AS AMENDED BY P.L.159-2021, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 11.** (a) **Subject to IC 5-28-6-9**, a taxpayer may claim a credit against the taxpayer's state tax liability for a taxable year only if the corporation awards a credit to the taxpayer and enters into an agreement with the taxpayer as set forth under this chapter. The corporation may establish an application period for applying for awards. If an application period is established, the corporation shall establish policies and procedures necessary to administer the application period. The corporation may deny an application for a credit under this chapter in its sole discretion. A taxpayer may not seek judicial review of a decision by the corporation to deny a taxpayer's application for a credit.

(b) The amount of the credit that a taxpayer may claim is equal to:

- (1) the qualified investment made by the taxpayer and certified and approved by the corporation in



accordance with an agreement entered into under section 17 of this chapter for a taxable year; multiplied by

(2) the applicable credit percentage determined by the corporation under section 17(b) and 17(c) of this chapter.

(c) If a pass through entity may claim a credit under this section but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, beneficiary, or member of the pass through entity may claim a credit equal to:

(1) the credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income that the shareholder, partner, beneficiary, or member may claim.

The credit provided under this subsection is in addition to a credit that a shareholder, partner, beneficiary, or member of a pass through entity may claim. However, a pass through entity and a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified investment.

(d) Notwithstanding subsections (a), (b), and (c), a pass through entity (other than an entity described in IC 6-3-1-35(1)) and its partners, beneficiaries, or members may allocate the credit among its partners, beneficiaries, or members of the pass through entity as provided by written agreement without regard to their sharing of other tax or economic attributes. Such agreements shall be filed with the corporation not later than fifteen (15) days after execution. The pass through entity shall also provide a copy of such agreements, a list of partners, beneficiaries, or members of the pass through entity, and their respective shares of the credit resulting from such agreements in the manner prescribed by the department of state revenue.

SECTION 83. IC 6-3-1-34-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 23. A tax credit awarded under this chapter is subject to the limitations set forth in IC 5-28-6-9.**

SECTION 84. IC 6-7-1-0.4, AS ADDED BY P.L.220-2011, SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 0.4. **(a)** Notwithstanding section 14 of this chapter, revenue stamps paid for before July 1, 2007, and in the possession of a distributor may be used after June 30, 2007, only if the full amount of the tax imposed by section 12 of this chapter, as effective after June 30, 2007, and as amended by P.L.218-2007, is remitted to the department under the procedures prescribed by the department.

(b) Notwithstanding section 14 of this chapter, revenue stamps paid for before July 1, 2025, and in the possession of a distributor may be used after June 30, 2025, only if the full amount of the tax imposed by section 12 of this chapter, as amended and effective after June 30, 2025, is remitted to the department under the procedures prescribed by the department.

SECTION 85. IC 6-7-1-12, AS AMENDED BY P.L.191-2016, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. The following taxes are imposed, and shall be collected and paid as provided in this chapter, upon the sale, exchange, bartering, furnishing, giving away, or otherwise disposing of cigarettes within the state of Indiana:

(1) On cigarettes weighing not more than three (3) pounds per thousand (1,000), a tax at the rate of ~~four and nine hundred seventy-five thousandths cents (\$0.04975)~~ **fourteen and nine hundred seventy-five thousandths cents (\$0.14975)** per individual cigarette.

(2) On cigarettes weighing more than three (3) pounds per thousand (1,000), a tax at the rate of ~~six and six hundred twelve thousandths cents (\$0.06612)~~ **nineteen and nine hundred two thousandths**



cents (\$0.19902) per individual cigarette, except that if any cigarettes weighing more than three (3) pounds per thousand (1,000) shall be more than six and one-half (6 1/2) inches in length, they shall be taxable at the rate provided in subdivision (1), counting each two and three-fourths (2 3/4) inches (or fraction thereof) as a separate cigarette.

SECTION 86. IC 6-7-1-28.1, AS AMENDED BY P.L.201-2023, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 28.1. The taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:

(1) ~~Four and twenty-two hundredths percent (4.22%)~~ **One and seventy-six hundredths percent (1.76%)** of the money shall be deposited in a fund to be known as the cigarette tax fund.

(2) The following amount of the money shall be deposited in the state general fund:

(A) After June 30, 2011, and before July 1, 2013, sixty and twenty-four hundredths percent (60.24%).

(B) After June 30, 2013, and before July 1, 2023, fifty-six and twenty-four hundredths percent (56.24%).

(C) After June 30, 2023, fifty-six and eighty-four hundredths percent (56.84%).

(D) After June 30, 2025, twenty-three and sixty-seven hundredths percent (23.67%).

(3) ~~Five and forty-three hundredths percent (5.43%)~~ **Two and twenty-six hundredths percent (2.26%)** of the money shall be deposited into the pension relief fund established in IC 5-10.3-11.

(4) ~~Twenty-seven and five hundredths percent (27.05%)~~ **Eleven and twenty-six hundredths percent (11.26%)** of the money shall be deposited in the healthy Indiana plan trust fund established by IC 12-15-44.2-17.

(5) ~~Two and forty-six hundredths percent (2.46%)~~ **Fifty-nine and thirty-eight hundredths percent (59.38%)** of the money shall be deposited in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations. ~~for provider reimbursements.~~

(6) The following amount of the money shall be deposited in the state retiree health benefit trust fund established by IC 5-10-8-8.5 as follows:

(A) Before July 1, 2011, five and seventy-four hundredths percent (5.74%).

(B) After June 30, 2011, and before July 1, 2013, zero percent (0%).

(C) After June 30, 2013, four percent (4%).

(D) After June 30, 2025, one and sixty-seven hundredths percent (1.67%).

The money in the cigarette tax fund, the healthy Indiana plan trust fund, or the pension relief fund at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (2) shall be reduced by the amount of that difference. Money deposited under subdivisions (5) through (6) may not be used for any purpose other than the purpose stated in the subdivision.

SECTION 87. IC 6-7-2-7, AS AMENDED BY P.L.236-2023, SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) A tax is imposed on the distribution of tobacco products in Indiana at the following rates:

(1) ~~Twenty-four percent (24%)~~ **Thirty percent (30%)** of the wholesale price of tobacco products other than moist snuff.

(2) For moist snuff, ~~forty cents (\$0.40)~~ **fifty cents (\$0.50)** per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce



carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(3) For cigars ~~twenty-four percent (24%)~~ **thirty percent (30%)** of the wholesale price of a cigar. However the tax imposed per cigar shall not exceed ~~one dollar (\$1)~~ **three dollars (\$3)**.

(b) A tax is imposed on the distribution of alternative nicotine products in Indiana at a rate of ~~forty cents (\$0.40)~~ **fifty cents (\$0.50)** per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce, calculated based upon the product weight as listed by the manufacturer. If the tax calculated for a fractional part of an ounce carried to the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(c) The distributor of the tobacco products or alternative nicotine products is liable for the tax imposed under subsections (a) or (b). The tax is imposed at the time the distributor:

- (1) brings or causes tobacco products or alternative nicotine products to be brought into Indiana for distribution;
- (2) manufactures tobacco products or alternative nicotine products in Indiana for distribution;
- (3) transports tobacco products or alternative nicotine products to retail dealers in Indiana for resale by those retail dealers; or
- (4) first receives the tobacco products or alternative nicotine products in Indiana in the case of a distributor or distributor transactions.

(d) The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.

(e) A consumer who purchases untaxed tobacco products or alternative nicotine products from a distributor or retailer is liable for the tax imposed under subsections (a) or (b).

SECTION 88. IC 6-7-2-7.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7.5. (a) A tax is imposed on the distribution of closed system cartridges in Indiana at the rate of ~~fifteen percent (15%)~~ **thirty percent (30%)** of the wholesale price of the closed system cartridge. If a closed system cartridge is sold in the same package as a vapor product device, the tax imposed under this subsection shall only apply to the wholesale price of the closed system cartridge if the wholesale cost of the closed system cartridge can be isolated from the vapor product device on the invoice.

(b) The distributor of closed system cartridges, including a person that sells closed system cartridges through ~~an Internet web site; a website~~, is liable for the tax imposed under subsection (a). The tax is imposed at the time the distributor:

- (1) brings or causes closed system cartridges to be brought into Indiana for distribution;
- (2) manufactures closed system cartridges in Indiana for distribution; or
- (3) transports closed system cartridges to retail dealers in Indiana for resale by those retail dealers.

(c) A consumer who purchases untaxed closed system cartridges from a distributor or retailer is liable for the tax imposed under subsection (a).

SECTION 89. IC 6-7-2-17, AS AMENDED BY P.L.234-2007, SECTION 202, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17. The department shall deposit ~~twenty-five percent (25%)~~ **nineteen and forty-one hundredths percent (19.41%)** of the taxes, registration fees, fines, or penalties collected under this chapter in the affordable housing and community development fund established by IC 5-20-4-7. The remainder of the taxes, registration fees, fines, or penalties collected under this chapter shall be deposited as provided in IC 6-7-1-28.1.

SECTION 90. IC 6-7-4-9, AS AMENDED BY P.L.118-2024, SECTION 17, IS AMENDED TO



READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. (a) An excise tax, known as the electronic cigarette tax, is imposed on the retail sale of consumable material and vapor products in Indiana.

(b) The electronic cigarette tax equals ~~fifteen percent (15%)~~ **thirty percent (30%)** of the gross retail income received by the retail dealer for the sale.

(c) The person who acquires consumable material or vapor products in a retail transaction is liable for the tax on the transaction, and, except as otherwise incorporated in this chapter, shall pay the tax to the retail dealer as a separate added amount to the consideration in the transaction. A retail dealer that either:

- (1) has a physical presence in Indiana, as described in IC 6-2.5-2-1(c); or
- (2) meets the threshold in IC 6-2.5-2-1(d);

shall collect and remit the tax as an agent for the state.

(d) If the tax is not collected by the retail dealer, the consumer is responsible to remit the tax to the department. A retail dealer that is required to collect and remit tax under this chapter is jointly and severally liable for uncollected tax absent proof of exemption or payment by the purchaser.

(e) Before the fifteenth day of each month, each retail dealer liable for the collection and remittance of the tax imposed by this chapter shall:

- (1) file a return with the department that includes all information required by the department including, but not limited to:
 - (A) the name of the retail dealer;
 - (B) the address of the retail dealer; and
 - (C) the certificate number of the retail dealer's electronic cigarette retail dealer's certificate; and
- (2) pay the tax for which it is liable under this chapter for the preceding month.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

(f) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter.

(g) A marketplace facilitator (as defined in IC 6-2.5-1-21.9) who is considered a retail merchant under IC 6-2.5-4-18 for a transaction to which this chapter applies shall collect and remit electronic cigarette taxes imposed on the retail transaction.

SECTION 91. IC 6-7-4-13, AS ADDED BY P.L.165-2021, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 13. ~~At~~ **The** revenue from the tax imposed by this chapter must be deposited **according to the following:**

- (1) **Sixty and eighty-one hundredths percent (60.81%)** in the state general fund.
- (2) **Thirty-nine and nineteen hundredths percent (39.19%) in the state general fund for the purpose of paying appropriations for Medicaid—Current Obligations.**

SECTION 92. IC 6-8.1-3-17, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17. (a) Before an original tax appeal is filed with the tax court under IC 33-26, the commissioner, or the taxpayer rights advocate office to the extent granted the authority by the commissioner, may settle any tax liability dispute if a substantial doubt exists as to:

- (1) the constitutionality of the tax under the Constitution of the State of Indiana;
- (2) the right to impose the tax;
- (3) the correct amount of tax due;



- (4) the collectability of the tax; or
- (5) whether the taxpayer is a resident or nonresident of Indiana.

(b) After an original tax appeal is filed with the tax court under IC 33-26, and notwithstanding IC 4-6-2-11, the commissioner may settle a tax liability dispute with an amount in contention of twenty-five thousand dollars (\$25,000) or less. Notwithstanding IC 6-8.1-7-1(a), the terms of a settlement under this subsection are available for public inspection.

(c) The department shall establish an amnesty program for taxpayers having an unpaid tax liability for a listed tax that was due and payable for a tax period ending before ~~January 1, 2013~~; **January 1, 2023**. A taxpayer is not eligible for the amnesty program:

- (1) for any tax liability resulting from the taxpayer's failure to comply with IC 6-3-1-3.5(b)(3) with regard to the tax imposed by IC 4-33-13 or IC 4-35-8; or
- (2) if the taxpayer participated in any previous amnesty program under:
 - (A) this section (as in effect on ~~December 31, 2014~~; **December 31, 2024**); or
 - (B) IC 6-2.5-14.

The time in which a voluntary payment of tax liability may be made (or the taxpayer may enter into a payment program acceptable to the department for the payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer) under the amnesty program is limited to the period determined by the department, not to exceed eight (8) regular business weeks ending before the earlier of the date set by the department or ~~January 1, 2017~~; **January 1, 2027**.

(d) The amnesty program must provide that, upon payment by a taxpayer to the department of all listed taxes due from the taxpayer for a tax period (or payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer), entry into an agreement that the taxpayer is not eligible for any other amnesty program that may be established and waives any part of interest and penalties on the same type of listed tax that is being granted amnesty in the current amnesty program, and compliance with all other amnesty conditions adopted under a rule of the department in effect on the date the voluntary payment is made, the department:

- (1) shall abate and not seek to collect any interest, penalties, collection fees, or costs that would otherwise be applicable;
- (2) shall release any liens imposed;
- (3) shall not seek civil or criminal prosecution against any individual or entity; and
- (4) shall not issue, or, if issued, shall withdraw, an assessment, a demand notice, or a warrant for payment under IC 6-8.1-5-1, IC 6-8.1-5-3, IC 6-8.1-8-2, or another law against any individual or entity;

for listed taxes due from the taxpayer for the tax period for which amnesty has been granted to the taxpayer. Amnesty granted under ~~this~~ subsection (c) is binding on the state and its agents. However, failure to pay to the department all listed taxes due for a tax period invalidates any amnesty granted under ~~this~~ subsection (c) for that tax period. The department shall conduct an assessment of the impact of the tax amnesty program on tax collections and an analysis of the costs of administering the tax amnesty program. As soon as practicable after the end of the tax amnesty period, the department shall submit a copy of the assessment and analysis to the legislative council in an electronic format under IC 5-14-6. The department shall enforce an agreement with a taxpayer that prohibits the taxpayer from receiving amnesty in another amnesty program.



~~(d)~~ (e) For purposes of subsection (c), a liability for a listed tax is due and payable if:

- (1) the department has issued:
 - (A) an assessment of the listed tax under IC 6-8.1-5-1;
 - (B) a demand for payment under IC 6-8.1-5-3; or
 - (C) a demand notice for payment of the listed tax under IC 6-8.1-8-2;
- (2) the taxpayer has filed a return or an amended return in which the taxpayer has reported a liability for the listed tax; or
- (3) the taxpayer has filed a written statement of liability for the listed tax in a form that is satisfactory to the department.

~~(e)~~ (f) The department may waive interest and penalties if the general assembly enacts a change in a listed tax for a tax period that increases a taxpayer's tax liability for that listed tax after the due date for that listed tax and tax period. However, such a waiver shall apply only to the extent of the increase in tax liability and only for a period not exceeding sixty (60) days after the change is enacted. The department may adopt rules under IC 4-22-2 or issue guidelines to carry out this subsection.

SECTION 93. IC 6-8.1-3-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 24.5. The department may adopt rules under IC 4-22-2 to carry out a tax amnesty program under section 17 of this chapter.**

SECTION 94. IC 6-8.1-3-25, AS AMENDED BY P.L.165-2021, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 25. Notwithstanding any other law, the department shall deposit the amounts collected under a tax amnesty program carried out under section 17 of this chapter after ~~June 30, 2015~~, **June 30, 2025**, as follows:

- (1) County income tax collected under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7 (all repealed January 1, 2017) shall be distributed to counties in the same manner as otherwise provided by the appropriate chapter of the Indiana Code.
- (2) Eight percent (8%) of inheritance tax collected for resident decedents shall be distributed to counties in the manner provided under IC 6-4.1-9-6.
- (3) County innkeeper's tax collected shall be deposited as required by IC 6-9.
- (4) County and municipal food and beverage tax collected shall be deposited as required by IC 6-9.
- (5) County admissions taxes collected shall be deposited as required by IC 6-9-13 and IC 6-9-28.
- (6) Aircraft license excise tax collected shall be deposited as required by IC 6-6-6.5-21.
- (7) Auto rental excise tax collected shall be deposited as required by IC 6-6-9-11.
- (8) Supplemental auto rental excise tax shall be deposited as otherwise required by the appropriate chapter of the Indiana Code.
- (9) Financial institutions tax collected shall be deposited as required by IC 6-5.5-8-2.
- (10) ~~After making the deposits required under subdivisions (1) through (9), the first eighty-four million dollars (\$84,000,000) collected must be deposited into the Indiana regional cities development fund established by IC 5-28-38-2 (before its repeal).~~
- (11) ~~After making the deposits required under subdivisions (1) through (10), the next six million dollars (\$6,000,000) collected shall be transferred to the Indiana department of transportation to reimburse the Indiana department of transportation for money expended by the Indiana department of transportation under IC 8-23-2-18.5 (before its expiration) for the operation of the Hoosier State Rail Line. However, the total amount transferred under this subdivision to the Indiana department of transportation may not exceed the lesser of:~~
 - ~~(A) six million dollars (\$6,000,000); or~~



(B) the total amount expended by the Indiana department of transportation under IC 8-23-2-18.5 (before its expiration) for the operation of the Hoosier State Rail Line after June 30, 2015; and before July 1, 2017.

(12) After making the deposits required under subdivisions (1) through (11), the next forty-two million dollars (\$42,000,000) collected must be deposited into the Indiana regional cities development fund established by IC 5-28-38-2 (before its repeal). The amount deposited under this subdivision is appropriated to the Indiana economic development corporation for the purposes of the Indiana regional cities development fund.

(13) After making the deposits required under subdivisions (1) through (12), the next twenty-nine million eight hundred seventy thousand dollars (\$29,870,000) shall be transferred as follows:

(A) Eight million seven hundred thousand dollars (\$8,700,000) to the Indiana public retirement system for credit to the Indiana public employees' retirement fund established by IC 5-10.3-2-1.

(B) Twenty million seven hundred thousand dollars (\$20,700,000) to the Indiana public retirement system for credit to the pre-1996 account of the Indiana state teachers' retirement fund established by IC 5-10.4-2-1.

(C) Seventy thousand dollars (\$70,000) to the Indiana public retirement system for credit to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan established by IC 5-10.5.5-2.

(D) Two hundred thousand dollars (\$200,000) to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police pre-1987 benefit system.

(E) Two hundred thousand dollars (\$200,000) to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police 1987 benefit system.

The amounts transferred under this subdivision shall be used to pay costs that must be paid for any thirteenth check payments or similar supplemental check payments that are enacted by the general assembly and made to the members and beneficiaries of a public pension plan under HEA 1161-2016. The amounts transferred under this subdivision are appropriated for the purposes of this subdivision.

(14) After making the deposits required under subdivisions (1) through (13), the next ten million dollars (\$10,000,000) shall be deposited into the next generation Hoosier educators scholarship fund established by IC 21-12-16-3.

(15) **(10) After making the deposits in subdivisions (1) through (9), any remaining amounts collected must be deposited into the state general fund.**

SECTION 95. IC 6-8.1-10-12, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. (a) This section applies to a penalty related to a tax liability to the extent that the:

(1) tax liability is for a listed tax;

(2) tax liability was due and payable, as determined under IC 6-8.1-3-17(d); **IC 6-8.1-3-17(e)**, for a tax period ending before ~~January 1, 2013~~; **January 1, 2023**;

(3) department establishes an amnesty program for the tax liability under IC 6-8.1-3-17(c);

(4) individual or entity from which the tax liability is due was eligible to participate in the amnesty program described in subdivision (3); and

(5) tax liability is not paid:

(A) in conformity with a payment program acceptable to the department that provides for payment of the unpaid listed taxes in full in the manner and time established in a written payment



program agreement entered into between the department and the taxpayer under IC 6-8.1-3-17(c);
or

(B) if clause (A) does not apply, before the end of the amnesty period established by the department.

(b) Subject to subsection (c), if a penalty is imposed or otherwise calculated under any combination of:

- (1) IC 6-8.1-1-8;
- (2) section 2.1 of this chapter;
- (3) section 3 of this chapter;
- (4) section 3.5 of this chapter;
- (5) section 4 of this chapter;
- (6) section 5 of this chapter;
- (7) section 6 of this chapter;
- (8) section 7 of this chapter;
- (9) section 9 of this chapter; or
- (10) IC 6-6;

an additional penalty is imposed under this section. The amount of the additional penalty imposed under this section is equal to the sum of the penalties imposed or otherwise calculated under the provisions listed in subdivisions (1) through (10).

(c) The additional penalty provided by subsection (b) does not apply if all of the following apply:

- (1) The department imposes a penalty on a taxpayer or otherwise calculates the penalty under the provisions described in subsection (b)(1) through (b)(10).
- (2) The taxpayer against whom the penalty is imposed:
 - (A) timely files an original tax appeal in the tax court under IC 6-8.1-5-1; and
 - (B) contests the department's imposition of the penalty or the tax on which the penalty is based.
- (3) The taxpayer meets all other jurisdictional requirements to initiate the original tax appeal.
- (4) Either the:
 - (A) tax court enjoins collection of the penalty or the tax on which the penalty is based under IC 33-26-6-2; or
 - (B) department consents to an injunction against collection of the penalty or tax without entry of an order by the tax court.

(d) The additional penalty provided by subsection (b) does not apply if the taxpayer:

- (1) has a legitimate hold on making the payment as a result of an audit, bankruptcy, protest, taxpayer advocate action, or another reason permitted by the department;
- (2) had established a payment plan with the department before ~~May 12, 2015~~; **May 15, 2025**; or
- (3) verifies with reasonable particularity that is satisfactory to the commissioner that the taxpayer did not ever receive notice of the outstanding tax liability.

SECTION 96. IC 8-1-2-70, AS AMENDED BY P.L.213-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 70. In its order upon any investigation made under the provisions of this chapter, IC 8-1.5-3, or IC 8-1.5-6, either upon complaint against any municipal utility, upon the petition of any such municipal utility, or upon the initiation of the commission, the commission shall ascertain and declare the expenses incurred by it upon such investigation, and the municipal utility affected thereby shall pay into the ~~commission public utility fund account described in IC 8-1-6-2~~ **state general fund under IC 8-1-6-2(b)** the amount of the expenses, so ascertained and



declared, within a time to be fixed in the order, not exceeding twenty (20) days from the date thereof. The commission shall cause a certified copy of all such orders to be delivered to an officer or agent of the municipal utility affected thereby, and all such orders shall, of their own force, take effect and become operative twenty (20) days after service thereof unless a different time be provided in said order. Any order of the commission as may increase any rate of such municipal utility shall not take effect until such expenses are paid into the commission public utility fund account described in IC 8-1-6-2.

SECTION 97. IC 8-1-2-85, AS AMENDED BY P.L.136-2018, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 85. The commission shall charge every municipality receiving permission from it to issue any bonds, notes, or other securities an amount equal to twenty-five cents (\$.25) for each one hundred dollars (\$100) for such bonds, notes, or other securities, but in no case shall the fee be less than one hundred dollars (\$100). All of such fees assessed under this section shall be paid to the secretary of the commission within thirty (30) days of the receipt of the bond proceeds by the municipality and only if the bonds, notes, or other securities are issued. The fees collected by the secretary shall be paid into the state treasury and deposited in the ~~commission public utility fund account established under IC 8-1-6~~, **state general fund under IC 8-1-6-2(b)**, as if they were fees collected under IC 8-1-6.

SECTION 98. IC 8-1-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) It is declared to be the public policy of this state that in order to maintain and foster the effective regulation of the public utilities, in the interests of the people of the state of Indiana and the public utilities as well, the public utilities subject to regulation and which enjoy the privilege of operating as public utilities in this state shall bear the expense of administering the provisions of IC 8-1-1 and IC 8-1-2 by means of a public utility fee on such privilege measured by the annual gross revenue of such public utilities in the manner provided in this chapter. That expense shall be determined by totaling the budgets, approved by the general assembly in its appropriation act for the years to be billed, of the commission and the utility consumer counselor, including expert witness fees. The sum of two hundred fifty thousand dollars (\$250,000) shall be added to that total for the use of the commission and the utility consumer counselor as a contingency fund, with expenditures from that fund subject to prior approval of the governor and state budget agency. The proceeds from the public utility fee shall be paid to the commission and deposited in the **state general fund for appropriation to the regulation of public utilities. public utility fund which is hereby created in the state treasury**. If the reports required to be submitted to the commission under section 5 of this chapter reveal that the amounts to be collected for the fiscal year from the public utilities, when added together, plus the ~~unexpended balance of the public utility fund account~~ **amount deposited in the state general fund under this section** at the end of the fiscal year will exceed the total of the expenses plus the contingency fund, the commission shall compute the amount of each public utility's proportionate share of the excess sum. The commission shall, as promptly as possible, notify each public utility of the amount of its proportionate share of such excess and that amount shall be deducted from the subsequent payment of any fees imposed on such utility under section 4 of this chapter.

(b) If the sum of the actual expenditures of the commission and the utility consumer counselor are less than the appropriations therefor by the general assembly, the difference between the actual expenditures and the appropriations shall be subject to the credit provision provided in this section and each utility's proportionate share of that difference shall be deducted from the subsequent payment of any fee imposed on that utility under section 4 of this chapter.

SECTION 99. IC 8-1-6-2, AS AMENDED BY P.L.136-2018, SECTION 60, IS AMENDED TO



READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) All fees prescribed by this chapter shall be paid into the treasury of the state of Indiana through the secretary of the commission, a quietus shall be issued, and the fees shall be deposited into **the state general fund.** ~~an account to be known as the commission public utility fund account.~~ This account shall be used for enforcing the provisions of IC 8-1-1 and IC 8-1-2 and shall be utilized only for the purpose of funding the expenses of the commission and the consumer counselor in amounts not in excess of their respective appropriations by the general assembly; plus the contingency fund. All appropriations under this chapter paid out of the ~~commission public utility fund account~~ shall be subject to the prior approval of the general assembly; the governor; and the state budget agency.

(b) Fees collected from municipalities under IC 8-1-2-85 and amounts paid by municipal utilities under IC 8-1-2-70 shall also be deposited in the ~~commission public utility fund account;~~ **state general fund,** as if they were fees collected from public utilities under this chapter.

SECTION 100. IC 8-1-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 4. A public utility fee is imposed upon each public utility subject to the provisions of this chapter equal to ~~0015~~ **one hundred seventy-five thousandths percent (0.175%)** of its gross revenue for the preceding calendar year. The commission may not bill or collect a public utility fee that is fifty dollars (\$50) or less under this calculation.

SECTION 101. IC 8-1-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. **The commission shall be subject to the quarterly allotment system under IC 4-13-2-18.** ~~One quarter (1/4) of the annual fee imposed under section 4 of this chapter shall be paid to the commission on or before the first day of July of the year in which the fee is imposed and one quarter (1/4) on the first day of each of the months of October, January, and April following immediately thereafter; or the entire amount of such fee may, at the election of the utility, be paid in full on or before July 1 of such year.~~

SECTION 102. IC 8-1-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. All sums collected by the commission under the provisions of this chapter shall be paid not less than fifteen (15) days after receipt of the same, accompanied by a detailed statement thereof to the treasurer of the state of Indiana and deposited into the ~~public utility fund;~~ **state general fund.**

SECTION 103. IC 8-22-3-4.3, AS AMENDED BY HEA 1196-2025, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.3. (a) This section applies only to the board of an airport authority that:

- (1) is not located in a county containing a consolidated city;
- (2) is established by a city; and
- (3) has entered into a federal interstate compact.

(b) The board of an airport authority described in subsection (a) consists of members appointed as follows:

- (1) Four (4) members appointed by the executive of the city in which the airport is located. Except as provided in section 3.9 of this chapter, not more than two (2) members appointed under this subdivision may be members of the same political party.
- (2) One (1) member appointed by the executive of the county in which the airport is located.
- (3) One (1) member appointed by the executive of the county (other than the county in which the airport is located) that is closest geographically to the airport.
- (4) One (1) member appointed by the governor.

(c) A member of the board holds office for four (4) years and until the member's successor is appointed and qualified.



(d) If a vacancy occurs in the board, the authority that appointed the member that vacated the board shall appoint an individual to serve for the remainder of the unexpired term.

(e) A board member may be reappointed to successive terms.

(f) A board member may be impeached under the procedure provided for the impeachment of county officers.

(g) The board member appointed under subsection (b)(4) serves as the president of the board.

(h) On September 1, 2013, the term of each member serving on the board of the airport authority originally established by the city of Gary is terminated. The appointing authorities required to make appointments to the board under this section shall make new appointments to the board as soon as possible after August 31, 2013.

(i) Each person appointed by an appointing authority under subsection (b) must have knowledge of and at least five (5) years professional work experience in at least one (1) of the following:

(1) Aviation management at an executive level.

(2) Regional economic development.

(3) Business or finance.

(j) A person appointed by an appointing authority under subsection (b) may not personally have, or be employed by or have an ownership interest in an entity that has, a significant contractual or business relationship with the airport authority.

(k) The board of an airport authority described in subsection (a) shall contract with a certified public accountant for an annual financial audit of the airport authority. The certified public accountant may not be selected without review of the accountant's proposal and approval of the accountant by the state board of accounts. The certified public accountant may not have a significant financial interest, as determined by the board of the airport authority, in a project, facility, or service owned by, funded by, or leased by or to the airport authority. The certified public accountant shall present the annual financial audit not later than four (4) months after the end of the airport authority's fiscal year. The board of the airport authority shall pay the cost of the annual financial audit. In addition, the state board of accounts may at any time conduct an audit of any phase of the operations of the airport authority. The airport authority shall pay the cost of any audit by the state board of accounts.

(l) The board of the airport authority shall, not later than four (4) months after the end of the airport authority's fiscal year, submit an annual report of the board's activities for the preceding fiscal year to:

(1) the budget agency, for review by the budget committee; and

(2) the legislative council.

An annual report submitted under this section to the legislative council must be in an electronic format under IC 5-14-6. The annual report must set forth a complete operating and financial statement of the airport authority for the airport authority's preceding fiscal year.

(m) The city council of the city of Gary shall terminate, as of January 1, 2026, the compact between the city of Chicago and the city of Gary relating to the establishment of the Chicago-Gary Regional Airport Authority that was entered in to and became effective on April 15, 1995. Not later than July 1, 2025:

(1) a majority of the directors designated or appointed to the Chicago-Gary Regional Airport Authority by the Gary city council shall adopt a resolution that provides for the termination of the compact on January 1, 2026; and

(2) the Gary city council shall adopt an ordinance that provides for the termination of the compact on January 1, 2026.



SECTION 104. IC 8-23-9-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 0.5. Notwithstanding any provision to the contrary in this chapter, and only to the extent that a bid does not exceed the estimated cost of the project, IC 5-22-15-26 applies to any proposal, contract, project, or agreement that is subject to the provisions of this chapter.**

SECTION 105. IC 9-18.5-33-1, AS ADDED BY P.L.198-2016, SECTION 327, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. As used in this chapter, "Gold Star family member" means:

- (1) a biological parent;
- (2) an adoptive parent;
- (3) a stepparent;
- (4) a biological child;
- (5) an adopted child;
- (6) a stepchild;
- (7) a sibling by blood;
- (8) a sibling by half blood;
- (9) a sibling by adoption;
- (10) a stepsibling;
- (11) a grandparent;
- (12) a great-grandparent; ~~or~~
- (13) the spouse; **or**

(14) a biological parent of a child;

of an individual who has died while serving on active duty, or dies as a result of injuries sustained while serving on active duty, as a member of the armed forces of the United States or the national guard (as defined in IC 10-16-1-13).

SECTION 106. IC 10-11-2-13, AS AMENDED BY P.L.201-2023, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 13. (a) The board shall categorize salaries of police employees within each rank based upon the rank held and the number of years of service in the department through the fifteenth year. The salary ranges the board assigns to each rank shall be divided into a base salary and fifteen (15) increments above the base salary, with:

- (1) the base salary in the rank paid to a person with less than one (1) year of service in the department; and
- (2) the highest salary in the rank paid to a person with at least fifteen (15) years of service in the department.

(b) The salary matrix prescribed by this section shall be reviewed and approved by the budget agency biennially in even-numbered years before implementation.

(c) The board shall adjust the salary matrix prescribed by this section whenever a revision or adjustment is made to a pay plan developed under IC 4-15-2.2-27 for which all executive branch employees are generally eligible. The adjusted percentage increase of the salary matrix and each corresponding salary increment in the salary matrix is equal to the percentage by which the revised or adjusted statewide average salary of all executive branch state employees exceeds the statewide average salary of all executive branch state employees on July 1 of the immediately preceding year.

SECTION 107. IC 10-11-2-28.5, AS AMENDED BY P.L.114-2022, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 28.5. (a) After June 30, 2007, the board



shall use a salary matrix that categorizes salaries of capitol police officers described in section 28 of this chapter within each rank based upon the rank held and the number of years of service in the department through the tenth year. The salary ranges the board assigns to each rank shall be divided into a base salary and ten (10) increments above the base salary, with:

- (1) the base salary in the rank paid to a capitol police officer with less than one (1) year of service in the department; and
- (2) the highest salary in the rank paid to a capitol police officer with at least ten (10) years of service in the department.

(b) For purposes of creating the salary matrix prescribed by this section, the board may not approve salary ranges for any rank of capitol police officers that are less than the salary ranges effective for that rank on January 1, 2006.

(c) The salary matrix prescribed by this section shall be reviewed and approved by the budget agency biennially in even-numbered years before implementation.

(d) The salary matrix developed under subsection (a) must use the same percentage differentials between increments that are used for the salary matrix for police employees under ~~IC 10-11-2-13~~. **section 13 of this chapter.**

(e) The board shall adjust the salary matrix prescribed by this section whenever a revision or adjustment is made to a pay plan developed under IC 4-15-2.2-27 for which all executive branch employees are generally eligible. The adjusted percentage increase of the salary matrix and each corresponding salary increment in the salary matrix is equal to the percentage by which the revised or adjusted statewide average salary of all executive branch state employees exceeds the statewide average salary of all executive branch state employees on July 1 of the immediately preceding year.

SECTION 108. IC 10-21-1-2, AS AMENDED BY P.L.201-2023, SECTION 128, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The Indiana secured school fund is established to provide:

(1) matching grants to school corporations, charter schools, and accredited nonpublic schools, where the matching grants may be used to:

(A) employ a school resource officer, employ a law enforcement officer, or enter into a contract or a memorandum of understanding with a:

- (i) local law enforcement agency;
- (ii) private entity; or
- (iii) nonprofit corporation;

to employ a school resource officer or a law enforcement officer;

(B) conduct:

- (i) a site vulnerability assessment of the buildings within a school corporation or the buildings that are operated by a charter school or accredited nonpublic school; or
- (ii) critical incident digital mapping of the buildings within a school corporation or the buildings that are operated by a charter school or accredited nonpublic school;

(C) purchase equipment, hardware, materials, and technology to:

- (i) restrict access to school property and classrooms;
- (ii) assist with visitor management on school property;
- (iii) expedite notification of first responders;
- (iv) expedite access to school property for first responders;
- (v) provide school staff with information about the open or closed status of interior and exterior



- doors;
- (vi) detect fire, chemical, visual, or audible threats;
- (vii) enhance emergency communications inside the building; or
- (viii) assist with emergency medical response on school property;
- (D) implement a student and parent support services plan as described in IC 20-34-9;
- (E) purchase or provide training for a canine trained to detect drugs and illegal substances, explosives, or firearms, or to otherwise provide protection for students and school employees and the canine shall:
 - (i) be primarily assigned to a school corporation, charter school, or accredited nonpublic school;
 - (ii) be primarily assigned to a school resource officer or law enforcement officer described in clause (A) who has received appropriate training for handling a canine trained to detect drugs and illegal substances, explosives, or firearms, or to otherwise provide protection for students and school employees, including training regarding handling a canine in a school setting; and
 - (iii) receive continuous training as appropriate;
- (F) provide funding for school employees to receive training, including expenses for per diem, travel, and lodging, related to:
 - (i) site vulnerability assessments;
 - (ii) mental health or behavioral health threat assessments;
 - (iii) multi-disciplinary threat assessment teams; or
 - (iv) emergency preparedness or response activities;
- (G) provide funding for school resource officers or law enforcement officers described in clause (A) to receive training, including expenses for per diem, travel, and lodging, related to handling a canine trained to detect drugs and illegal substances, explosives, or firearms, or to otherwise provide protection for students and school employees;
- (H) purchase student safety management technology;
- (I) design and construct additions or renovations on school property if the primary purpose of the construction project is to enhance the physical security of the school building; ~~or~~
- (J) implement a bullying prevention program; ~~and or~~
- (K) develop, implement, and carry out a Stop the Bleed program required by IC 20-34-3-24, including for the purchase of bleeding control kits; and**
- (2) one (1) time grants to enable school corporations, charter schools, and accredited nonpublic schools with the sheriff for the county in which the school corporation, charter school, or accredited nonpublic school is located, to provide the initial set up costs for an active event warning system.
- (b) A school corporation or charter school may use money received under a matching grant for a purpose listed in subsection (a) to provide a response to a threat in a manner that the school corporation or charter school sees fit, including firearms training or other self-defense training.
- (c) The fund shall be administered by the department of homeland security.
- (d) The fund consists of:
 - (1) appropriations from the general assembly;
 - (2) federal grants;
 - (3) amounts deposited from any other public or private source; and
 - (4) amounts deposited under IC 33-37-9-4.
- (e) The expenses of administering the fund shall be paid from money in the fund.



(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(g) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 109. IC 12-7-2-196.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 196.5: "Unrestricted access", for purposes of IC 12-15-35.5, has the meaning set forth in IC 12-15-35.5-2.5.~~

SECTION 110. IC 12-14-31-3, AS ADDED BY P.L.92-2024, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. A household that, at the time of the office of the secretary's initial determination of the household's income eligibility for purposes of entry into the CCDF program:

(1) subject to federal law, has a parent or guardian who is working or attending a job training or an educational program;

~~(1)~~ **(2)** has a household income that does not exceed eighty-five percent (85%) of Indiana's state median income for the household's family size;

~~(2)~~ **(3)** includes a child care employee (as defined in IC 12-17.2-7.2-0.5); and

~~(3)~~ **(4)** otherwise meets federal eligibility requirements for the CCDF program;

is eligible for assistance under the CCDF program.

SECTION 111. IC 12-15-1.3-6, AS ADDED BY P.L.220-2011, SECTION 264, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. (a) The office shall develop a federal Medicaid waiver application under which a prescription drug program may be established or implemented to provide access to prescription drugs for low income senior citizens.

(b) Before the office may submit an application for a federal Medicaid waiver that will affect the Indiana prescription drug program established under IC 12-10-16, the following must occur:

(1) The office shall submit the proposed Medicaid waiver to the prescription drug advisory committee.

(2) The prescription drug advisory committee must review, allow public comment on, and approve the proposed Medicaid waiver.

(c) A prescription drug program established or implemented by the office or a contractor of the office under this section may not limit access to prescription drugs for prescription drug program recipients, except under the following circumstances:

(1) Access may be limited to the extent that restrictions were in place in the Medicaid program on March 26, 2002.

(2) ~~Except as provided by IC 12-15-35.5-3(b) and IC 12-15-35.5-3(c),~~ Access may be limited to:

(A) prevent:

(i) fraud;

(ii) abuse;

(iii) waste;

(iv) overutilization of prescription drugs; and

(v) inappropriate utilization of prescription drugs; or

(B) implement a disease management program.

IC 12-15-35.5-7 applies to a limit implemented under this subdivision.

(d) Changes to a prescription drug program that:

(1) is established or implemented by the office or a contractor of the office under this section; and

(2) uses money from the Indiana prescription drug account established under IC 4-12-8-2;



must be approved by the prescription drug advisory committee.

(e) The office shall apply to the United States Department of Health and Human Services for approval of any waiver necessary under the federal Medicaid program to provide access to prescription drugs for low income senior citizens.

(f) A Medicaid waiver developed under this section must limit a prescription drug program's state expenditures to funding appropriated to the Indiana prescription drug account established under IC 4-12-8-2 from the Indiana tobacco master settlement agreement fund.

(g) The office may not implement a waiver under this section until the office files an affidavit with the governor attesting that the federal waiver applied for under this section is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(h) If the office receives a waiver under this section from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (g), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

SECTION 112. IC 12-15-13-1.8, AS AMENDED BY HEA 1474-2025, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1.8. (a) As used in this section, "covered population" means all Medicaid recipients who meet the criteria set forth in subsection (b).

(b) An individual is a member of the covered population if the individual:

(1) is eligible to participate in the federal Medicare program (42 U.S.C. 1395 et seq.) and receives nursing facility services; or

(2) is:

(A) at least sixty (60) years of age;

(B) blind, aged, or disabled; and

(C) receiving services through one (1) of the following:

(i) The aged and disabled Medicaid waiver.

(ii) A risk based managed care program for aged, blind, or disabled individuals who are not eligible to participate in the federal Medicare program.

(iii) The state Medicaid plan.

(c) The office of the secretary may implement a risk based managed care program for the covered population.

(d) Any managed care organization that participates in the risk based managed care program under subsection (c) that fails to pay a claim submitted by a nursing facility provider for payment under the program later than:

(1) twenty-one (21) days, if the claim was electronically filed; or

(2) thirty (30) days, if the claim was filed on paper;

from receipt by the managed care organization shall pay a penalty of five hundred dollars (\$500) per calendar day per claim.

~~(d) The office of Medicaid policy and planning shall convene a workgroup for purposes of this section. The members of the workgroup shall consist of the fiscal officer of the office of Medicaid policy and planning; representatives of managed care organizations appointed by the director; and provider representatives appointed by the director. The workgroup shall do the following:~~

~~(1) Develop a uniform billing format to be used by the managed care organizations participating in the risk based managed care program established under subsection (c).~~

~~(2) Advise the office of Medicaid policy and planning on claim submission education and training~~



needs of providers participating in the risk based managed care program established under subsection (c).

(3) Develop policies to improve claims submission and claims processing for the risk based managed care program established under subsection (c).

(4) Advise the office of Medicaid policy and planning on claims submission issues for the risk based managed care program established under subsection (c).

(5) Advise the office of Medicaid policy and planning on improving the risk based managed care program established under subsection (c).

SECTION 113. IC 12-15-35-20.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 20.5. (a) The therapeutics committee is established as a subcommittee of the board.

(b) The chairperson of the board elected under section 25 of this chapter shall, with the approval of a majority of a quorum of the board, appoint the members of the therapeutics committee.

(c) The therapeutics committee is composed of the following members:

(1) Five (5) physicians licensed under IC 25-22.5, including:

(A) one (1) physician with expertise in the area of family practice;

(B) one (1) physician with expertise in the area of pediatrics;

(C) one (1) physician with expertise in the area of geriatrics;

(D) one (1) physician with expertise in psychiatric medicine; and

(E) one (1) physician with expertise in the area of internal medicine and who specializes in the treatment of diabetes.

(2) Two (2) pharmacists who are licensed under IC 25-26 and who have a doctor of pharmacy degree or an equivalent degree.

(3) One (1) member from the mental health Medicaid quality advisory committee established by section 51 of this chapter.

(d) Not more than three (3) of the individuals appointed by the chairperson under subsection (b) to the therapeutics committee may also be members of the board.

(e) At least three (3) of the members described in subsection (c)(1) and appointed under subsection (b) must have at least three (3) years of recent experience in prescription drug formulary management, including therapeutic category review.

(f) A member of the therapeutics committee may not:

(1) be employed by; or

(2) contract with;

the state or a pharmaceutical manufacturer or labeler. However, this subsection does not apply to a physician or a pharmacist whose only contract with the state is a Medicaid provider agreement under IC 12-15-11 or a provider agreement under the children's health insurance program under IC 12-17.6.

(g) The term of a member of the therapeutics committee is three (3) years. A member may be reappointed to the committee upon the completion of the member's term.

(h) The expenses of the therapeutics committee shall be paid by the office.

(i) Each member of the therapeutics committee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(j) The affirmative votes of a majority of a quorum of the therapeutics committee are required for the



committee to take action on any measure. A quorum of the therapeutics committee consists of four (4) members.

(k) The therapeutics committee shall meet:

- (1) upon the call of the chairperson of the therapeutics committee; and
- (2) at least quarterly.

(l) The chairperson and the vice chairperson of the therapeutics committee:

- (1) each serve for a term of one (1) year; and
- (2) must be elected from the therapeutics committee's membership at the therapeutics committee's first meeting each calendar year.

(m) A meeting held by the therapeutics committee must be open to the public in accordance with IC 5-14-1.5. However, the therapeutics committee may meet in executive session only for the purpose of reviewing confidential or proprietary information.

SECTION 114. IC 12-15-35-28, AS AMENDED BY P.L.130-2018, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 28. (a) The board has the following duties:

- (1) The implementation of a Medicaid retrospective and prospective DUR program as outlined in this chapter, including the approval of software programs to be used by the pharmacist for prospective DUR and recommendations concerning the provisions of the contractual agreement between the state and any other entity that will be processing and reviewing Medicaid drug claims and profiles for the DUR program under this chapter.
- (2) The development and application of the predetermined criteria and standards for appropriate prescribing to be used in retrospective and prospective DUR to ensure that such criteria and standards for appropriate prescribing are based on the compendia and developed with professional input with provisions for timely revisions and assessments as necessary.
- (3) The development, selection, application, and assessment of interventions for physicians, pharmacists, and patients that are educational and not punitive in nature.
- (4) The publication of an annual report that must be subject to public comment before issuance to the federal Department of Health and Human Services and to the Indiana legislative council by December 1 of each year. The report issued to the legislative council must be in an electronic format under IC 5-14-6.
- (5) The development of a working agreement for the board to clarify the areas of responsibility with related boards or agencies, including the following:
 - (A) The Indiana board of pharmacy.
 - (B) The medical licensing board of Indiana.
 - (C) The SURS staff.
- (6) The establishment of a grievance and appeals process for physicians or pharmacists under this chapter.
- (7) The publication and dissemination of educational information to physicians and pharmacists regarding the board and the DUR program, including information on the following:
 - (A) Identifying and reducing the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and recipients.
 - (B) Potential or actual severe or adverse reactions to drugs.
 - (C) Therapeutic appropriateness.
 - (D) Overutilization or underutilization.
 - (E) Appropriate use of generic drugs.



- (F) Therapeutic duplication.
 - (G) Drug-disease contraindications.
 - (H) Drug-drug interactions.
 - (I) Incorrect drug dosage and duration of drug treatment.
 - (J) Drug allergy interactions.
 - (K) Clinical abuse and misuse.
- (8) The adoption and implementation of procedures designed to ensure the confidentiality of any information collected, stored, retrieved, assessed, or analyzed by the board, staff to the board, or contractors to the DUR program that identifies individual physicians, pharmacists, or recipients.
- (9) The implementation of additional drug utilization review with respect to drugs dispensed to residents of nursing facilities shall not be required if the nursing facility is in compliance with the drug regimen procedures under 410 IAC 16.2-3.1 and 42 CFR 483.60.
- (10) The research, development, and approval of a preferred drug list for:
- (A) Medicaid's fee for service program;
 - (B) a risk based managed care program, if the office provides a prescription drug benefit and subject to IC 12-15-5; and
 - (C) the children's health insurance program under IC 12-17.6;
- in consultation with the therapeutics committee.
- (11) The approval of the review and maintenance of the preferred drug list at least two (2) times per year.
- (12) The preparation and submission of a report concerning the preferred drug list at least one (1) time per year to the interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.
- (13) The collection of data reflecting prescribing patterns related to treatment of children diagnosed with attention deficit disorder or attention deficit hyperactivity disorder.
- (14) Advising the Indiana comprehensive health insurance association established by IC 27-8-10-2.1 concerning implementation of chronic disease management and pharmaceutical management programs under IC 27-8-10-3.5.
- (b) The board shall use the clinical expertise of the therapeutics committee in developing a preferred drug list. The board shall also consider expert testimony in the development of a preferred drug list.
- (c) In researching and developing a preferred drug list under subsection (a)(10), the board shall do the following:
- (1) Use literature abstracting technology.
 - (2) Use commonly accepted guidance principles of disease management.
 - (3) Develop therapeutic classifications for the preferred drug list.
 - (4) Give primary consideration to the clinical efficacy or appropriateness of a particular drug in treating a specific medical condition.
 - (5) Include in any cost effectiveness considerations the cost implications of other components of the state's Medicaid program and other state funded programs.
- (d) Prior authorization is required for coverage under a program described in subsection (a)(10) of a drug that is not included on the preferred drug list.
- (e) The board shall determine whether to include a single source covered outpatient drug that is newly approved by the federal Food and Drug Administration on the preferred drug list not later than sixty (60) days after the date on which the manufacturer notifies the board in writing of the drug's approval.



However, if the board determines that there is inadequate information about the drug available to the board to make a determination, the board may have an additional sixty (60) days to make a determination from the date that the board receives adequate information to perform the board's review. Prior authorization may not be automatically required for a single source drug that is newly approved by the federal Food and Drug Administration, and that is:

- (1) in a therapeutic classification:
 - (A) that has not been reviewed by the board; and
 - (B) for which prior authorization is not required; or
- (2) the sole drug in a new therapeutic classification that has not been reviewed by the board.
- (f) The board may not exclude a drug from the preferred drug list based solely on price.
- (g) The following requirements apply to a preferred drug list developed under subsection (a)(10):
 - (1) ~~Except as provided by IC 12-15-35.5-3(b) and IC 12-15-35.5-3(c),~~ The office or the board may require prior authorization for a drug that is included on the preferred drug list under the following circumstances:
 - (A) To override a prospective drug utilization review alert.
 - (B) To permit reimbursement for a medically necessary brand name drug that is subject to generic substitution under IC 16-42-22-10.
 - (C) To prevent fraud, abuse, waste, overutilization, or inappropriate utilization.
 - (D) To permit implementation of a disease management program.
 - (E) To implement other initiatives permitted by state or federal law.
 - ~~(2) All drugs described in IC 12-15-35.5-3(b) must be included on the preferred drug list.~~
 - ~~(3) (2)~~ The office may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list without prior approval from the board.
 - ~~(4) (3)~~ The board may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list.
- (h) At least one (1) time each year, the board shall provide a report to the interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6. The report must contain the following information:
 - (1) The cost of administering the preferred drug list.
 - (2) Any increase in Medicaid physician, laboratory, or hospital costs or in other state funded programs as a result of the preferred drug list.
 - (3) The impact of the preferred drug list on the ability of a Medicaid recipient to obtain prescription drugs.
 - (4) The number of times prior authorization was requested, and the number of times prior authorization was:
 - (A) approved; and
 - (B) disapproved.
 - (5) Any recommendations received from the mental health Medicaid quality advisory committee under section 51(h) of this chapter.
- (i) The board shall provide the first report required under subsection (h) not later than six (6) months after the board submits an initial preferred drug list to the office.

SECTION 115. IC 12-15-35-51, AS AMENDED BY P.L. 130-2018, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 51. (a) As used in this section, "advisory committee" refers to the mental health Medicaid quality advisory committee established by subsection



(b).

(b) The mental health Medicaid quality advisory committee is established. The advisory committee consists of the following members:

- (1) The director of the office or the director's designee, who shall serve as chairperson of the advisory committee.
- (2) The director of the division of mental health and addiction or the director's designee.
- (3) A representative of a statewide mental health advocacy organization.
- (4) A representative of a statewide mental health provider organization.
- (5) A representative from a managed care organization that participates in the state's Medicaid program.
- (6) A member with expertise in psychiatric research representing an academic institution.
- (7) A pharmacist licensed under IC 25-26.
- (8) The commissioner of the department of correction or the commissioner's designee.

The governor shall make the appointments for a term of four (4) years under subdivisions (3) through (7) and fill any vacancy on the advisory committee.

(c) The office shall staff the advisory committee. The expenses of the advisory committee shall be paid by the office.

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

(e) Each member of the advisory committee who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(f) The affirmative votes of a majority of the voting members appointed to the advisory committee are required by the advisory committee to take action on any measure.

(g) The advisory committee shall advise the office and make recommendations concerning the clinical use of mental health and addiction medications ~~including the implementation of IC 12-15-35.5-7(c);~~ and consider the following:

- (1) Peer reviewed medical literature.
- (2) Observational studies.
- (3) Health economic studies.
- (4) Input from physicians and patients.
- (5) Any other information determined by the advisory committee to be appropriate.

(h) The office shall report recommendations made by the advisory committee to the drug utilization review board established by section 19 of this chapter.

(i) The advisory committee shall select one (1) member of the advisory committee to serve as representation on the therapeutics committee established by section 20.5 of this chapter.

SECTION 116. IC 12-15-35.5-2.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 2.5: As used in this chapter, "unrestricted access" means the ability of a recipient to obtain a prescribed drug without being subject to limits or preferences imposed by the office or the board for the purpose of cost savings except as provided under section 7 of this chapter.~~



SECTION 117. IC 12-15-35.5-3, AS AMENDED BY P.L.154-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) ~~Except as provided in subsection (b),~~ The office may establish prior authorization requirements for drugs covered under a program described in section 1 of this chapter.

(b) ~~With the exception of prior authorization for "brand medically necessary" of a brand name drug with a generic equivalent in accordance with IC 16-42-22-10, the office may not require prior authorization for the following single source or brand name multisource drugs:~~

(1) ~~A drug that is classified as an antianxiety, antidepressant, or antipsychotic central nervous system drug in the most recent publication of Drug Facts and Comparisons (published by the Facts and Comparisons Division of J.B. Lippincott Company);~~

(2) ~~A drug that, according to:~~

(A) ~~the American Psychiatric Press Textbook of Psychopharmacology;~~

(B) ~~Current Clinical Strategies for Psychiatry;~~

(C) ~~Drug Facts and Comparisons; or~~

(D) ~~a publication with a focus and content similar to the publications described in clauses (A) through (C);~~

~~is a cross-indicated drug for a central nervous system drug classification described in subdivision (1);~~

(3) ~~A drug that is:~~

(A) ~~classified in a central nervous system drug category or classification (according to Drug Facts and Comparisons) that is created after March 12, 2002; and~~

(B) ~~prescribed for the treatment of a mental illness (as defined in the most recent publication of the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders);~~

(c) ~~The office may require prior authorization for an addictive medication used as medication assisted treatment for substance abuse:~~

(d) ~~Except as provided under section 7 of this chapter, a recipient enrolled in a program described in section 1 of this chapter shall have unrestricted access to a drug described in subsection (b):~~

SECTION 118. IC 12-15-35.5-7, AS AMENDED BY P.L.210-2015, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) Subject to ~~subsections (b) and (c),~~ **subsection (b)**, the office may place limits on quantities dispensed or the frequency of refills for any covered drug as required by law or for the purpose of:

(1) preventing fraud, abuse, or waste;

(2) preventing overutilization, inappropriate utilization, or inappropriate prescription practices that are contrary to:

(A) clinical quality and patient safety; and

(B) accepted clinical practice for the diagnosis and treatment of mental illness and the considerations specified in subsection (h); or

(3) implementing a disease management program.

(b) Before implementing a limit described in subsection (a), the office shall:

(1) consider quality of care and the best interests of Medicaid recipients;

(2) seek the advice of the drug utilization review board, established by IC 12-15-35-19, at a public meeting of the board; and

(3) publish a provider bulletin that complies with the requirements of IC 12-15-13-6.

(c) ~~Subject to subsection (d), the board may establish and the office may implement a restriction on~~



a drug described in section 3(b) of this chapter if:

(1) the board determines that data provided by the office indicates that a situation described in IC 12-15-35-28(a)(7)(A) through IC 12-15-35-28(a)(7)(K) requires an intervention to:

(A) prevent fraud, abuse, or waste;

(B) prevent overutilization, inappropriate utilization, or inappropriate prescription practices that are contrary to:

(i) clinical quality and patient safety; and

(ii) accepted clinical practice for the diagnosis and treatment of mental illness; or

(C) implement a disease management program; and

(2) the board approves and the office implements an educational intervention program for providers to address the situation.

(d) A restriction established under subsection (c) for any drug described in section 3(b) of this chapter:

(1) must comply with the procedures described in IC 12-15-35-35;

(2) may include requiring a recipient to be assigned to one (1) practitioner and one (1) pharmacy provider for purposes of receiving mental health medications;

(3) may not lessen the quality of care; and

(4) must be in the best interest of Medicaid recipients.

(e) Implementation of a restriction established under subsection (c) must provide for the dispensing of a temporary supply of the drug for a prescription not to exceed seven (7) business days, if additional time is required to review the request for override of the restriction. This subsection does not apply if the federal Food and Drug Administration has issued a boxed warning under 21 CFR 201.57(c)(1) that applies to the drug and is applicable to the patient.

(f) Before implementing a restriction established under subsection (c), the office shall:

(1) seek the advice of the mental health Medicaid quality advisory committee established by IC 12-15-35-51; and

(2) publish a provider bulletin that complies with the requirements of IC 12-15-13-6.

(g) Subsections (c) through (f):

(1) apply only to drugs described in section 3(b) of this chapter; and

(2) do not apply to a restriction on a drug described in section 3(b) of this chapter that was approved by the board and implemented by the office before April 1, 2003.

(h) Restrictions referred to in subsection (c) to prevent overutilization, inappropriate utilization, or inappropriate prescription practices that are contrary to accepted clinical practices may include the implementation of the following:

(1) Encouraging dosages that enhance recipient adherence to a drug regimen.

(2) Encouraging monotherapy with limitations on the number of drugs from a specific drug class that a recipient may be taking at any one (1) time when there is no documentation of the severity and intensity of the target symptoms.

(3) Limiting the total number of scheduled psychiatric medications that a recipient may be taking at any one (1) time; when such limit is based on:

(A) established best practices; or

(B) guidelines implemented by the division of mental health and addiction for mental health state operated facilities.

(4) Encouraging, in accordance with IC 16-42-22-10, generic substitution when such a substitution would result in a net cost savings to the Medicaid program.



(i) Restrictions under subsection (h) may be overridden through the prior authorization review process in cases in which the prescriber demonstrates medical necessity for the prescribed medication.

SECTION 119. IC 12-15-35.5-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10. (a) As used in this section, "340B covered entity" means an entity authorized to participate in the federal 340B Drug Pricing Program under Section 340B(a)(4) of the federal Public Health Service Act (42 U.S.C. 256b(a)(4)) and includes any pharmacy under contract with the entity to dispense drugs on behalf of the entity.**

(b) The office of the secretary shall determine whether outpatient prescription drugs prescribed to Medicaid recipients from a 340B covered entity are eligible for rebates under the 340B drug pricing program or whether those prescriptions shall be subject to rebates under the Medicaid drug rebate program under Section 1927 of the federal Social Security Act.

(c) The office of the secretary may adopt rules under IC 4-22-2 and any written policies or procedures as necessary to implement this section.

SECTION 120. IC 12-16-17 IS REPEALED [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]. (Health and Hospital Corporation of Marion County).

SECTION 121. IC 12-17.2-7.2-1, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1. As used in this chapter, "eligible child" refers to an individual who:**

(1) in the case of an individual who is enrolled before May 1, 2025:

- (1) (A) is at least four (4) years of age and less than five (5) years of age on August 1 of the state fiscal year for which a grant is sought under the prekindergarten ~~pilot~~ program;**
- (2) (B) is a resident of Indiana or otherwise has legal settlement in Indiana, as determined under IC 20-26-11;**
- (3) (C) is a member of a household with an annual income that does not exceed one hundred fifty percent (150%) of the federal poverty level;**
- (4) (D) receives qualified early education services from an eligible provider, as determined by the office;**
- (5) (E) has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider;**
- (6) (F) has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office; and**
- (7) (G) meets the requirements under section 7.2(a) and 7.2(c) of this chapter; and**

(2) in the case of an individual who is enrolled on or after May 1, 2025:

- (A) is at least four (4) years of age and less than five (5) years of age on August 1 of the state fiscal year for which a grant is sought under the prekindergarten program;**
- (B) is a resident of Indiana or otherwise has legal settlement in Indiana, as determined under IC 20-26-11;**
- (C) is a member of a household with an annual income that does not exceed one hundred thirty-five percent (135%) of the federal poverty level;**
- (D) receives qualified early education services from an eligible provider, as determined by the office;**
- (E) has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider;**
- (F) has a parent or guardian who agrees to ensure that the child meets the attendance**



requirements determined by the office; and

(G) meets the requirements under section 7.2(a) and 7.2(c) of this chapter.

SECTION 122. IC 12-17.2-7.2-7.2, AS AMENDED BY P.L.92-2024, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.2. (a) For an eligible child to qualify for a prekindergarten voucher under this chapter, the eligible child must reside with a parent or guardian who is

(+) working or attending a job training or an educational program. ~~or~~

(2) ~~actively seeking employment, subject to the approval by the United States Department of Health and Human Services as provided in 45 CFR 98.21;~~

(b) For a limited eligibility child to qualify for a prekindergarten voucher under this chapter, the limited eligibility child must reside with a parent or guardian who:

(1) is working or attending a job training or an educational program; ~~or~~

(2) ~~is actively seeking employment, subject to the approval by the United States Department of Health and Human Services as provided in 45 CFR 98.21; or~~

(+) (2) receives Social Security Disability Insurance, Supplemental Security Income benefits, or disability benefits from the United States Department of Veterans Affairs.

(c) Before the office may provide a prekindergarten voucher to an eligible child, a limited eligibility child, or a child of a child care employee under this chapter, the office shall require that a parent or guardian of the child agree to the following:

(1) The child will attend the prekindergarten program of an eligible provider selected by the parent or guardian for the full duration of the prekindergarten program year.

(2) The parent or guardian will not transfer to another prekindergarten program during the prekindergarten program year.

(3) The child will attend the prekindergarten program at least eighty-five percent (85%) of the days that the prekindergarten program is provided.

(4) The parent or guardian will allow the child to participate in an external evaluation conducted by researchers, including the kindergarten readiness assessment and measuring of developmental and academic progress.

(5) The parent or guardian will participate in family engagement and involvement activities offered by the selected prekindergarten program, including meetings with the child's teacher to discuss the child's progress or any other conference concerning the child that is requested by the eligible provider.

(6) The parent or guardian will complete the necessary forms for the child to receive a student test number from the department of education.

(7) The parent or guardian will send the child to kindergarten.

(8) The parent or guardian will read to the child each week.

(9) Any other condition the office determines is appropriate.

(d) Priority shall be given to a child of a child care employee under this section.

(e) Priority may be given to an eligible or limited eligibility child under this section if a parent or guardian of the eligible or limited eligibility child is:

(1) involved in activities that improve the parent's or guardian's education; or

(2) involved in job training.

SECTION 123. IC 12-21-9-1, AS ADDED BY P.L.152-2024, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. As used in this chapter, "fund" refers to the



therapeutic psilocybin **and ibogaine** research fund established by section 4 of this chapter.

SECTION 124. IC 12-21-9-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 1.5. (a) As used in this chapter, "ibogaine" means a naturally occurring psychoactive compound found in the root bark of the iboga.**

(b) The term includes ibogaine.

SECTION 125. IC 12-21-9-4, AS ADDED BY P.L.152-2024, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. The therapeutic psilocybin **and ibogaine** research fund is established for the purpose of providing financial assistance to research institutions in Indiana to study, in accordance with the requirements established in section 7 of this chapter, the use of psilocybin **and ibogaine** to treat mental health and other medical conditions.

SECTION 126. IC 12-21-9-7, AS ADDED BY P.L.152-2024, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) A research institution in Indiana may apply to the division to receive financial assistance from the fund to conduct one (1) or more clinical studies to evaluate the efficacy of psilocybin **and ibogaine** as an alternative treatment for mental health and other medical conditions, including the following:

- (1) Posttraumatic stress disorder, with a focus on treating the disorder in combat veterans and first responders.
- (2) Anxiety.
- (3) Depression.
- (4) Bipolar disorder.
- (5) Chronic pain.
- (6) Migraines.
- (7) Alcohol use disorder.
- (8) Tobacco use disorder.

(b) In conducting a clinical study under this section, a research institution that receives a grant under this chapter shall do the following:

- (1) Include veterans and first responders in the study sample.
- (2) Evaluate and determine whether psilocybin is an effective treatment for mental health and other medical conditions described in subsection (a).
- (3) Compare the efficacy of psilocybin as a treatment for mental health and other medical conditions described in subsection (a) with the efficacy of other current treatment options for mental health and other medical conditions described in subsection (a).
- (4) Before entering the study, require each participant to undergo a mental health evaluation.

SECTION 127. IC 12-29-2-1.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 1.1. Beginning after June 30, 2025, if a community mental health center provides compensation to any individual employee (not including clinical staff), including salary and benefits, in an amount that is four hundred thousand dollars (\$400,000) or more per year then the community mental health center is not eligible to receive funding from:**

- (1) local property taxes; or**
- (2) state programs or grants;**

excluding the Medicaid program.

SECTION 128. IC 14-8-2-116.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 116.3. "Gold Star family member", for**



purposes of IC 14-19-3-1.5, has the meaning set forth in IC 9-18.5-33-1.

SECTION 129. IC 14-9-8-28, AS AMENDED BY P.L.201-2023, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 28. (a) The natural resources commission shall categorize salaries of enforcement officers within each rank based upon the rank held and the number of years of service in the department through the twentieth year. The salary ranges that the commission assigns to each rank shall be divided into a base salary and fifteen (15) increments above the base salary with:

- (1) the base salary in the rank paid to a person with less than one (1) year of service in the department; and
- (2) the highest salary in the rank paid to a person with at least fifteen (15) years of service in the department.

(b) The salary matrix prescribed by this section shall be reviewed and approved by the state budget agency biennially in even-numbered years before implementation.

(c) The salaries for law enforcement officers of the law enforcement division of the department must be equal to the salaries of police employees of the state police department under IC 10-11-2-13, based upon years of service in the department and rank held.

(d) The requirement of subsection (c) does not affect:

- (1) any rights or liabilities accrued; or
- (2) any proceedings begun;

on or before June 30, 1999. Those rights, liabilities, and proceedings continue and shall be imposed and enforced under prior civil law and procedure as if the requirement of subsection (c) had not been enacted.

(e) The salary matrix prescribed by this section must be adjusted at the same time and in the same manner as an adjustment required by IC 10-11-2-13(c).

SECTION 130. IC 14-19-3-1, AS AMENDED BY P.L.46-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) The department may not charge a price of admission to:

- (1) inpatients of state or federally owned or operated hospitals or institutions and their supervisors;
 - (2) foster families who reside together in the same foster family home licensed under IC 31-27-4;
- or

(3) individuals who meet the definition of foster youth set forth in IC 31-9-2-47.3; or

(4) a Gold Star family member who displays:

(A) an Indiana Gold Star family member license plate under IC 9-18.5-33; or

(B) a free annual pass;

for the use of any property owned or managed by the department for purposes of this article.

(b) If necessary, the department may adopt rules concerning the appropriate form of identification or documentation required for admission to a location described in subsection (a).

SECTION 131. IC 14-19-3-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 1.5. (a) In cooperation with the bureau of motor vehicles, the department shall:**

(1) verify a Gold Star family member's relationship status; and

(2) issue a free annual pass if requested by a Gold Star family member.

(b) A Gold Star family member must be a resident of Indiana to apply for a free annual pass.

(c) The department may adopt rules under IC 4-22-2 to implement this section.

SECTION 132. IC 14-39-1-4, AS AMENDED BY SEA 457-2025, SECTION 1, IS AMENDED TO



READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) A carbon dioxide transmission pipeline company **may that seeks to construct, operate, and maintain a carbon dioxide pipeline in Indiana must** apply to the department for issuance of a carbon dioxide transmission pipeline certificate of authority. The department shall prescribe the form of the application, which must:

- (1) include a filing fee of one thousand dollars (\$1,000);
- (2) be signed by a responsible officer of the company;
- (3) include a statement verifying that the information submitted is true, accurate, and complete to the best of that responsible officer's knowledge and belief; and
- (4) include all information necessary for the department to find the following:
 - (A) That the applicant, or the contractor or subcontractor of the applicant, has the financial, managerial, and technical ability to construct, operate, and maintain a carbon dioxide transmission pipeline in Indiana.
 - (B) That the applicant, or the contractor or subcontractor of the applicant, has the requisite experience constructing, operating, and maintaining a transmission pipeline.
 - (C) That the applicant has entered into a contract to transport carbon dioxide by pipeline in Indiana with:
 - (i) at least one (1) producer of carbon dioxide located in Indiana; and
 - (ii) unless all of the carbon dioxide to be transported in the proposed carbon dioxide transmission pipeline is for the applicant's own use or account, at least one (1) end user or storer of carbon dioxide.
 - (D) That the applicant has provided documentation to the department showing the proposed length, diameter, and location of the proposed carbon dioxide transmission pipeline in Indiana.
 - (E) That the applicant will construct, operate, and maintain the proposed carbon dioxide transmission pipeline in accordance with applicable local, state, and federal law, including federal and state safety regulations and rules governing the construction, operation, and maintenance of carbon dioxide transmission pipelines, and related facilities and equipment, to ensure the safety of pipeline employees and the public.
 - (F) That the applicant has signed a statement indicating that the applicant agrees to construct a proposed carbon dioxide transmission pipeline in a manner compliant with the guidelines adopted under IC 8-1-22.6-8 by the pipeline safety division of the Indiana utility regulatory commission.

(b) The department shall review an application filed under subsection (a). Subject to subsection (f), if the department determines that the application is incomplete or inaccurate, or both, the department shall return the application to the applicant, informing the applicant in writing of the applicant's right to file a corrected application with the department. If the department determines that the application is complete and accurate, the department shall provide notice to the applicant of:

- (1) that determination; and
- (2) the date, time, and location of the public information meeting to be held under subsection (d).

(c) The applicant shall:

- (1) upon receipt of a notice under subsection (b):
 - (A) place for public inspection a copy of the application in a public library located in each county in which the carbon dioxide transmission pipeline is proposed to be located; and
 - (B) publish notice, in the same manner that would be required if the applicant were subject to IC 5-3-1, in each county in which the carbon dioxide transmission pipeline is proposed to be



located, of:

- (i) the name and address of each library in which a copy of the application is placed under clause (A); and
- (ii) the date, time, and location of the public information meeting to be held under subsection (d);

(2) provide to the department proof of publication of notice under subdivision (1)(B); and

(3) have a representative present at the public information meeting held under subsection (d).

(d) The department shall:

(1) conduct a public information meeting in the county seat of one (1) of the counties, as determined by the department, in which the proposed carbon dioxide transmission pipeline will be located; and

(2) provide an opportunity at the meeting for members of the public to be briefed and to ask questions about the proposed carbon dioxide transmission pipeline.

(e) Not later than ninety (90) days after the public information meeting held under subsection (d), the department shall notify the applicant in writing that:

(1) the department:

(A) has made the findings described in subsection (a)(4); and

(B) has approved the application; or

(2) the department:

(A) has determined that the department is unable to make the findings described in subsection (a)(4); and

(B) has disapproved the application.

(f) The department shall process a corrected application that is filed as permitted under subsection (b) in the same manner the department processes an initially filed application under subsection (a).

(g) If the department fails to act under subsection (e) not later than ninety (90) days after the public information meeting held under subsection (d), the application is considered to be approved by the department.

(h) If:

(1) the department approves the application under subsection (e)(1); or

(2) the application is considered to be approved as described in subsection (g);

the department shall issue to the applicant a carbon dioxide transmission pipeline certificate of authority.

SECTION 133. IC 14-39-1-4.5, AS ADDED BY SEA 457-2025, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4.5. ~~(a)~~ A carbon dioxide transmission pipeline company is not required to obtain a carbon dioxide transmission pipeline certificate of authority under section 4 of this chapter if ~~the carbon dioxide transmission pipeline~~: **either of the following applies:**

(1) The carbon dioxide transmission pipeline to be constructed and operated:

~~(A)~~ **(A)** begins and ends on the surface property above the storage facility; and

~~(B)~~ **(B)** does not cross:

~~(A)~~ **(i)** public property;

~~(B)~~ **(ii)** a public right-of-way; or

~~(C)~~ **(iii)** a parcel for which there is an existing easement or for which an the pipeline company would be required to obtain a right-of-way or easement is required: **for the pipeline.**

(2) The surface property above the storage facility crosses only one (1) or more of the following:

(A) An existing private easement.



(B) A private right-of-way.

(b) A carbon dioxide transmission pipeline company is not required to obtain a carbon dioxide transmission pipeline certificate of authority under section 4 of this chapter if the surface property above the storage facility crosses a:

- (1) parcel that has an existing private easement;
- (2) parcel for which a private easement is required; or
- (3) private right-of-way.

SECTION 134. IC 14-39-1-12, AS AMENDED BY SEA 457-2025, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. The department shall deposit fee revenue received under section 4(a)(1) of this chapter in the ~~state general fund~~: **carbon sequestration project program administrative fund established by IC 14-39-2-10.5.**

SECTION 135. IC 14-39-2-4, AS AMENDED BY SEA 457-2025, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) If at least two (2) pore space owners own pore space located within a proposed carbon dioxide storage area of a storage facility, the owners may agree to integrate their interests to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide.

(b) If all of the owners of the pore space under subsection (a) do not agree to integrate their interests, the department may issue an order requiring the owners to integrate their interests and to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide to serve the public interest, prevent waste, protect correlative rights, and facilitate the efficient and effective use of natural resources subject to the findings under subsection (c).

(c) Before issuing an order under subsection (b), the department must make the following findings:

(1) That a storage operator:

- (A) filed a complete **application for a UIC Class VI permit or a complete application for an amended complete UIC Class VI permit**; and
- (B) submitted all the necessary information to the United States Environmental Protection Agency for the agency to process the storage operator's permit application.

(2) That the storage operator has made a good faith effort to obtain the consent of all pore space owners located within the proposed storage facility.

(3) That the storage operator has obtained the consent of the owners of the pore space underlying at least seventy percent (70%) of the surface area above the proposed storage facility or amended proposed storage facility.

(4) That all pore space owners who do not agree to integrate their interests to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide are equitably compensated.

(d) A right to pore space granted by this section does not confer a right to enter upon, or otherwise use, the surface of the land which is integrated under this section unless provided in an order requiring the owners to integrate their interests and to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide.

(e) An involuntary integration order issued by the department ~~is effective~~ **takes effect** fifteen (15) days after the applicant is issued a UIC Class VI permit **or an amended UIC Class VI permit, as applicable.**

SECTION 136. IC 14-39-2-5, AS AMENDED BY SEA 457-2025, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 5. (a) Carbon sequestration projects are authorized in Indiana for the purposes of:



- (1) injecting carbon dioxide into the pore space of an underground storage facility through at least one (1) carbon dioxide injection well pursuant to a UIC Class VI permit; and
- (2) employing the underground storage of carbon dioxide.
- (b) A storage operator may not operate a carbon sequestration project in Indiana without:
 - (1) a UIC Class VI permit; and
 - (2) a valid permit issued by the department.
- (c) If a carbon sequestration project is owned by an entity other than the storage operator, the storage operator shall be responsible for obtaining a permit for a carbon sequestration project under subsection (b).
- (b). A permit for a carbon sequestration project may be transferred or assigned from one (1) storage operator to another storage operator.
- (d) An individual may apply to the department for a permit for a carbon sequestration project in a form and manner prescribed by the department.
- (e) An application under subsection (d) must include the following:
 - (1) A filing fee equal to the product of:
 - (A) the given amount of metric tons of carbon dioxide proposed to be injected into the storage facility during the first ten (10) years of **the permit for** the carbon sequestration project; multiplied by
 - (B) one cent (\$0.01).

The filing fee amount determined under this subdivision shall be collected by the department and deposited in the ~~state general fund~~ **carbon sequestration project program administrative fund established by section 10.5 of this chapter.**

 - (2) The signature of the applicant.
 - (3) A statement verifying that the information submitted is true, accurate, and complete to the best of applicant's knowledge.
 - (4) Information illustrating that the applicant has the financial, managerial, and technical ability to construct, operate, and maintain a carbon sequestration project.
 - (5) Information illustrating that the applicant or the contractors or subcontractors of the applicant have the requisite expertise in constructing, operating, and maintaining a carbon sequestration project.
 - (6) Documentation to the department describing the scope of the proposed carbon sequestration project.
 - (7) A statement describing how the applicant will construct, operate, and maintain the proposed carbon sequestration project in accordance with applicable local, state, and federal law, including federal and state safety regulations and rules governing the construction, operation, and maintenance of the carbon sequestration project, and related facilities and equipment, to ensure the safety of the carbon sequestration project employees and the public.
 - (8) A statement that the interests of a mineral lessee or mineral owner will not be adversely affected. If a mineral owner or mineral lessee is adversely affected, the adversely affected mineral owner or mineral lessee and the applicant may enter into an agreement under section 4 of this chapter.- (f) ~~After~~ **During** the first ten (10) years of **the permit for** a carbon sequestration project, if the carbon sequestration project injects more metric tons of carbon dioxide into the storage facility than was proposed under the original application under subsection (e), the storage operator shall pay the filing fee under subsection (e) for the additional metric tons of carbon dioxide injected into the storage facility during the first ten (10) years of **the permit for** the carbon sequestration project.



(g) A fee paid under this section is not refundable by the department.

SECTION 137. IC 14-39-2-6, AS AMENDED BY SEA 457-2025, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. (a) The department shall review an application submitted under section 5(d) of this chapter. If the department determines that the application submitted under section 5(d) of this chapter is complete, the department shall notify the applicant.

(b) The department shall return an application to the applicant if the department determines that the application is incomplete, inaccurate, or both.

(c) If the department returns an application to an applicant under subsection (b), the department shall inform the applicant in writing that the applicant may file a corrected application not more than sixty (60) days after the receipt of the returned application.

(d) Upon receiving a ~~corrected~~ **complete** application under this section, the department shall review the application.

(e) Upon receiving notification that an application is complete, the applicant shall:

(1) not more than sixty (60) days after receiving the notice under this subsection:

(A) place **for public inspection** a copy of the application in a public library located in each county in which the carbon sequestration project is proposed to be located; ~~for public inspection;~~

(B) publish ~~notice~~ under IC 5-3-1 in each county in which the carbon sequestration project is proposed to be located **notice** of the name and address of each library in which a copy of the application is placed as required by clause (A); and

(C) provide notice to potentially affected parties under rules adopted by the commission for carbon sequestration projects; and

(2) provide to the department proof of publication of notice under this subsection not more than thirty (30) days after the publication or delivery of the notice.

(f) Not later than ninety (90) days after receiving the proof of publication of notice under subsection (e), the department shall notify the applicant in writing that:

(1) the department has approved the application; or

(2) the department has denied the application.

SECTION 138. IC 14-39-2-7, AS ADDED BY P.L.163-2022, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. If the department approves an application under ~~section 5 of this chapter or a corrected application under section 6(e)~~ **6** of this chapter, the department shall issue to the applicant a carbon sequestration project permit.

SECTION 139. IC 14-39-2-9, AS AMENDED BY SEA 457-2025, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. (a) A storage operator shall pay the department ~~a fee under the fees described in~~ subsections (b) and (c) for every metric ton of carbon dioxide injected for storage.

(b) Not later than ~~sixty (60) days after the end of a calendar~~ **March 1 of each** year, a storage operator shall pay to the department a fee of eight cents (\$0.08) per metric ton of carbon dioxide injected into the storage facility ~~for the previous~~ **during the immediately preceding** calendar year. The department shall deposit the fee into the ~~state general fund~~ **carbon dioxide storage facility trust fund established by section 10 of this chapter**.

(c) Not later than ~~sixty (60) days after the end of the calendar~~ **March 1 of each** year, ~~in which a storage operator begins injecting carbon dioxide into a storage facility;~~ **a storage operator shall pay to the department a** ~~one (1) time fee for that is based on the amount of carbon dioxide injected into the storage facility~~ **during the immediately preceding calendar year and that is equal to the product of:**



- (1) the ~~given amount~~ **number** of metric tons of carbon dioxide ~~proposed to be injected into the storage facility during the first ten (10) years of the carbon sequestration project;~~ **immediately preceding calendar year;** multiplied by
- (2) five cents (\$0.05).

The department shall deposit the fee into the ~~state general fund.~~ **carbon sequestration project program administrative fund established by section 10.5 of this chapter.**

SECTION 140. IC 14-39-2-10, AS AMENDED BY SEA 457-2025, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 10. (a) The carbon dioxide storage facility trust fund is established **for the purpose of defraying the costs incurred by the department for the long term monitoring and management of, including monitoring and managing the safety of, carbon sequestration projects. The fund shall be administered by the department.**

(b) ~~The fee~~ **Fees collected by the department** under section ~~9~~ **9(b)** of this chapter must be deposited in the carbon dioxide storage facility trust fund established by subsection (a).

(c) The carbon dioxide storage facility trust fund must be maintained as a special fund and all money in the fund is appropriated and may be used only to defray the costs incurred by the department for the long term monitoring and management of a carbon sequestration project.

~~(d) On June 30, 2025, the budget agency shall transfer all money in the fund to the state general fund.~~

~~(e) This section expires July 1, 2025.~~

(d) The fund consists of the following:

(1) Money deposited in or distributed to the fund under this article.

(2) Donations, gifts, grants, and money received from any other source, including appropriations or transfers from other funds or accounts.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) Money in the fund is continuously appropriated to the department to carry out the purposes of this article, subject to review by the budget committee.

SECTION 141. IC 14-39-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10.5. (a) The carbon sequestration project program administrative fund is established for the purpose of defraying the cost of administrative expenses incurred by the department to manage and operate the carbon sequestration project program. The fund shall be administered by the department.**

(b) The fund consists of the following:

(1) Money deposited in or distributed to the fund under this article.

(2) Donations, gifts, grants, and money received from any other source, including appropriations or transfers from other funds or accounts.

(c) The expenses of administering the fund shall be paid from money in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund. However, if the amount of money in the fund at the end of a particular fiscal year exceeds seven hundred fifty thousand dollars (\$750,000), the treasurer of state shall transfer the excess in the fund to the state general fund.

SECTION 142. IC 14-39-2-11.5, AS ADDED BY SEA 457-2025, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 11.5. (a) ~~The department shall issue a permit for a person to:~~ **A person may not:**



- (1) drill, deepen, or operate a nonproduction well drilled to investigate and obtain data on geological, structural, or hydrogeological stratigraphic intervals for the suitability of underground formations for carbon sequestration; or
- (2) convert a well for oil and gas purposes (as defined by IC 14-8-2-317) for carbon dioxide investigations;

without first obtaining a permit issued by the department under this section.

(b) A person issued a permit under ~~subsection (a)~~ **this section shall do the following:**

- (1) Comply with the conditions of ~~a the permit as determined by to the satisfaction of the~~ department;
- (2) Correct **any** adverse environmental impact that results from noncompliance with a permit. ~~and~~
- (3) Provide **for the** proper operation and maintenance ~~for of all:~~

(A) facilities;

(B) **treatment** systems; ~~of treatment;~~ and

(C) control and related appurtenances;

that are installed or used by the person to comply with the permit conditions.

(c) A permit issued under this section does not convey to the holder a property right or an exclusive privilege.

(d) An application for a permit under subsection (a) must include the following:

- (1) The name, address, telephone number, and electronic mail address of the applicant.
- (2) The signature of the applicant or the applicant's designee. ~~that is~~ **The applicant must be the operator named identified** in the permit application.
- (3) **An identification of** the plat of land or lease where the well is to be located, **along with a description of** the property boundaries, lease lines, **and** storage area tract boundary, ~~and including the acreage within the tract, as applicable.~~
- (4) The location of the proposed well as certified by a professional surveyor registered under IC 25-21.5.
- (5) The surface elevation of the proposed well and the method used for determining that elevation.
- (6) The depth of the proposed well.
- (7) ~~Proof the applicant executed of a surface use agreement with~~ **executed by the applicant and the surface owner, and including an agreement demonstrating the applicant is not trespassing on the subsurface estate, if different from the surface estate: specifying that in acting as authorized under a permit issued by the department under this section, the operator does not commit trespass with respect to the subsurface estate in any case in which the subsurface estate is separate from the surface estate.**
- (8) Any other information required by the department that is necessary to administer this section.

(e) An applicant shall submit the following with an application for a permit under this section:

- (1) **For each well included in the application,** a cash bond ~~for each well~~ of ten dollars (\$10) for each foot of well depth.
- (2) A permit fee of two hundred fifty dollars (\$250) payable to the department.

~~An amount collected under this subsection must be deposited in the state general fund. The department shall deposit all amounts collected under this subsection in the carbon sequestration project program administrative fund established by section 10.5 of this chapter.~~

(f) The department shall incorporate in ~~the a~~ **a permit issued under this section** the terms, conditions, and covenants the department considers necessary to protect the public interest.



(g) Except as provided in subsection (h), the department shall issue a permit under this section not later than fifteen (15) days after the applicant:

(1) ~~complies~~ **demonstrates compliance** with **all relevant:**

(A) **provisions of** this article; and

(B) rules adopted under this article;

as determined by the department; and

(2) submits a complete permit application **under this section** to the department;

unless the fifteen (15) day deadline **prescribed by this subsection** is otherwise waived by the applicant.

(h) The department may deny a permit under this section if the applicant, or an officer, a partner, or a director of the applicant:

(1) **either:**

(A) is in violation of this article **at the time of the application;** or

(B) would be in violation if the permit were issued; or

(2) has **previously** demonstrated a pattern of willful violations of this article.

~~indicating an intention not to comply with this article.~~

(i) **Except as provided in subsection (j),** a permit issued by the department under this section is **effective with respect to a particular well remains in effect** until **any of the following occurs:**

(1) The well is plugged and abandoned.

(2) The well is converted to another type of well. ~~or~~

(3) The permit is revoked **by the department under subsection (k).**

(j) A permit issued by the department under this section expires one (1) year after the date of issuance ~~if the drilling the of a well for which the permit has been issued~~ has not commenced **within that time.**

(k) The department may revoke a permit issued under this section.

(l) **Subject to subsection (m),** a person holding a permit under this section shall plug and abandon a well that is no longer in operation under a permit, unless the well is converted to a carbon dioxide injection ~~well~~ or monitoring well under a UIC Class VI permit.

(m) A person **holding a permit under this section** may defer plugging and abandoning a well ~~under this section~~ while an application is pending to convert the well into a UIC Class VI permit carbon dioxide injection ~~well~~ or monitoring well, ~~under this section;~~ **provided that as long as** the well is temporarily capped and maintained in the manner prescribed by the department ~~under in~~ the permit.

(n) After a well is plugged and abandoned or transferred, the applicant who paid the cash bond under subsection (e) may ~~apply for a~~ request a total or partial bond release from the department. The director of the division of reclamation shall:

(1) release the bond as requested; or

(2) deny the bond release.

(o) A determination **by the department** under this section is subject to review and appeal under IC 4-21.5.

(p) The commission may adopt rules under IC 4-22-2 to implement this section.

SECTION 143. IC 14-39-2-13, AS AMENDED BY SEA 457-2025, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 13. (a) A certificate of project completion shall be issued upon ~~the~~ application ~~from~~ **by** the storage operator if the department finds that the storage operator does the following:

(1) The storage operator is in compliance with all applicable laws governing the storage facility.

(2) The storage operator shows that the storage facility is reasonably expected to retain the carbon



dioxide stored ~~therein~~ **in the storage facility**.

(3) The storage operator shows that the carbon dioxide in the storage facility is stable by showing that either:

(A) the stored carbon dioxide is essentially stationary; or

(B) if the stored carbon migrates, ~~the migration will be~~ **is** unlikely to cross the boundaries of the storage facility.

(4) The storage operator shows that all wells, equipment, and facilities used after the closure period are in good condition and retain mechanical integrity.

(5) The storage operator shows that injection wells have been plugged.

(6) The storage operator shows that equipment and facilities, not including fixed structures and long term monitoring equipment and wells, have been removed.

(7) The storage operator proves that the reclamation work required by the department where the project ceases to inject carbon dioxide is completed.

(8) The following with respect to site closure:

(A) The storage operator has provided a notice of intent for site closure to the United States Environmental Protection Agency.

(B) The United States Environmental Protection Agency has authorized site closure.

(C) The storage operator has provided: ~~to the United States Environmental Protection Agency;~~

(i) the site closure report required under 40 CFR 146.93(f) (as in effect January 1, 2022) **to the United States Environmental Protection Agency;** or

(ii) a comparable report to the state regulatory body if the state assumes primacy for UIC Class VI permitting.

(b) The department shall issue a certificate of project completion not later than one hundred eighty (180) days after receiving an application from the storage operator. If the department determines that the application for a certificate of project completion is incomplete, inaccurate, or both, the department shall return the application to the storage operator.

(c) If the department returns the application to the storage operator under subsection (b), the department shall inform the storage operator, in writing, of the deficiencies of the submitted application and inform the storage operator of the right to file a corrected application with the department.

(d) Once a certificate of completion is issued, the following ~~occurs~~ **apply**:

(1) Except as provided in subsection (e), the state will assume ownership of and responsibility for the storage facility.

(2) The state will assume responsibility for all regulatory requirements associated with the storage facility, and the storage operator and the owner of the storage facility are released from responsibility for all regulatory requirements associated with the storage facility.

(3) The state will assume any potential liability associated with the storage facility.

(4) The department may, at a reasonable time, enter property ~~where on which~~ a carbon dioxide injection well or monitoring well for the storage facility is located to inspect and maintain the ~~carbon dioxide injection well or storage facility~~. Except in the event of an emergency, the department shall provide **advance** notice to the ~~surface~~ owner of **the surface property of** the date the department intends to enter the property. **The notice required by this subdivision must be provided** at least five (5) business days before the department intends to enter the property. The notice must be ~~issued~~ **delivered** by:

(A) United States mail;



- (B) private courier;
- (C) personal delivery; or
- (D) any other manner agreed to in writing between the department and the ~~surface~~ owner of the **surface property.**

(e) The state may: ~~only:~~

- (1) assume ownership of and responsibility for; or
- (2) accept transfer of;

a storage facility ~~for~~ **with respect to** which ~~an~~ interest in or rights to property are conveyed by a lease agreement **only** if the lessor and lessee agree **in the lease agreement** to transfer the storage facility ~~in the lease agreement~~ to the state. **In a transfer described in this subsection,** the state ~~only~~ assumes ownership of and responsibility for the storage facility **only** and does not assume **any other** ownership ~~of or interest,~~ responsibility, ~~for or liability under~~ any other provisions of the **lease** agreement.

(f) Unless there is documentation to the contrary, the storage operator has title to the carbon dioxide injected into and stored in a storage facility, and the storage operator holds title until the department issues a certificate of completion.

SECTION 144. IC 14-39-2-15, AS ADDED BY SEA 457-2025, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 15. (a) A ~~violation of person that violates~~ a requirement under this article is subject to a civil penalty under this section.

(b) Except as provided in subsection (d), a ~~civil penalty for a violation~~ **person that violates a requirement** under this article **is shall pay to the department a civil penalty** as follows:

- (1) One thousand dollars (\$1,000) for a first violation.
- (2) Five thousand dollars (\$5,000) for a second violation.
- (3) Ten thousand dollars (\$10,000) for a third and each subsequent violation.

(c) If a person issued a civil penalty under subsection (b) for a violation of a requirement under this article does not ~~remediate~~ **remedy** the violation in the time prescribed by the department, the person is subject to a cessation order issued by the department. ~~The civil penalty for A person that is issued a~~ **cessation order is under this section must pay a civil penalty of** seven hundred fifty dollars (\$750) ~~each~~ **per day,** for not more than thirty (30) days, **for each day the violation remains unremedied.**

(d) ~~If a person who does not obtain the proper certificates or permits from the department a certificate or permit required~~ under this article:

- (1) ~~is subject the person shall pay to the department~~ a civil penalty of ten thousand dollars (\$10,000); and
- (2) ~~shall be issued the department shall issue to the person~~ a cessation order ~~by the department in the amount of seven hundred fifty dollars (\$750) each day for not more than thirty (30) days. in accordance with subsection (c).~~

(e) A civil penalty ~~or cessation order~~ assessed ~~or issued~~ under this section is subject to review and appeal under IC 4-21.5.

(f) The department shall deposit civil penalties collected under this chapter in the ~~state general fund-~~ **carbon dioxide storage facility trust fund established by section 10 of this chapter.**

SECTION 145. IC 14-39-2-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 16. (a) **Not later than September 1, 2030, the department shall submit to the budget committee a report that sets forth the following information:**

- (1) **The number of metric tons of carbon dioxide injected into the pore space in Indiana during**



the period:

(A) beginning January 1, 2025; and

(B) ending June 30, 2030.

(2) Costs incurred by the department to administer the carbon sequestration project program under this chapter during the period:

(A) beginning January 1, 2023; and

(B) ending June 30, 2030.

(3) Estimates of:

(A) the amount of carbon dioxide to be injected into the pore space in Indiana under the carbon sequestration project program; and

(B) the costs to the department to administer the carbon sequestration project program under this chapter;

during the period beginning July 1, 2030, and ending June 30, 2034.

(b) Not later than September 1, 2034, the department shall submit to the budget committee a report that sets forth the following information:

(1) The amount of money collected by the department under this chapter during the period:

(A) beginning July 1, 2030; and

(B) ending June 30, 2034.

(2) Costs incurred by the department to administer the carbon sequestration project program under this chapter during the period:

(A) beginning July 1, 2030; and

(B) ending June 30, 2034.

(3) Estimates of:

(A) the amount of money the department anticipates collecting under this chapter; and

(B) the costs to the department to administer the carbon sequestration project program under this chapter;

during the period beginning July 1, 2034, and ending June 30, 2040.

(4) A recommendation as to the amount of any adjustment to fees under this chapter necessary to ensure the financial viability of the underground storage of carbon dioxide.

(c) This section expires January 1, 2041.

SECTION 146. IC 16-18-2-14, AS AMENDED BY P.L.179-2022(ss), SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. (a) "Ambulatory outpatient surgical center", for purposes of IC 16-19, IC 16-21, IC 16-32-5, and IC 16-38-2, means a public or private institution that meets the following conditions:

(1) Is established, equipped, and operated primarily for the purpose of performing surgical procedures and services.

(2) Is operated under the supervision of at least one (1) licensed physician or under the supervision of the governing board of the hospital if the center is affiliated with a hospital.

(3) Permits a surgical procedure to be performed only by a physician, dentist, or podiatrist who meets the following conditions:

(A) Is qualified by education and training to perform the surgical procedure.

(B) Is legally authorized to perform the procedure.

(C) Is privileged to perform surgical procedures in at least one (1) hospital within the county or an Indiana county adjacent to the county in which the ambulatory outpatient surgical center is



located.

(D) Is admitted to the open staff of the ambulatory outpatient surgical center.

(4) Requires that a licensed physician with specialized training or experience in the administration of an anesthetic supervise the administration of the anesthetic to a patient and remain present in the facility during the surgical procedure, except when only a local infiltration anesthetic is administered.

(5) Provides at least one (1) operating room and, if anesthetics other than local infiltration anesthetics are administered, at least one (1) postanesthesia recovery room.

(6) Is equipped to perform diagnostic x-ray and laboratory examinations required in connection with any surgery performed.

(7) Does not provide accommodations for patient stays of longer than twenty-four (24) hours.

(8) Provides full-time services of registered and licensed nurses for the professional care of the patients in the postanesthesia recovery room.

(9) Has available the necessary equipment and trained personnel to handle foreseeable emergencies such as a defibrillator for cardiac arrest, a tracheotomy set for airway obstructions, and a blood bank or other blood supply.

(10) Maintains a written agreement with at least one (1) hospital for immediate acceptance of patients who develop complications or require postoperative confinement.

(11) Provides for the periodic review of the center and the center's operations by a committee of at least three (3) licensed physicians having no financial connections with the center.

(12) Maintains adequate medical records for each patient.

(13) Meets all additional minimum requirements as established by the state department for building and equipment requirements.

(14) Meets the rules and other requirements established by the state department for the health, safety, and welfare of the patients.

(b) The term does not include a birthing center.

(c) "Ambulatory outpatient surgical center", for purposes of IC 16-34, refers to an institution described in subsection (a) and that has a majority ownership by a hospital licensed under IC 16-21.

SECTION 147. IC 16-18-2-67.1, AS AMENDED BY P.L.202-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 67.1. (a) "Comprehensive care health facility", for purposes of **IC 16-19** and IC 16-28-2.5, has the meaning set forth in IC 16-28-2.5-3.

(b) "Comprehensive care health facility", for purposes of IC 16-29-7, has the meaning set forth in IC 16-29-7-3.

SECTION 148. IC 16-18-2-293.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 293.1. "Private mental health institution", for purposes of IC 16-19, means an inpatient hospital setting licensed pursuant to IC 12-25, including inpatient and outpatient services provided in that setting, for treatment and care of individuals with psychiatric disorders or chronic addictive disorders, or both, that is physically, organizationally, and programmatically independent of any hospital or health facility licensed by the state department.**

SECTION 149. IC 16-18-2-317.7, AS AMENDED BY P.L.147-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 317.7. "Residential care facility", for purposes of:

(1) **IC 16-19;**



- ~~(1)~~ **(2)** IC 16-28-2;
- ~~(2)~~ **(3)** IC 16-28-6.5;
- ~~(3)~~ **(4)** IC 16-28-11-8 (**expired**); and
- ~~(4)~~ **(5)** IC 16-32-5;

means an entity licensed under IC 16-28 and registered as a housing with services establishment under IC 12-10-15.

SECTION 150. IC 16-19-5-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 5. (a) As used in this section, "plan review" means a review of plans for a project to determine if it complies with the state department's rules.**

(b) As used in this section, "project" means the construction, addition, or renovation of a new or existing:

- (1) ambulatory outpatient surgical center;**
- (2) comprehensive care health facility;**
- (3) hospital;**
- (4) private mental health institution; or**
- (5) residential care facility.**

(c) The health care engineering fund is established for the purpose of providing funds for plan reviews for the facilities listed in this section. The state department shall administer the fund. The fund consists of the plan review fees collected pursuant to this section. Money in the fund does not revert to the state general fund. Money in the fund is continuously appropriated for the purposes of the fund.

(d) A fee shall be assessed for each plan review. The amount of the fee for each plan review is ten cents (\$0.10) per square foot of the project, but not less than a minimum fee of:

- (1) for hospitals and private mental health facilities:**
 - (A) five hundred fifty dollars (\$550) for new facilities; and**
 - (B) three hundred dollars (\$300) for alterations to existing facilities;**
- (2) for ambulatory outpatient surgical centers:**
 - (A) four hundred fifty dollars (\$450) for new facilities; and**
 - (B) three hundred dollars (\$300) for alterations to existing facilities; and**
- (3) for comprehensive care health facilities:**
 - (A) one hundred fifty dollars (\$150) for new facilities; and**
 - (B) one hundred fifty dollars (\$150) for alterations to existing facilities.**

Fees collected under this subsection shall be deposited in the health care engineering fund established by subsection (c).

(e) The following administrative rules are void:

- (1) 410 IAC 6-12-17(1)(C).**
- (2) 410 IAC 6-12-17(1)(D).**
- (3) 410 IAC 6-12-17(1)(E).**
- (4) 410 IAC 6-12-17(1)(F).**

SECTION 151. IC 16-20-1-12, AS AMENDED BY P.L.164-2023, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 12. (a) This section applies to a local health department in a county where the county executive has voted to receive additional funding to provide core public health services.**

(b) Before July 1, 2023, the state department shall identify state level metrics for measuring the



delivery of the core public health services and progress on preventing or reducing the prevalence of health issues impacting Indiana residents. Before December 31, 2024, the state department shall, in coordination with local health departments in a county described in subsection (a), identify the county level metrics for measuring the delivery of the core public health services.

(c) Except as provided in subsection (d), the local board of health shall spend the additional funds for core public health services as follows:

(1) At least sixty percent (60%) on the following core public health services:

(A) Communicable disease prevention and control.

(B) Vital statistics.

~~(C) Tobacco prevention and cessation.~~

~~(D)~~ (C) Supporting student health as set forth in IC 16-18-2-79.5(14).

~~(E)~~ (D) Child fatality review.

~~(F)~~ (E) Suicide and overdose fatality review.

~~(G)~~ (F) Maternal and child health.

~~(H)~~ (G) Testing and counseling for HIV, hepatitis C, and other sexually transmitted infections, in accordance with IC 20-30-5-13.

~~(I)~~ (H) Tuberculosis control and case management.

~~(J)~~ (I) Emergency preparedness.

~~(K)~~ (J) Referrals to clinical care as set forth in IC 16-18-2-79.5(22).

~~(L)~~ (K) The prevention and reduction of chronic illnesses.

~~(M)~~ (L) Screening and case management for childhood lead exposure and poisoning.

~~(N)~~ (M) Health promotion and education for preventing trauma and injury.

~~(O)~~ (N) Access to childhood and adult immunizations.

(2) Not more than forty percent (40%) on the following core public health services:

(A) Food protection.

(B) Pest and vector control and abatement.

(C) Inspection and testing of public and semipublic pools.

(D) Residential onsite sewage system permitting and inspections.

(E) Orders for the decontamination of property used to illegally manufacture a controlled substance.

(F) Sanitary inspections and surveys of public buildings.

(G) Sanitary operation of tattoo parlors and body piercing facilities.

(H) Sanitary operations of facilities where eyelash extensions are applied.

(d) A local health department may request a waiver from the percentage requirements set forth in subsection (c) if the following are met:

(1) The local health department files a written waiver request with the state department in a manner prescribed by the state department.

(2) The state department shall consider the waiver request submitted under subdivision (1). If the state department approves the waiver request, the state department shall notify the budget committee of any waiver that the state department approves and include a review of the waiver.

(e) Each local health department that provides core public health services shall report, using de-identified, aggregate data, the activities and metrics on the delivery of the core public health services to the state department semi-annually, in the form and manner determined by the state department.

(f) The state department shall:

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- (1) collect and analyze the information reported to the state department under subsection (e); and
- (2) before July 1, 2024, develop and publish on the Internet a web page that tracks the metrics identified in subsection (b) and indicates any progress made in these metrics.
- (g) The state department shall provide a report annually on the information collected in subsection (e) to the legislative council in an electronic format under IC 5-14-6.
- (h) The state department shall annually present the metrics determined under this section to the budget committee.
- (i) A county that accepts additional funding to provide core public health services does not transfer any authority under statute in operating the local health department to the state department in return for the additional funding.
- (j) Before a local health department may hire or contract for the provision or administration of core public health services, the local health department shall post the position or contract to the public for at least thirty (30) days.

SECTION 152. IC 16-21-10-10, AS ADDED BY P.L.205-2013, SECTION 214, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 10. This section:

- (1) is effective upon implementation of the fee; and
- (2) does not apply to funds under IC 12-16-17 **(before its repeal)**.

Notwithstanding any other law, the part of the amounts appropriated for or transferred to the hospital care for the indigent program for the state fiscal year beginning July 1, 2013, and each state fiscal year thereafter that are not required to be paid to the office by law shall be used exclusively as state share dollars for the payments described in sections 8(a) and 11 of this chapter. Any hospital care for the indigent funds that are not required for the payments described in sections 8(a) and 11 of this chapter after the cessation of the collection of the fee under section 6(b) of this chapter shall be used for the state share dollars of the payments in IC 12-15-20-2(8)(G)(ii) through IC 12-15-20-2(8)(G)(x).

SECTION 153. IC 16-28-15-14, AS AMENDED BY P.L.201-2023, SECTION 149, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. This chapter expires June 30, ~~2025~~ **2027**.

SECTION 154. IC 16-41-42.2-3, AS AMENDED BY P.L.200-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) The spinal cord and brain injury fund is established to fund research on spinal cord and brain injuries.

- (b) The fund shall be administered by the state department.
- (c) The fund consists of:
 - (1) appropriations;
 - (2) gifts and bequests;
 - (3) fees deposited in the fund by law; and
 - (4) grants received from the federal government or private sources.
- (d) The expenses of administering the fund shall be paid from money in the fund.
- (e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.
- (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.
- ~~(g) The money in the fund is continually appropriated to the state department to fund the purposes specified in section 4 of this chapter.~~

SECTION 155. IC 16-46-10-3, AS AMENDED BY P.L.164-2023, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Funding provided a local board of



health under section 2.2 or 2.3 of this chapter may be used by the local board to provide any of the following services:

- (1) Core public health services.
- (2) Any statutorily required actions for a local health department.
- (3) Evidence based programs to prevent or reduce the prevalence of health issues or improve the health and behavioral health of Indiana residents as outlined in the plan described in IC 16-30-3-2.

(b) Money granted a local board of health from the local public health fund may not be used for any purpose other than for the services listed in this section.

(c) A county may not use more than ten percent (10%) of the funds received under section 2.2 or 2.3 of this chapter during a fiscal year for capital expenditures, including:

- (1) the purchase, construction, or renovation of buildings or other structures;
- (2) land acquisition; and
- (3) the purchase of vehicles and other transportation equipment.

(d) Funds used for capital expenditures under subsection (c) must be included on the annual financial report required under section 2.2(f) or 2.3(c) of this chapter and posted on the local health department's website.

(e) Before funds may be used to hire or contract for the provision or administration of core public health services, the local health department shall post the position or contract to the public for at least thirty (30) days.

(f) Funds may only be used for Indiana residents who are legal citizens of the United States.

SECTION 156. IC 16-51-1-1, AS ADDED BY P.L.203-2023, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) This chapter applies to an Indiana nonprofit hospital system.

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

- (1) A hospital licensed under IC 16-21-2 that is operated by:
 - (A) a county;
 - (B) a city pursuant to IC 16-23; or
 - (C) the health and hospital corporation established under IC 16-22-8.
- (2) A critical access hospital that meets the criteria under 42 CFR 485.601 through 42 CFR 485.647.
- (3) A rural health clinic (as defined in 42 U.S.C. 1396d(l)(1)).
- (4) A federally qualified health center (as defined in 42 U.S.C. 1396d(l)(2)(B)).
- (5) An oncology treatment facility, even if owned or operated by a hospital.
- (6) A health facility licensed under IC 16-28.
- (7) A community mental health center certified under IC 12-21-2-3(5)(C).
- (8) A private mental health institution licensed under IC 12-25, including a service facility location for a private mental health institution and reimbursed as a hospital-based outpatient service site.
- (9) Services provided for the treatment of individuals with psychiatric disorders or chronic addiction disorders in:
 - (A) any part of a hospital, whether or not a distinct part; or
 - (B) an outpatient off campus site that is within thirty-five (35) miles of a hospital.
- (10) Billing under the Medicare program or a Medicare advantage plan.
- ~~(11) Billing under the Medicaid program.~~

SECTION 157. IC 16-51-1-11, AS ADDED BY P.L.203-2023, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 11. (a) **As used in this section, "physician**



fee schedule" refers to the negotiated agreement between a payor and a qualified provider specifying reimbursement for services furnished in an office setting and billed on a CMS 1500 form or its electronic equivalent.

(a) (b) A bill for health care services provided by a qualified provider in an office setting:

- (1) may not be submitted on an institutional provider form; and
- (2) must be submitted on an individual provider form.

(b) (c) ~~An insurer, health maintenance organization, employer, or other person responsible for the payment of the cost of health care services provided by a qualified provider in an office setting~~ **A payor** shall not accept a bill for ~~the~~ health care services that is submitted on an institutional provider form.

(d) **A qualified provider in an office setting may not bill health care services with a place of service code 21 or 22, as published in the place of service code set maintained by the federal Centers for Medicare and Medicaid Services.**

(e) **Beginning January 1, 2026, a payor shall pay the claims incurred by an in-network qualified provider based on the physician fee schedule.**

SECTION 158. IC 20-18-2-22, AS AMENDED BY P.L.246-2023, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2025]: Sec. 22. (a) "Teacher" means a professional person whose position in a school corporation requires certain educational preparation and licensing and whose primary responsibility is the instruction of students.

(b) Except as provided in subsections (d) and (e), for purposes of IC 20-28, the term includes the following:

- (1) A superintendent who holds a license under IC 20-28-5.
- (2) A principal.
- (3) A teacher.
- (4) A librarian.
- (5) A school counselor.
- (6) A school psychologist.

(c) For purposes of ~~IC 20-43-10-3.5~~, **IC 20-43-16**, the term means a professional person whose position with a:

- (1) school corporation;
- (2) special education cooperative established under IC 20-35-5;
- (3) cooperative career and technical education program;
- (4) special education program established by an interlocal agreement under IC 36-1-7;
- (5) joint program agreement established under IC 20-26-10; or
- (6) charter school;

requires a license (as defined in IC 20-28-1-7) and whose primary responsibility is the instruction of students in the classroom or virtual classroom.

(d) "Teacher" for purposes of IC 20-28-9-26 and IC 20-28-9-27, means a classroom teacher licensed under IC 20-28-5 who provides instruction to students for at least fifty percent (50%) of the teacher's work day.

(e) For purposes of IC 20-28-9-28, the term includes an adjunct teacher, school counselor, and permanent substitute teacher employed by a school corporation.

SECTION 159. IC 20-19-1-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4. (a) Not later than December 1, 2026, the secretary of education shall provide a report and recommendation in an electronic format**



under IC 5-14-6 to the general assembly concerning:

(1) aligning state funding for dual credit and the advanced placement program with the new high school diploma established under IC 20-19-2-21; and

(2) expanding access to dual credit course work to all Indiana students.

(b) This section expires July 1, 2027.

SECTION 160. IC 20-19-2-2.2, AS AMENDED BY P.L.43-2021, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2.2. (a) The state board consists of the following members:

(1) The secretary of education.

(2) Eight (8) members appointed by the governor. The following provisions apply to members of the state board appointed under this subdivision:

(A) At least six (6) members appointed under this subdivision must have professional experience in the field of education as provided in subsection (b).

(B) Members shall be appointed from different parts of Indiana with not more than one (1) member being appointed from a particular congressional district.

(C) Not more than five (5) members of the state board may be appointed from the membership of any one (1) political party.

(D) Subject to subsection (h), at least one (1) member shall be a practicing licensed special education teacher or special education director at the time the member is appointed.

(3) One (1) member, who is not a member of the general assembly, appointed by the speaker of the house of representatives.

(4) One (1) member, who is not a member of the general assembly, appointed by the president pro tempore of the senate.

(b) For purposes of subsection (a), an individual is considered to have professional experience in the field of education if the individual has teaching or leadership experience at a postsecondary educational institution or is currently employed as, or is retired from a position as:

(1) a teacher;

(2) a principal;

(3) an assistant superintendent; or

(4) a superintendent.

(c) A quorum consists of six (6) members of the state board. An action of the state board is not official unless the action is authorized by at least six (6) members.

(d) The members of the state board shall elect a chairperson and vice chairperson annually from the members of the state board. The vice chairperson shall act as chairperson in the absence of the chairperson.

(e) Except as otherwise provided in subsection (f), each member appointed under subsection (a)(2) through (a)(4) serves a four (4) year term. The term begins on July 1.

(f) A member appointed under subsection (a)(2) through (a)(4) may be removed from the state board by the member's appointing authority for just cause. Vacancies in the appointments to the state board shall be filled by the appointing authority. A member appointed under this subsection serves for the remainder of the unexpired term.

(g) The state board shall meet at a minimum at least one (1) time each ~~month~~ **year**. The state board shall establish the date of the next ~~monthly~~ meeting during ~~the monthly~~ **a** meeting of the state board. In addition to the ~~monthly~~ **annual** meeting required under this subsection, the state board shall meet at the



call of the chairperson.

(h) This subsection expires July 1, 2024. The governor shall appoint a member who has the qualifications described in subsection (a)(2)(D) for the first appointment made by the governor to fill a vacancy on the state board after March 31, 2020.

SECTION 161. IC 20-19-3-28.5, AS ADDED BY P.L.202-2023, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 28.5. (a) As used in this section, "CSA participating entity" has the meaning set forth in IC 20-51.4-2-3.2.

(b) As used in this section, "skill competency" has the meaning set forth in IC 20-51.4-2-11.

(c) The department shall publish on the department's website a list of skill competencies identified by CSA participating entities who are providing training and education approved by the department ~~and the commission for higher education~~ under IC 20-51.4-4.5-6.

SECTION 162. IC 20-20-38-0.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 0.5: As used in this chapter, "cabinet" refers to the governor's workforce cabinet established by IC 4-3-27-3.~~

SECTION 163. IC 20-20-38-4, AS AMENDED BY P.L.152-2018, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) The state board shall develop and implement a long range state plan for a comprehensive secondary level career and technical education program in Indiana.

(b) The plan developed under this section must be updated as changes occur. The state board shall make the plan and any revisions made to the plan available to:

- (1) the governor;
- (2) the general assembly;
- (3) the department of workforce development;
- (4) the commission for higher education;
- ~~(5) the cabinet;~~
- ~~(6) (5)~~ the board for proprietary education; and
- ~~(7) (6)~~ any other appropriate state or federal agency.

A plan or revised plan submitted under this section to the general assembly must be in an electronic format under IC 5-14-6.

(c) The plan developed under this section must set forth specific goals for secondary level public career and technical education and must include the following:

- (1) The preparation of each graduate for both employment and further education.
- (2) Accessibility of career and technical education to individuals of all ages who desire to explore and learn for economic and personal growth.
- (3) Projected employment opportunities in various career and technical education fields.
- (4) A study of the supply of and the demand for a labor force skilled in particular career and technical education areas.
- (5) A study of technological and economic change affecting Indiana.
- (6) An analysis of the private career and education sector in Indiana.
- (7) Recommendations for improvement in the state career and technical education program.
- (8) The educational levels expected of career and technical education programs proposed to meet the projected employment needs.

(d) When making any revisions to the plan, the state board shall consider the workforce needs and training and education needs identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10.



(e) The state board shall use data from the department of workforce development to develop and implement a plan or make revisions to a plan under this section.

SECTION 164. IC 20-20-38-6, AS AMENDED BY P.L.143-2019, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. (a) The state board shall do the following:

(1) Make recommendations to the general assembly concerning the development, duplication, and accessibility of employment training and career and technical education on a regional and statewide basis.

(2) Consult with any state agency, commission, or organization that supervises or administers programs of career and technical education concerning the coordination of career and technical education, including the following:

(A) The Indiana economic development corporation.

~~(B) The cabinet.~~

~~(C)~~ (B) A private industry council (as defined in 29 U.S.C. 1501 et seq.).

~~(D)~~ (C) The department of labor.

~~(E)~~ (D) The commission for higher education.

~~(F)~~ (E) The department of workforce development.

~~(G)~~ (F) The board for proprietary education.

~~(H)~~ (G) The department of veterans' affairs.

(3) Review and make recommendations concerning plans submitted by the commission for higher education. ~~and the cabinet.~~ The state board may request the resubmission of plans or parts of plans that:

(A) are not consistent with the long range state plan of the state board;

(B) are incompatible with other plans within the system; or

(C) duplicate existing services.

(4) Report to the general assembly on the state board's conclusions and recommendations concerning interagency cooperation, coordination, and articulation of career and technical education and employment training. A report under this subdivision must be in an electronic format under IC 5-14-6.

(5) Study and develop a plan concerning the transition between secondary level career and technical education and postsecondary level career and technical education.

(b) The state board shall use data from the department of workforce development in carrying out the state board's duties under this section.

SECTION 165. IC 20-20-38-11, AS AMENDED BY P.L.143-2019, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 11. Upon request of the budget director, the state board shall prepare a legislative budget request for state funds for secondary and postsecondary career and technical education. The budget director shall determine the period to be covered by the budget request. This budget request must be made available to the ~~cabinet~~ **commission for higher education** before the request's review by the budget committee.

SECTION 166. IC 20-20-38-12, AS AMENDED BY P.L.143-2019, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. (a) The state board shall review the legislative budget requests for secondary and postsecondary career and technical education prepared by the state educational institutions.

(b) After the review under subsection (a) and a review of any recommendations from the ~~cabinet~~, **commission for higher education**, the state board shall make recommendations to the budget committee



concerning the appropriation of state funds for secondary and postsecondary career and technical education. The state board's recommendations concerning appropriations and allocations for secondary and postsecondary career and technical education by secondary schools and state educational institutions must specify:

- (1) the categories of expenditures and the distribution plan or formula for secondary schools; and
- (2) the categories of expenditures for each state educational institution.

(c) After reviewing the state board's recommendations, and each agency's budget request, the budget committee shall make recommendations to the general assembly for funding to implement secondary and postsecondary career and technical education. The general assembly shall biennially appropriate state funds for secondary and postsecondary career and technical education and allocate federal funds available under 20 U.S.C. 2301 et seq. for secondary and postsecondary career and technical education. At least sixty percent (60%) of the federal funds available under 20 U.S.C. 2301 et seq. must be allocated to secondary level career and technical education to implement the long range state plan developed under section 4 of this chapter.

(d) The budget agency, with the advice of the state board, and the budget committee, may augment or proportionately reduce an allocation of federal funds made under subsection (c).

(e) The state board shall use data from the department of workforce development in making a recommendation under this section.

SECTION 167. IC 20-20-38-13, AS AMENDED BY P.L.152-2018, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 13. The state board shall distribute state funds made available for secondary and postsecondary career and technical education that have been appropriated by the general assembly and in accordance with the plan prepared by:

- (1) the state board under section 5 of this chapter; and
- (2) the **cabinet commission for higher education**, under IC 22-4-1-19-4.

SECTION 168. IC 20-24-7-13.5, AS AMENDED BY P.L.201-2023, SECTION 155, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 13.5. (a) This section applies to the following charter schools:

- (1) The Excel Centers for Adult Learners.
- (2) The Christel House DORS centers.
- (3) The Gary Middle College charter schools.

(b) Notwithstanding any other law, for a state fiscal year, a charter school described in subsection (a) is entitled to receive funding from the state in an amount equal to the product of:

- (1) the charter school's number of students who are Indiana residents (expressed as full-time equivalents); multiplied by
- (2) six thousand seven hundred fifty dollars (\$6,750) beginning July 1, 2017.

(c) However, in the case of the charter school described in subsection (a)(3), the funding under this section applies only for those students who are twenty-two (22) years of age and older. In addition, the total number of students (expressed as full-time equivalents) of all adult learners in charter schools covered by this section may not exceed the following

- (1) For the 2023-2024 state fiscal year:
- (A) For the Christel House DORS centers, one thousand (1,000) adult learner students.
 - (B) For the Gary Middle College charter schools, two hundred fifty (250) adult learner students.
 - (C) For the Excel Centers for Adult Learners, five thousand three hundred fifty (5,350) adult learner students.



(2) for the ~~2024-2025~~ **2025-2026 and 2026-2027** state fiscal year: years:

~~(A)~~ (1) For the Christel House DORS centers, one thousand (1,000) adult learner students.

~~(B)~~ (2) For the Gary Middle College charter schools, two hundred fifty (250) adult learner students.

~~(C)~~ (3) For the Excel Centers for Adult Learners, six thousand five hundred fifty (6,550) adult learner students.

(d) A charter school described in subsection (a) is entitled to receive federal special education funding.

(e) The state funding under this section shall be paid each state fiscal year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each state fiscal year shall equal the amount required under this section. However, if the appropriations for this purpose are insufficient, the distributions to each recipient shall be reduced proportionately.

(f) A charter school that receives funding as provided in this section must report the following information annually to the state board and (in an electronic format under IC 5-14-6) to the legislative council, on a schedule specified by the state board:

(1) The number of adult learners enrolled in the charter school during the preceding year.

(2) The demographics of the adult learners enrolled in the charter school during the preceding year (in a format requested by the state board).

(3) The graduation rates of the adult learners enrolled in the charter school during the preceding year.

(4) The outcomes for adult learners enrolled in the charter school, as of graduation and as of two (2) years after graduation. A charter school must include information concerning students' job placement outcomes, information concerning students' matriculation into higher education, and any other information concerning outcomes required by the state board.

(g) This section expires June 30, ~~2025~~: **2027**.

SECTION 169. IC 20-25.7-5-2, AS AMENDED BY P.L.162-2024, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 2. (a) The board may enter into an agreement with an organizer to reconstitute an eligible school as a participating innovation network charter school or to establish a participating innovation network charter school at a location selected by the board within the boundary of the school corporation. Notwithstanding IC 20-26-7.1, a participating innovation network charter school may be established within a vacant school building.

(b) The terms of the agreement entered into between the board and an organizer must specify the following:

(1) A statement that the organizer authorizes the department to include the charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board.

(2) Subject to an administrative fee as described in subsection (g), a statement that the school corporation will distribute at least one hundred percent (100%) of state tuition support dollars that the school corporation receives from student enrollment in the participating innovation network charter school in accordance with the school funding formula to the participating innovation network charter school (if the participating innovation network charter school is treated in the same manner as a school operated by the school corporation under subsection (d)(2)).

(3) The performance goals and accountability metrics agreed upon for the charter school in the charter agreement between the organizer and the authorizer and a statement that the school



corporation is prohibited from setting additional performance goals or accountability metrics.

(4) For an agreement entered into or renewed after June 30, 2023, the process the board is required to follow in determining whether to renew the agreement.

(5) The amount of money levied as property taxes that will be distributed by the school corporation to the organizer.

(6) Subject to section 5 of this chapter, the participating innovation network charter school's enrollment and discipline policies, including defined attendance areas and enrollment zones.

(7) A statement that the innovation agreement shall not create an obligation that would cause the organizer to be in violation of its charter agreement (as described in IC 20-24-1-3).

(c) If an organizer and the board enter into an agreement under subsection (a), the organizer and the board shall notify the department that the agreement has been made under this section within thirty (30) days after the agreement is entered into.

(d) Upon receipt of the notification under subsection (c), for school years starting after the date of the agreement:

(1) the department shall include the participating innovation network charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board;

(2) the department shall treat the participating innovation network charter school in the same manner as a school operated by the school corporation when calculating the total amount of state funding to be distributed to the school corporation unless subsection (e) applies; and

(3) if requested by a participating innovation network charter school that reconstitutes an eligible school, the department may use student growth as the state board's exclusive means to determine the innovation network charter school's category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years. Beginning with the 2019-2020 school year, the department may not use student growth as the state board's exclusive means to determine an innovation network charter school's category or designation of school improvement. This subdivision expires July 1, 2023.

(e) If a participating innovation network school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school shall be treated as a charter school for purposes of determining tuition support. This subsection expires June 30, ~~2025~~ 2027.

(f) If the board or organizer fails to follow the process described in subsection (b)(4), the board or organizer may appeal to the state board. The state board shall hear the appeal in a public meeting and ensure that the board or organizer follows the renewal process specified in the agreement. The board may not terminate an agreement until the board has provided evidence to the state board that the board has complied with the renewal process specified in the agreement. The state board shall issue a decision on an appeal under this subsection not later than sixty (60) days after the date the board or organizer submitted the appeal to the state board.

(g) If an administrative fee is included in an agreement entered into or renewed after June 30, 2023, under this section, the fee may not exceed one percent (1%) of the total amount of state tuition support that is distributed to the school corporation based on the participating innovation network charter school's student enrollment.

(h) An agreement entered into between the board and an organizer under this section may not be



altered without written approval from the organizer.

SECTION 170. IC 20-26-11-17, AS AMENDED BY P.L.146-2008, SECTION 472, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17. (a) Each year before the date specified in the rules adopted by the state board, a school corporation shall report the information specified in subsection (b) for each student:

- (1) for whom tuition support is paid by another school corporation;
- (2) for whom tuition support is paid by the state; and
- (3) who is enrolled in the school corporation but has the equivalent of a legal settlement in another state or country;

to the department.

(b) Each school corporation shall provide the following information for each school year for each category of student described in subsection (a):

- (1) The amount of tuition support and other support received for the students described in subsection (a).
- (2) The operating expenses, as determined under section 13 of this chapter, incurred for the students described in subsection (a).
- (3) Special equipment expenditures that are directly related to educating students described in subsection (a).
- (4) The number of transfer students described in subsection (a).
- (5) Any other information required under the rules adopted by the state board after consultation with the office of the secretary of family and social services.

(c) The information required under this section shall be reported in the format and on the forms specified by the state board.

~~(d) Not later than November 30 of each year the department shall compile the information required from school corporations under this section and submit the compiled information in the form specified by the office of the secretary of family and social services to the office of the secretary of family and social services.~~

~~(e) Not later than December 31 of each year, the office of the secretary of family and social services shall submit a report to the members of the budget committee and the executive director of the legislative services agency that compiles and analyzes the information required from school corporations under this section. The report must identify the types of state and local funding changes that are needed to provide adequate state and local money to educate transfer students. A report submitted under this subsection to the executive director of the legislative services agency must be in an electronic format under IC 5-14-6.~~

SECTION 171. IC 20-28-9-27, AS AMENDED BY P.L.150-2024, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2025]: Sec. 27. (a) As used in this section, "funding floor" means the amount a school corporation expended for full-time teacher salaries during a particular state fiscal year.

(b) Subject to subsections (d) and (e), if the amount of state tuition support distributed to a school corporation for a particular state fiscal year is greater than the amount of state tuition support distributed to the school corporation for the preceding state fiscal year, the school corporation may not expend an amount for full-time teacher salaries during the particular state fiscal year that is less than the funding floor for the preceding state fiscal year.

(c) For purposes of this section, the amount a school corporation expends for full-time teacher salaries shall include the amount the school corporation expends for participating in a special education



cooperative or a career and technical education cooperative that is directly attributable to the salaries of full-time teachers employed by the cooperative, as determined by the department.

(d) For purposes of this subsection, stipends paid using teacher appreciation grants under ~~IC 20-43-10-3.5~~ **IC 20-43-16** are not considered. If a school corporation has awarded stipends to a majority of the school corporation's teachers in each of the two (2) preceding consecutive state fiscal years, an amount equal to the lesser of the total amount of stipends awarded in each of those state fiscal years shall be added to the school corporation's funding floor for the preceding state fiscal year described under subsection (b).

(e) Beginning after June 30, 2024, for each state fiscal year that a school corporation fails to meet the expenditure requirements regarding full-time teacher salaries under subsection (b), 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 (b) for the applicable state fiscal year.

(f) If a school corporation's governing body receives a notice from the department under subsection (e), 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) If the department determines a school corporation that received one (1) or more notices from the department under subsection (e) has met the expenditure requirements required under subsection (b) 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); and
- (2) relevant individual reports prepared by the department under subsection (f)(3).

SECTION 172. 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, a school corporation shall expend an amount for teacher compensation that is not less than an amount equal to sixty-two percent (62%) 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) (c) 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) The department shall publish the report described in subsection (d) (c) on the department's website.

(e) 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.

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

~~(h)~~ (g) If the department determines a school corporation that received one (1) or more notices from the department under subsection ~~(f)~~ (e) 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 ~~(f)~~ (e); and
- (2) relevant individual reports prepared by the department under subsection ~~(g)~~ (3). (f)(3).

SECTION 173. IC 20-29-6-4, AS AMENDED BY P.L.217-2017, SECTION 101, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2025]: Sec. 4. (a) A school employer shall bargain collectively with the exclusive representative on the following:

- (1) Salary.
- (2) Wages.
- (3) Salary and wage related fringe benefits, including accident, sickness, health, dental, vision, life, disability, retirement benefits, and paid time off as permitted to be bargained under IC 20-28-9-11.

(b) Salary and wages include the amounts of pay increases available to employees under the compensation plan adopted under IC 20-28-9-1.5, but do not include the teacher evaluation procedures and criteria, any components of the teacher evaluation plan, rubric, or tool, or any performance stipend or addition to base salary based on a stipend to an individual teacher under ~~IC 20-43-10-3.5~~. **IC 20-43-16.**

SECTION 174. IC 20-29-6-4.5, AS AMENDED BY P.L.217-2017, SECTION 102, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4.5. (a) For a contract entered into after June 30, 2011, a school employer may not bargain collectively with the exclusive representative on the following:

- (1) The school calendar.
- (2) Teacher dismissal procedures and criteria.
- (3) Restructuring options available to a school employer under federal or state statutes, regulations, or rules because of the failure of the school corporation or a school to meet federal or state accountability standards.
- (4) The ability of a school employer to contract, partner, or operate jointly with an educational entity that provides postsecondary credits to students of the school employer or dual credits from the school employer and the educational entity.
- (5) Contract costs for curricular materials (as defined in IC 20-18-2-2.7).**



~~(5)~~ (6) Any subject not expressly listed in section 4 of this chapter.

(b) For a contract entered into after January 1, 2015, for a school year beginning after June 30, 2015, a school employer may not bargain collectively with the exclusive representative for the following:

(1) A matter described in subsection (a).

(2) A matter that another statute specifies is not subject to collective bargaining, including IC 20-28-9-1.5 and ~~IC 20-43-10-3.5~~. **IC 20-43-16.**

(c) A subject set forth in subsection (a) or (b) that may not be bargained collectively may not be included in an agreement entered into under this article.

SECTION 175. IC 20-29-6-12.5, AS AMENDED BY P.L.159-2020, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12.5. (a) Before September 15 of the first year of the state budget biennium, the department shall provide the parties with an estimate of the general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining in the school corporation from the school funding formula.

(b) Within thirty (30) days after the date of the fall count of ADM of the school year in the first year of the state budget biennium, the department shall provide the parties with a certification of estimated general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining from the school funding formula. If the parties do not receive a certified estimate from the department within thirty (30) days after the fall count of ADM, the parties may use the school corporation's estimate of the general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available based on the school corporation's fall count of ADM for purposes of collective bargaining. However, if the parties subsequently receive the certification of estimated general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining before an impasse is declared, the parties shall use the certified general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue from the school funding formula for purposes of collective bargaining.

(c) A school employer shall exclude contract costs for curricular materials as defined in IC 20-18-2-2.7 from the revenue available for bargaining in the school corporation from the school funding formula determined under subsections (a) and (b).

~~(e)~~ (d) A school employer that passes a resolution under section 3(c) of this chapter to consider a portion or percentage of money transferred from the school employer's operations fund to the education fund as education fund revenue for purposes of determining whether an agreement places a school corporation in a position of deficit financing must submit a copy of the resolution to the department of local government finance on or before November 1. The resolution shall include:

(1) all transfers between the operations fund and the education fund; and

(2) a statement regarding whether or not the transfer is for the purpose of funding teacher contracts.

~~(d)~~ (e) The certifications or estimate described in subsection (b) must be the basis for determinations throughout impasse proceedings under this chapter.

SECTION 176. IC 20-29-6-16, AS AMENDED BY P.L.217-2017, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2025]: Sec. 16. (a) If an agreement has not been reached on the items to be bargained collectively by November 1, as provided in IC 6-1.1-17-5, the parties shall continue the terms of the current contract that is in effect, and the school employer may issue tentative individual contracts and prepare its budget on that basis. During this period, in order to allow the successful resolution of the dispute, the school employer may not unilaterally change the terms or conditions of employment that are issues in dispute.



(b) Upon the expiration of the current contract that is in effect, except for teacher appreciation grant stipends and additions to base salary provided under ~~IC 20-43-10-3.5~~, **IC 20-43-16**, the school employer shall continue under the terms of the current contract that is in effect, with no increase or increment in salary, wages, or benefits for any bargaining unit employee until a new contract is executed.

(c) The only parts of the contract that must continue under this section are the items contained in the contract and listed in section 4 of this chapter.

(d) This section may not be construed as relieving the school employer or the school employee organization from the duty to bargain collectively until a mutual agreement has been reached and a contract entered as called for in this chapter.

SECTION 177. IC 20-32-4-15, AS ADDED BY P.L.18-2022, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 15. (a) The following definitions apply throughout this section:

(1) "Utility career cluster" means a list:

(A) compiled for purposes of college and career pathways relating to career and technical education under section 1.5(g) of this chapter; and

(B) setting forth industries or occupational fields that:

(i) are related to the provision of utility services; and

(ii) share similar knowledge and skill training requirements.

(2) "Utility services" includes:

(A) production, transmission, or distribution of electricity;

(B) acquisition, transportation, distribution, or storage of natural gas;

(C) provision of communications service (as defined in IC 8-1-32.5-3);

(D) treatment, storage, or distribution of water; and

(E) collection or treatment of wastewater.

(b) Not later than December 31, 2022:

(1) the state board shall, for purposes of approving under section 1.5(g) of this chapter sequences of courses leading to student concentrators in industries or occupational fields related to the provision of utility services, approve a utility career cluster; and

(2) the governor's workforce cabinet (**before its repeal**) shall, in consultation with the state board, the department, and the department of workforce development, create one (1) or more course sequences:

(A) each of which consists of courses approved by the state board for purposes of college and career pathways relating to career and technical education under section 1.5(g) of this chapter; and

(B) each of which provides students with knowledge and skills necessary for employment in an industry or occupational field in the utility career cluster.

(c) **Subject to subsection (d)**, in creating one (1) or more course sequences under subsection (b)(2) **or as described in subsection (d)**, the governor's workforce cabinet (**before its repeal**), in consultation with the state board, the department, and the department of workforce development, shall:

(1) consider the impact of course sequences on the long term outcomes of students; and

(2) prioritize course sequences that lead to high wage, high demand jobs.

(d) After June 30, 2025, following the repeal of the governor's workforce cabinet, if new course sequences are created under this chapter, the commission for higher education shall work in consultation with the state board, the department, and the department of workforce development



in place of the governor's workforce cabinet in the manner set forth under subsection (b)(2) in creating the new course sequences.

SECTION 178. IC 20-32-4-16, AS ADDED BY P.L.18-2022, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 16. (a) This section applies to any:

(1) career clusters approved or amended by the state board under this chapter after June 30, 2022; or

(2) course sequences created or amended by the governor's workforce cabinet **(before its repeal) or the commission for higher education** under this chapter after June 30, 2022.

(b) The ~~governor's workforce cabinet~~ **commission for higher education** shall do the following:

(1) Collect data each year regarding approved career clusters and course sequences to inform decision making around approving, creating, and amending current and future career clusters and course sequence requirements.

(2) Prepare and submit, not later than November 1 of each year, a report to the legislative council in an electronic format under IC 5-14-6 regarding the data collected under subdivision (1).

SECTION 179. IC 20-33-5-9 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 9. (a) ~~As used in this section, "accredited nonpublic school" means a nonpublic school that:~~

(1) ~~has voluntarily become accredited under IC 20-31-4.1; or~~

(2) ~~is accredited by a national or regional accrediting agency that is recognized by the state board.~~

(b) ~~If a parent of a child or an emancipated minor who is enrolled in an accredited nonpublic school meets the financial eligibility standard under section 2 of this chapter, the parent or the emancipated minor may receive a reimbursement from the department as provided in this chapter for the costs incurred by the parent or emancipated minor for curricular materials.~~

(c) ~~The department shall provide each accredited nonpublic school with sufficient application forms for assistance, prescribed by the state board of accounts.~~

(d) ~~Each accredited nonpublic school shall provide the parents or emancipated minors who wish to apply for assistance with:~~

(1) ~~the appropriate application forms; and~~

(2) ~~any assistance needed in completing the application form.~~

(e) ~~The parent or emancipated minor shall submit the application to the accredited nonpublic school. The accredited nonpublic school shall make a determination of financial eligibility subject to appeal by the parent or emancipated minor.~~

(f) ~~If a determination is made that the applicant is eligible for assistance, subsection (b) applies.~~

(g) ~~To be guaranteed some level of reimbursement from the department, the principal or other designee shall submit the reimbursement request before November 1 of a school year.~~

(h) ~~In its request, the principal or other designee shall certify to the department:~~

(1) ~~the number of students who are enrolled in the accredited nonpublic school and who are eligible for assistance under this chapter;~~

(2) ~~the costs incurred in providing curricular materials (including curricular materials used in special education and high ability classes);~~

(3) ~~that the curricular materials described in subdivision (2) (except any curricular materials used in special education classes and high ability classes) have been adopted by the governing body; and~~

(4) ~~any other information required by the department.~~

(i) ~~The amount of reimbursement that a parent or emancipated minor is entitled to receive shall be determined as provided in IC 20-40-22-7.~~



(j) The accredited nonpublic school shall distribute the money received under IC 20-40-22-8 to the appropriate eligible parents or emancipated minors.

(k) Section 7(c) of this chapter applies to parents or emancipated minors as described in this section.

(l) The accredited nonpublic school and the department shall maintain complete and accurate information concerning the number of applicants determined to be eligible for assistance under this section.

(m) The state board shall adopt rules under IC 4-22-2 to implement this section.

SECTION 180. IC 20-33-5-9.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 9.5: (a) This section applies to reimbursements made under this chapter in the state fiscal year beginning after June 30, 2013.

(b) The amount of reimbursement that a school corporation or an accredited nonpublic school (as defined in section 9(a) of this chapter) is entitled to receive under section 7 or 9 of this chapter in a state fiscal year is equal to the amount determined in the following STEPS:

STEP ONE: Determine the amount appropriated to make reimbursements under this chapter for the state fiscal year.

STEP TWO: Determine the total number of eligible students for which reimbursement was requested under either section 7 or 9 of this chapter before November 1 of the previous calendar year by all school corporations and accredited nonpublic schools.

STEP THREE: Divide the result determined in STEP ONE by the number determined in STEP TWO.

STEP FOUR: Multiply:

(A) the STEP THREE result; by

(B) the number of eligible students for which reimbursement was requested under section 7 or 9 of this chapter before November 1 of the state fiscal year by the school corporation or the accredited nonpublic school.

SECTION 181. IC 20-33-5-14 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 14: (a) The school curricular materials reimbursement contingency fund is established to reimburse eligible parents of children who attend accredited nonpublic schools and emancipated minors who attend accredited nonpublic schools as provided in section 9 of this chapter for assistance provided under this chapter. The fund consists of money appropriated to the fund by the general assembly. The secretary of education shall administer the fund.

(b) The treasurer of state shall invest the money in the school curricular materials reimbursement contingency fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

SECTION 182. IC 20-37-2-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. (a) The definitions in IC 20-51.4-2 apply throughout this section.

(b) A school corporation or a career and technical education cooperative may not charge:

(1) a career scholarship student enrolled in the CSA program; or

(2) an intermediary (as defined in IC 21-18-1-3.5) acting on behalf of a career scholarship student described in subdivision (1);

a tuition or fee amount to enroll in or attend a career and technical education program, course, or class that is more than the highest tuition amount that the school corporation or cooperative receives or charges a student who is enrolled in the school corporation or in a school corporation who is a member of the cooperative, whichever is applicable, for the same career and technical



education program, course, or class.

SECTION 183. IC 20-40-2-3, AS AMENDED BY P.L.136-2024, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. Distributions of

(1) tuition support **and**

~~(2) money for curricular materials;~~

shall be received in the education fund.

SECTION 184. IC 20-40-22 IS REPEALED [EFFECTIVE JULY 1, 2025]. (Curricular Materials Fund).

SECTION 185. IC 20-43-1-1, AS AMENDED BY P.L.201-2023, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 1. This article expires June 30, ~~2025~~. **2027.**

SECTION 186. IC 20-43-3-8, AS AMENDED BY P.L.201-2023, SECTION 200, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 8. A school corporation's foundation amount is the following:

~~(1) Six thousand five hundred ninety dollars (\$6,590) for the state fiscal year beginning July 1, 2023;~~

~~(2) Six thousand six hundred eighty-one dollars (\$6,681) for the state fiscal year beginning July 1, 2024;~~

(1) Six thousand nine hundred sixty-seven dollars (\$6,967) for the state fiscal year beginning July 1, 2025.

(2) Seven thousand seventy-one dollars (\$7,071) for the state fiscal year beginning July 1, 2026.

SECTION 187. IC 20-43-6-3, AS AMENDED BY P.L.201-2023, SECTION 204, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 3. (a) A school corporation's basic tuition support for a state fiscal year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that does not have any students in the school corporation's current ADM for the year for whom, of the instructional services that the students receive from the school corporation, at least fifty percent (50%) is virtual instruction. The school corporation's basic tuition support for a state fiscal year is equal to the amount determined under STEP FOUR of the following formula:

STEP ONE: Multiply the foundation amount by the school corporation's current ADM.

STEP TWO: Multiply the school corporation's complexity index by:

~~(A) for the state fiscal year beginning July 1, 2023, three thousand nine hundred eighty-three dollars (\$3,983); and~~

~~(B) for the state fiscal year beginning July 1, 2024, four thousand twenty-four dollars (\$4,024).~~

(A) for the state fiscal year beginning July 1, 2025, four thousand one dollars (\$4,001); and

(B) for the state fiscal year beginning July 1, 2026, four thousand fifteen dollars (\$4,015).

STEP THREE: Multiply the STEP TWO amount by the school corporation's current ADM.

STEP FOUR: Determine the sum of the STEP ONE amount and the STEP THREE amount.

(c) This subsection applies to a school corporation that has students in the school corporation's current ADM for the year for whom, of the instructional services that the students receive from the school corporation, at least fifty percent (50%) is virtual instruction. The school corporation's basic tuition support for a state fiscal year is equal to the amount determined under STEP SEVEN of the following formula:

STEP ONE: Determine the total number of students in the school corporation's current ADM for the year for whom, of the instructional services that the students receive from the school corporation, at least fifty percent (50%) is virtual instruction.



STEP TWO: Determine the result of the school corporation's current ADM for the year minus the STEP ONE amount.

STEP THREE: Determine the result of:

- (A) the foundation amount; multiplied by
- (B) the STEP TWO amount.

STEP FOUR: Determine the result of:

- (A) the STEP ONE amount; multiplied by
- (B) eighty-five percent (85%) of the foundation amount.

STEP FIVE: Multiply the school corporation's complexity index by:

- (A) for the state fiscal year beginning July 1, 2023, three thousand nine hundred eighty-three dollars (\$3,983); and
- (B) for the state fiscal year beginning July 1, 2024, four thousand twenty-four dollars (\$4,024).
- (A) for the state fiscal year beginning July 1, 2025, four thousand one dollars (\$4,001); and**
- (B) for the state fiscal year beginning July 1, 2026, four thousand fifteen dollars (\$4,015).**

STEP SIX: Multiply the STEP FIVE amount by the school corporation's current ADM.

STEP SEVEN: Determine the sum of the STEP THREE amount, the STEP FOUR amount, and the STEP SIX amount.

SECTION 188. IC 20-43-7-6, AS AMENDED BY P.L.201-2023, SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 6. A school corporation's special education grant for a state fiscal year is equal to the sum of the following:

(1) The nonduplicated count of pupils in programs for severe disabilities level one (1), including multiple disabilities, orthopedic impairment, emotional disability requiring full-time placement, severe intellectual disability, autism spectrum disorders, and traumatic brain injury, multiplied by the following:

- (A) ~~Eleven thousand one hundred four dollars (\$11,104) for the state fiscal year beginning July 1, 2023.~~
- (B) ~~Eleven thousand six hundred fifty-nine dollars (\$11,659) for the state fiscal year beginning July 1, 2024.~~
- (A) Eleven thousand five hundred ninety-two dollars (\$11,592) for the state fiscal year beginning July 1, 2025.**
- (B) Eleven thousand six hundred thirty-four dollars (\$11,634) for the state fiscal year beginning July 1, 2026.**

(2) The nonduplicated count of pupils in programs for severe disabilities level two (2), including blind or low vision, deaf or hard of hearing, and deaf and blind, multiplied by the following:

- (A) ~~Eleven thousand one hundred four dollars (\$11,104) for the state fiscal year beginning July 1, 2023.~~
- (B) ~~Eleven thousand six hundred fifty-nine dollars (\$11,659) for the state fiscal year beginning July 1, 2024.~~
- (A) Eleven thousand five hundred ninety-two dollars (\$11,592) for the state fiscal year beginning July 1, 2025.**
- (B) Eleven thousand six hundred thirty-four dollars (\$11,634) for the state fiscal year beginning July 1, 2026.**

(3) The nonduplicated count of pupils in programs of mild and moderate disabilities level one (1), including specific learning disability, developmental delay, and other health impairment, multiplied



by the following:

- (A) ~~Two thousand seven hundred ninety dollars (\$2,790) for the state fiscal year beginning July 1, 2023.~~
 - (B) ~~Two thousand nine hundred thirty dollars (\$2,930) for the state fiscal year beginning July 1, 2024.~~
 - (A) Two thousand nine hundred thirteen dollars (\$2,913) for the state fiscal year beginning July 1, 2025.**
 - (B) Two thousand nine hundred twenty-four dollars (\$2,924) for the state fiscal year beginning July 1, 2026.**
- (4) The nonduplicated count of pupils in programs for mild and moderate disabilities level two (2), including emotional disability not requiring full-time placement, mild intellectual disability, and moderate intellectual disability, multiplied by the following:
- (A) ~~Two thousand seven hundred ninety dollars (\$2,790) for the state fiscal year beginning July 1, 2023.~~
 - (B) ~~Two thousand nine hundred thirty dollars (\$2,930) for the state fiscal year beginning July 1, 2024.~~
 - (A) Two thousand nine hundred thirteen dollars (\$2,913) for the state fiscal year beginning July 1, 2025.**
 - (B) Two thousand nine hundred twenty-four dollars (\$2,924) for the state fiscal year beginning July 1, 2026.**
- (5) The duplicated count of pupils in programs for communication disorders multiplied by the following:
- (A) ~~Five hundred twenty-five dollars (\$525) for the state fiscal year beginning July 1, 2023.~~
 - (B) ~~Five hundred fifty-one dollars (\$551) for the state fiscal year beginning July 1, 2024.~~
 - (A) Five hundred forty-eight dollars (\$548) for the state fiscal year beginning July 1, 2025.**
 - (B) Five hundred fifty dollars (\$550) for the state fiscal year beginning July 1, 2026.**
- (6) The cumulative count of pupils in homebound programs multiplied by the following:
- (A) ~~Five hundred twenty-five dollars (\$525) for the state fiscal year beginning July 1, 2023.~~
 - (B) ~~Five hundred fifty-one dollars (\$551) for the state fiscal year beginning July 1, 2024.~~
 - (A) Five hundred forty-eight dollars (\$548) for the state fiscal year beginning July 1, 2025.**
 - (B) Five hundred fifty dollars (\$550) for the state fiscal year beginning July 1, 2026.**
- (7) The nonduplicated count of pupils in special preschool education programs multiplied by the following:
- (A) ~~Three thousand six hundred thirty-eight dollars (\$3,638) for the state fiscal year beginning July 1, 2023.~~
 - (B) ~~Three thousand eight hundred twenty dollars (\$3,820) for the state fiscal year beginning July 1, 2024.~~
 - (A) Three thousand seven hundred ninety-eight dollars (\$3,798) for the state fiscal year beginning July 1, 2025.**
 - (B) Three thousand eight hundred twelve dollars (\$3,812) for the state fiscal year beginning July 1, 2026.**

SECTION 189. IC 20-43-8-15, AS AMENDED BY P.L.201-2023, SECTION 207, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 15. (a) This subsection applies to the state fiscal year beginning July 1, ~~2023, 2025,~~ and ending June 30, ~~2024, 2026.~~ A school corporation's career



and technical education enrollment grant for a state fiscal year is the sum of the amounts determined under the following STEPS:

STEP ONE: Determine for each career and technical education program provided by the school corporation:

- (A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3) credits); multiplied by
- (B) the number of pupils enrolled in the program; multiplied by
- (C) the following applicable amount:
 - (i) ~~Seven hundred fourteen dollars (\$714)~~ **Seven hundred ten dollars (\$710)** for a career and technical education program designated by the department of workforce development as a high value level 1 program under section 7.5 of this chapter.
 - (ii) ~~One thousand seventy-one dollars (\$1,071)~~ **One thousand sixty-five dollars (\$1,065)** for a career and technical education program designated by the department of workforce development as a high value level 2 program under section 7.5 of this chapter.
 - (iii) ~~Four hundred dollars (\$400)~~ **Three hundred ninety-eight dollars (\$398)** for a career and technical education program designated by the department of workforce development as a moderate value level 1 program under section 7.5 of this chapter.
 - (iv) ~~Six hundred dollars (\$600)~~ **Five hundred ninety-seven dollars (\$597)** for a career and technical education program designated by the department of workforce development as a moderate value level 2 program under section 7.5 of this chapter.
 - (v) ~~Two hundred dollars (\$200)~~ **One hundred ninety-nine dollars (\$199)** for a career and technical education program designated by the department of workforce development as a less than moderate value level 1 program under section 7.5 of this chapter.
 - (vi) ~~Three hundred dollars (\$300)~~ **Two hundred ninety-eight dollars (\$298)** for a career and technical education program designated by the department of workforce development as a less than moderate value level 2 program under section 7.5 of this chapter.

STEP TWO: Determine the number of pupils enrolled in an apprenticeship program or a work based learning program designated under section 7.5 of this chapter multiplied by ~~five hundred dollars (\$500)~~; **four hundred ninety-seven dollars (\$497)**.

STEP THREE: Determine the number of pupils enrolled in an introductory program designated under section 7.5 of this chapter multiplied by ~~three hundred dollars (\$300)~~; **two hundred ninety-eight dollars (\$298)**.

STEP FOUR: Determine the number of pupils enrolled in a planning for college and career course under section 7.5 of this chapter at the school corporation that is approved by the department of workforce development multiplied by ~~one hundred fifty dollars (\$150)~~; **one hundred forty-nine dollars (\$149)**.

STEP FIVE: Determine the number of pupils who travel from the school in which they are currently enrolled to another school to participate in a career and technical education program in which pupils from multiple schools are served at a common location multiplied by ~~one hundred fifty dollars (\$150)~~; **one hundred forty-nine dollars (\$149)**.

(b) This subsection applies to state fiscal years beginning after June 30, ~~2024~~; **2026**. A school corporation's career and technical education enrollment grant for a state fiscal year is the sum of the amounts determined under the following STEPS:

STEP ONE: Determine for each career and technical education program provided by the school



corporation:

(A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3) credits); multiplied by

(B) the number of pupils enrolled in the program; multiplied by

(C) the following applicable amount:

(i) ~~Seven hundred fourteen dollars (\$714)~~ **Seven hundred twelve dollars (\$712)** for a career and technical education program designated by the department of workforce development as a high value level 1 program under section 7.5 of this chapter.

(ii) ~~One thousand seventy-one dollars (\$1,071)~~ **One thousand sixty-nine dollars (\$1,069)** for a career and technical education program designated by the department of workforce development as a high value level 2 program under section 7.5 of this chapter.

(iii) ~~Four hundred dollars (\$400)~~ **Three hundred ninety-nine dollars (\$399)** for a career and technical education program designated by the department of workforce development as a moderate value level 1 program under section 7.5 of this chapter.

(iv) ~~Six hundred dollars (\$600)~~ **Five hundred ninety-nine dollars (\$599)** for a career and technical education program designated by the department of workforce development as a moderate value level 2 program under section 7.5 of this chapter.

(v) Two hundred dollars (\$200) for a career and technical education program designated by the department of workforce development as a less than moderate value level 1 program under section 7.5 of this chapter.

(vi) ~~Three hundred dollars (\$300)~~ **Two hundred ninety-nine dollars (\$299)** for a career and technical education program designated by the department of workforce development as a less than moderate value level 2 program under section 7.5 of this chapter.

STEP TWO: Determine the number of pupils enrolled in an apprenticeship program or a work based learning program designated under section 7.5 of this chapter multiplied by ~~five hundred dollars (\$500)~~; **four hundred ninety-nine dollars (\$499)**.

STEP THREE: Determine the number of pupils enrolled in an introductory program designated under section 7.5 of this chapter multiplied by ~~three hundred dollars (\$300)~~; **Two hundred ninety-nine dollars (\$299)**.

STEP FOUR: Determine the number of pupils enrolled in a planning for college and career course under section 7.5 of this chapter at the school corporation that is approved by the department of workforce development multiplied by one hundred fifty dollars (\$150).

STEP FIVE: Determine the number of pupils who travel from the school in which they are currently enrolled to another school to participate in a career and technical education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars (\$150).

SECTION 190. IC 20-43-8-15.5, AS AMENDED BY P.L.150-2024, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 15.5. (a) This section applies to a student who:

- (1) has legal settlement in Indiana;
- (2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7;
- (3) is enrolled in grade 10, 11, or 12 in Indiana; and
- (4) meets one (1) of the following requirements:

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(A) The student:

- (i) successfully completed a modern youth apprenticeship or course sequence designated and approved under IC 20-51.4-4.5-6(a); and
- (ii) received an industry recognized credential with regard to the apprenticeship or course sequence.

(B) The student successfully completed any other credential approved under subsection (h).

(b) As used in this section, "CSA participating entity" has the meaning set forth in IC 20-51.4-2-3.2.

(c) Subject to subsection (l), upon a student described in subsection (a) meeting the requirements under subsection (a)(4)(A) or (a)(4)(B), if the student is enrolled in an accredited or nonaccredited school that has one (1) or more employees, the department shall award a credential completion grant in an amount equal to:

- (1) ~~five hundred dollars (\$500)~~ **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, four hundred ninety-seven dollars (\$497); and**
- (2) **for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, four hundred ninety-nine dollars (\$499);**

to the accredited or nonaccredited school.

(d) Subject to subsection (l), upon a student described in subsection (a) meeting the requirements under subsection (a)(4)(A) or (a)(4)(B), and in addition to the grant amount awarded under subsection (c), the department shall award a credential completion grant in an amount equal to:

- (1) ~~five hundred dollars (\$500)~~ **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, four hundred ninety-seven dollars (\$497); and**
- (2) **for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, four hundred ninety-nine dollars (\$499);**

to the CSA participating entity that provided the apprenticeship or course sequence described in subsection (a)(4)(A) or (a)(4)(B) that the student completed.

(e) A CSA participating entity that receives a grant amount under subsection (d) may enter into an agreement with one (1) or more intermediaries (as defined in IC 21-18-1-3.5) or other CSA participating entities to share a grant amount received under subsection (d).

(f) An accredited or nonaccredited school that is also a CSA participating entity may receive, if eligible, a grant award under:

- (1) subsection (c);
- (2) subsection (d); or
- (3) both subsections (c) and (d).

(g) The department shall distribute the grants awarded under this section.

(h) The department, in consultation with the governor's workforce cabinet **(before its repeal) or, following the repeal of the governor's workforce cabinet, the commission for higher education,** shall approve and maintain a list of credentials that are eligible for a credential completion grant under subsection (a)(4)(B).

(i) The department shall approve a CSA provider that is also an employer who has partnered with an approved intermediary to offer an apprenticeship, modern youth apprenticeship, or program of study that culminates in an approved credential. The department may revoke an initial approval under this subsection if the provider fails to achieve an adequate outcome as determined by the department.

(j) A grant awarded under this section to an eligible school (as defined in IC 20-51-1-4.7) does not count toward a student's choice scholarship amount calculated under IC 20-51-4-5 and is not subject to



the maximum choice scholarship cap under IC 20-51-4-4.

(k) The state board may adopt rules under IC 4-22-2 to implement this section.

(l) The total amount of grants that may be awarded in a state fiscal year under this section may not exceed five million dollars (\$5,000,000).

(m) If the total amount to be distributed as credential completion grants for a particular state fiscal year exceeds the maximum amount allowed under subsection (l) for a state fiscal year, the total amount to be distributed as credential completion grants shall be proportionately reduced so that the total reduction equals the amount of the excess.

(n) The amount of the reduction described in subsection (m) for a particular recipient is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the credential completion grant that the recipient would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed as credential completion grants to all recipients if a reduction were not made under this section.

SECTION 191. IC 20-43-10-3.5 IS REPEALED [EFFECTIVE JUNE 30, 2025]. Sec. 3-5: (a) As used in this section, "school" means a school corporation, charter school, and a virtual charter school.

(b) Subject to the requirements of this section, a school qualifies for a teacher appreciation grant as provided in this section for a state fiscal year if one (1) or more licensed teachers:

(1) employed in the classroom by the school; or

(2) directly providing virtual education;

were rated as effective or as highly effective, using the most recently completed teacher ratings.

(c) A school may not receive a teacher appreciation grant under this section unless:

(1) the school has in the state fiscal year in which the teacher appreciation grants are made under this section:

(A) adopted an annual policy concerning the distribution of teacher appreciation grants; and

(B) submitted the policy to the department for approval; and

(2) the department has approved the policy.

The department shall specify the date by which a policy described in subdivision (1) must be submitted to the department.

(d) The amount of a teacher appreciation grant for a qualifying school corporation or virtual charter school is equal to:

(1) thirty-seven dollars and fifty-cents (\$37.50); multiplied by

(2) the school's current ADM.

However, the grant amount for a virtual charter school may not exceed the statewide average grant amount.

(e) The following apply to the distribution of teacher appreciation grants:

(1) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year exceeds the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to schools shall be proportionately reduced so that the total reduction equals the amount of the excess. The amount of the reduction for a particular school is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the teacher appreciation grant that the school would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed as teacher appreciation grants to all schools if a reduction were not made under this section.



- (2) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year is less than the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to schools for that particular state fiscal year shall be proportionately increased so that the total amount to be distributed equals the amount of the appropriation for that particular state fiscal year.
- (f) The annual teacher appreciation grant to which a school is entitled for a state fiscal year shall be distributed to the school before December 5 of that state fiscal year.
- (g) The following apply to a school's policy under subsection (c) concerning the distribution of teacher appreciation grants:
- (1) The governing body shall differentiate between a teacher rated as a highly effective teacher and a teacher rated as an effective teacher. The policy must provide that the amount of a stipend awarded to a teacher rated as a highly effective teacher must be at least twenty-five percent (25%) more than the amount of a stipend awarded to a teacher rated as an effective teacher.
 - (2) The governing body of a school may differentiate between school buildings.
 - (3) A stipend to an individual teacher in a particular year is not subject to collective bargaining and is in addition to the minimum salary or increases in salary set under IC 20-28-9-1.5. The governing body may provide that an amount not exceeding fifty percent (50%) of the amount of a stipend to an individual teacher in a particular state fiscal year becomes a permanent part of and increases the base salary of the teacher receiving the stipend for school years beginning after the state fiscal year in which the stipend is received. The addition to base salary is not subject to collective bargaining.
- (h) A teacher appreciation grant received by a school shall be allocated among and used only to pay cash stipends to all licensed teachers employed in the classroom who are rated as effective or as highly effective and employed by the school as of December 1. A school may allocate up to twenty percent (20%) of the grant received by the school to provide a supplemental award to teachers with less than five (5) years of service who are rated as effective or as highly effective. A school may allocate up to ten percent (10%) of the grant received by the school to provide a supplemental award to teachers who serve as mentors to teachers who have less than two (2) years of service. The supplemental awards are in addition to the award made from the part of the grant that is allocated to all eligible teachers.
- (i) The lead school corporation or interlocal cooperative administering a cooperative or other special education program or administering a career and technical education program, including programs managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award teacher appreciation grant stipends to and carry out the other responsibilities of an employing school corporation under this section for the teachers in the special education program or career and technical education program.
- (j) A school shall distribute all stipends from a teacher appreciation grant to individual teachers within twenty (20) business days of the date the department distributes the teacher appreciation grant to the school. Any part of the teacher appreciation grant not distributed as stipends to teachers before February must be returned to the department on the earlier of the date set by the department or June 30 of that state fiscal year.
- (k) The department, after review by the budget committee, may waive the December 5 deadline under subsection (f) to distribute an annual teacher appreciation grant to the school under this section for that state fiscal year and approve an extension of that deadline to a later date within that state fiscal year, if the department determines that a waiver and extension of the deadline are in the public interest.
- (l) The state board may adopt rules under IC 4-22-2 as necessary to implement this section.
- (m) This section expires June 30, 2025.



SECTION 192. IC 20-43-10-4, AS ADDED BY P.L.201-2023, SECTION 211, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 4. (a) In addition to the amount a school corporation is entitled to receive in basic tuition support, each school corporation is entitled to receive a grant for a non-English speaking program for students who have a primary language other than English and limited English proficiency as determined under this section.

(b) Subject to subsection (c), for state fiscal years beginning after June 30, 2023, the grant amount is determined under the last STEP of the following formula:

STEP ONE: Determine the number of students:

(A) who score at level one (1) or level two (2) on the WIDA Consortium ACCESS assessment;
or

(B) who are English language learners with severe special needs that require a different assessment than the assessment described in clause (A) to assess English proficiency.

STEP TWO: Multiply the STEP ONE result by: ~~five hundred fifty dollars (\$550).~~

**(A) five hundred forty-seven dollars (\$547) for the state fiscal year beginning July 1, 2025;
and**

(B) five hundred forty-nine dollars (\$549) for the state fiscal year beginning July 1, 2026.

STEP THREE: Determine the number of students:

(A) who score at level three (3) or level four (4) on the WIDA Consortium ACCESS assessment;
or

(B) who score at level five (5) or higher on the Tier A form of the WIDA Consortium ACCESS assessment.

STEP FOUR: Multiply the STEP THREE result by: ~~three hundred eighty-four dollars (\$384).~~

**(A) three hundred eighty-two dollars (\$382) for the state fiscal year beginning July 1, 2025;
and**

(B) three hundred eighty-three dollars (\$383) for the state fiscal year beginning July 1, 2026.

STEP FIVE: Determine the sum of the STEP TWO amount and the STEP FOUR amount.

(c) For purposes of calculating the grant amount under this section for Gary Middle College charter schools, only students who are less than twenty-three (23) years of age may be counted in the formula under subsection (c).

SECTION 193. IC 20-43-10.5-1, AS ADDED BY P.L.201-2023, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 1. (a) In addition to the amount a school corporation is entitled to receive in basic tuition support, each school corporation is eligible to receive an academic performance grant. Subject to ~~subsection (b);~~ **subsections (d) and (e),** the amount of a school corporation's grant for a state fiscal year is equal to the **amounts determined under subsection (b) or (c), as applicable.**

(b) This subsection applies to the state fiscal year beginning July 1, 2025. The amount of a school corporation's grant for a state fiscal year is equal to the aggregate of each of the single largest amounts determined for each student under:

- (1) section 2 of this chapter;
- (2) section 3 of this chapter;
- (3) section 4(a)(1) of this chapter;
- (4) section 4(a)(2) of this chapter; or
- (5) section 4(a)(3) of this chapter.



(c) This subsection applies to the state fiscal year beginning July 1, 2026. The amount of a school corporation's grant for a state fiscal year is equal to the result under the following formula:

STEP ONE: Determine the aggregate of each of the single largest amounts determined for each student under:

- (A) section 2 of this chapter;**
- (B) section 3 of this chapter;**
- (C) section 4(a)(2) of this chapter; or**
- (D) section 4(a)(3) of this chapter.**

STEP TWO: Determine the aggregate of the amounts determined for each student under:

- (A) section 4(a)(4) of this chapter;**
- (B) section 4(a)(5) of this chapter; or**
- (C) section 4(a)(6) of this chapter.**

STEP THREE: Determine the aggregate of the larger of the amounts determined under STEP ONE or STEP TWO for each student.

(b) (d) For purposes of subsections (b) and (c), if a school corporation:

- (1) received as part of a grant under this chapter in a previous state fiscal year an amount based on a determination of eligibility of a particular student under section 2 of this chapter or section 3 of this chapter; and**
- (2) is determined by the department to be eligible in a subsequent state fiscal year for an amount based on a determination of eligibility of the same student under section 4 of this chapter;**

the school corporation may only receive as part of the school corporation's grant in the subsequent state fiscal year the amount equal to the greater of zero (0) or the difference between the amount described in subdivision (2) minus the amount described in subdivision (1).

(c) (e) Each school corporation and charter school shall submit information prescribed by the department that is necessary to make the determinations required under this chapter.

SECTION 194. IC 20-43-10.5-2, AS ADDED BY P.L.201-2023, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 2. Subject to section 1 of this chapter, a school corporation's early graduation award for a state fiscal year is the amount determined using the following formula:

STEP ONE: Determine the number of students who met the following conditions during the student's expected graduation year (as defined in IC 20-26-13-4) for the school year ending in the previous state fiscal year:

- (A) The student was enrolled in the school corporation on the fall count day of ADM established under IC 20-43-4-3.**
- (B) The student successfully completed Indiana high school graduation requirements before the day in February fixed by the state board for the spring count of students under IC 20-43-4-3.**
- (C) The student was not enrolled in the school corporation on the day in February fixed by the state board for the spring count of students under IC 20-43-4-3.**

STEP TWO: Multiply the STEP ONE result by:

- (A) ~~one thousand five hundred dollars (\$1,500)~~ for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, one thousand four hundred ninety-one dollars (\$1,491); and**
- (B) for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, one thousand four hundred ninety-seven dollars (\$1,497).**



SECTION 195. IC 20-43-10.5-3, AS ADDED BY P.L.201-2023, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 3. (a) Each state fiscal year, the department shall, for each school corporation, determine the following:

(1) Determine each eligible pupil who:

(A) successfully completed an Indiana diploma with a Core 40 with academic honors designation program; and

(B) was receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services; in the school year ending in the previous state fiscal year.

(2) Determine each eligible pupil who:

(A) successfully completed an Indiana diploma with a Core 40 with technical honors designation program; and

(B) was receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services; in the school year ending in the previous state fiscal year. However, an eligible pupil who would otherwise be double counted under this subdivision and subdivision (1) may not be considered to meet the requirements under this subdivision.

(3) Determine each eligible pupil who:

(A) successfully completed an Indiana diploma with a Core 40 with academic honors designation program; and

(B) was not receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services; in the school year ending in the previous state fiscal year.

(4) Determine each eligible pupil who:

(A) successfully completed an Indiana diploma with a Core 40 with technical honors designation program; and

(B) was not receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services; in the school year ending in the previous state fiscal year. However, an eligible pupil who would otherwise be double counted under this subdivision and subdivision (3) may not be considered to meet the requirements under this subdivision.

(b) The amount of a school corporation's grant under this section based on a particular eligible pupil is equal to:

(1) in the case of an eligible pupil described in subsection (a)(1) or (a)(2):

(A) ~~one thousand five hundred dollars (\$1,500)~~; **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, one thousand four hundred ninety-one dollars (\$1,491); and**

(B) **for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, one thousand four hundred ninety-seven dollars (\$1,497); and**

(2) in the case of an eligible pupil described in subsection (a)(3) or (a)(4):

(A) ~~one thousand one hundred dollars (\$1,100)~~; **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, one thousand ninety-four dollars (\$1,094); and**

(B) **for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, one thousand ninety-eight dollars (\$1,098).**



(c) An amount received by a school corporation as determined under this section may be used only for:

(1) any:

- (A) staff training;
- (B) program development;
- (C) equipment and supply expenditures; or
- (D) other expenses;

directly related to the school corporation's honors designation program; and

(2) the school corporation's program for high ability students.

(d) A governing body that does not comply with this section for a school year is not eligible to receive an amount under this section for the following school year.

SECTION 196. IC 20-43-10.5-4, AS ADDED BY P.L.201-2023, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 4. (a) Each **applicable** state fiscal year, the department, in consultation with the commission for higher education, shall determine the following with respect to each school corporation:

(1) Each student who:

- (A) was enrolled in the school corporation in the state fiscal year before the immediately preceding state fiscal year; and
- (B) successfully completed a dual credit or dual enrollment course.

The amount of a school corporation's grant based on a student described under this subdivision is equal to, **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026**, the number of credit hours completed by the student multiplied by forty dollars (\$40), but may not exceed one thousand two hundred dollars (\$1,200).

(2) Each student who:

- (A) was enrolled in the school corporation in the state fiscal year before the immediately preceding state fiscal year; and
- (B) successfully completed Indiana College Core 30 (IC 21-42-3).

The amount of a school corporation's grant based on a student under this subdivision is equal to, ~~one thousand five hundred dollars (\$1,500)~~; **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, one thousand four hundred ninety-one dollars (\$1,491), and for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, one thousand four hundred ninety-seven dollars (\$1,497).**

(3) Each student who:

- (A) was enrolled in the school corporation in the state fiscal year before the immediately preceding state fiscal year; and
- (B) successfully completed requirements for an associate degree, including those earned through transfer as a junior pathways.

The amount of a school corporation's grant based on a student under this subdivision is equal to, ~~two thousand five hundred dollars (\$2,500)~~; **for the state fiscal year beginning July 1, 2025, and ending June 30, 2026, two thousand four hundred eighty-six dollars (\$2,486), and for the state fiscal year beginning July 1, 2026, and ending June 30, 2027, two thousand four hundred ninety-five dollars (\$2,495).**

(4) Each student who:

- (A) was enrolled in the school corporation in the previous state fiscal year; and
- (B) successfully completed requirements for an honors employment plus seal.



The amount of a school corporation's grant based on a student under this subdivision is equal to two thousand four hundred ninety-five dollars (\$2,495) for the state fiscal year beginning July 1, 2026, and ending June 30, 2027.

(5) Each student who:

(A) was enrolled in the school corporation in the previous state fiscal year; and

(B) successfully completed requirements for an honors enrollment plus seal.

The amount of a school corporation's grant based on a student under this subdivision is equal to two thousand four hundred ninety-five dollars (\$2,495) for the state fiscal year beginning July 1, 2026, and ending June 30, 2027.

(6) Each student who:

(A) was enrolled in the school corporation in the previous state fiscal year; and

(B) successfully completed requirements for an honors enlistment plus seal.

The amount of a school corporation's grant based on a student under this subdivision is equal to eight hundred seventy-three dollars (\$873) for the state fiscal year beginning July 1, 2026, and ending June 30, 2027.

(b) To be eligible to be counted under subsection (a)(1), a credit completed must be accepted as part of the Indiana core transfer library under IC 21-42-5-1.

SECTION 197. IC 20-43-13-4, AS AMENDED BY P.L.201-2023, SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]: Sec. 4. (a) Except as provided in subsections (c) and (d), the complexity index is the percentage of the school corporation's students who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:

(1) ~~2023~~; **2025**; or

(2) the first year of operation of the school corporation.

(b) For a conversion charter school, the percentage determined under this section is the percentage of the sponsor school corporation.

(c) Except as provided in subsection (d), the complexity index for a school corporation that has entered into an agreement with one (1) or more charter schools to participate as an innovation network charter school under IC 20-25.7-5 for a state fiscal year is equal to the result using the following formula:

STEP ONE: Determine:

(A) the school corporation's enrollment; minus

(B) the enrollment of each participating innovation network charter school.

STEP TWO: Determine the number of students in the school corporation who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in ~~2023~~; **2025**, not including students enrolled in each participating innovation network charter school.

STEP THREE: Divide the result of STEP TWO by the result of STEP ONE.

STEP FOUR: Determine the enrollment of each participating innovation network charter school.

STEP FIVE: Determine the number of students in each participating innovation network charter school who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:

(A) ~~2023~~; **2025**; or

(B) the first year of operation of the participating innovation network charter school.



STEP SIX: Divide the result of STEP FIVE by the result of STEP FOUR.

STEP SEVEN: For each participating innovation network charter school, determine the greater of:

- (A) the result of STEP THREE; or
- (B) the result of STEP SIX.

STEP EIGHT: For each participating innovation network charter school, multiply the result of STEP SEVEN by the result of STEP FOUR.

STEP NINE: Determine the sum of:

- (A) the result of STEP TWO; plus
- (B) the results of STEP EIGHT, for each participating innovation network charter school.

STEP TEN: Determine the sum of:

- (A) the result of STEP ONE; plus
- (B) the results of STEP FOUR for each participating innovation network charter school.

STEP ELEVEN: Divide the STEP NINE result by the STEP TEN result.

(d) If the complexity index of a participating innovation network charter school that was established before January 1, 2016, is, for the current school year, greater than the complexity index for the school corporation with which the innovation network charter school has contracted, the complexity index of the participating innovation network charter school is determined as described in IC 20-25.7-5-2(e).

SECTION 198. IC 20-43-16 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2025]:

Chapter 16. Teacher Appreciation Grant Program

Sec. 1. As used in this chapter, "grant" means a teacher appreciation grant awarded by the department to a school corporation or charter school under this chapter.

Sec. 2. As used in this chapter, "program" refers to the teacher appreciation grant program established by section 3 of this chapter.

Sec. 3. (a) The teacher appreciation grant program is established to provide grants for each state fiscal year to school corporations and charter schools to attract, reward, and retain teachers who significantly impact student outcomes.

(b) The department, in consultation with the state board, shall administer the program.

Sec. 4. To be eligible for a grant under the program, a school corporation or charter school must meet the following:

- (1) Apply in a manner prescribed by the department.
- (2) Identify not more than twenty percent (20%) of certified teachers as eligible grant recipients annually based on criteria outlined in section 5 of this chapter.
- (3) Report how each recipient met the criteria outlined in section 5 of this chapter.
- (4) Meet any other requirements established by the department.

Sec. 5. A grant received by a school corporation or charter school may only be used to pay stipends within the amounts described in section 8 of this chapter to one (1) or more teachers selected by the school corporation or charter school who:

- (1) have instructed students in a school or district for at least one (1) school year prior to the grant distribution year;
- (2) maintain employment at the same school or district at the time of the grant distribution;
- (3) are determined to significantly impact student outcomes using national, state, or local assessment measures; and
- (4) are designated in one (1) of the categories described in section 6 of this chapter.



Sec. 6. (a) Grant amounts distributed to a teacher described in section 5 of this chapter must meet the criteria as set forth in this section for:

- (1) a "recognition" stipend;**
- (2) an "exemplary" stipend; or**
- (3) an "exemplary plus" stipend.**

(b) A school corporation or charter school must apply the following criteria in evaluating a teacher for a stipend designation under subsection (a):

- (1) For a recognition stipend designation, whether the teacher demonstrates high performance in teaching based on student outcomes.**
- (2) For an exemplary stipend designation, whether the teacher:**
 - (A) demonstrates high performance in teaching based on student outcomes; and**
 - (B) meets one (1) of the following:**
 - (i) Mentors or coaches another teacher to improve student outcomes, or provides instructional leadership to improve student outcomes across multiple classrooms.**
 - (ii) Serves in a high need or geographic shortage area as determined by the department based on educator supply and demand.**
- (3) For an exemplary plus stipend designation, whether the teacher:**
 - (A) demonstrates high performance in teaching based on student outcomes;**
 - (B) mentors or coaches another teacher to improve student outcomes, or provides instructional leadership to improve student outcomes across multiple classrooms; and**
 - (C) serves in a high need or geographic shortage area as determined by the department based on educator supply and demand.**

(c) A school corporation or charter school may establish additional criteria in evaluating a teacher for a designation under subsection (a).

Sec. 7. (a) The department shall create a rubric for use by school corporations and charter schools under this chapter.

(b) The rubric must include:

- (1) student assessment data if student assessment data is available for the applicable grade level or class; and**
- (2) expectations for the roles, responsibilities, and duties of a mentor teacher, which include providing professional development and guidance to new teachers.**

Sec. 8. The amount of the stipend that a school corporation or charter schools may distribute to a teacher for a state fiscal year under this chapter must be within the following amounts:

- (1) For a teacher who receives a stipend for a recognition designation, three thousand five hundred dollars (\$3,500).**
- (2) For a teacher who receives a stipend for an exemplary designation, five thousand dollars (\$5,000).**
- (3) For a teacher who receives a stipend for an exemplary plus designation, seven thousand five hundred dollars (\$7,500).**

Sec. 9. Subject to the requirements of this chapter, the lead school corporation or interlocal cooperative administering a cooperative or other special education program or administering a career and technical education program, including programs managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award stipends to and carry out the other responsibilities of an employing school corporation under this chapter for the teachers in the special education



program or the career and technical education program.

Sec. 10. (a) The department may award a grant under this chapter each state fiscal year to a school corporation or charter school that meets the requirements of this chapter.

(b) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year exceeds the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to school corporations and charter schools shall be proportionately reduced so that the total reduction equals the amount of the excess.

(c) The department shall distribute all teacher appreciation grants awarded for a state fiscal year to the school corporations and charter schools awarded the grants before April 15 of the applicable state fiscal year.

Sec. 11. A school corporation or charter school that receives a grant for a state fiscal year under this chapter shall do the following:

(1) Distribute all stipends from the grant to individual teachers not later than sixty (60) business days after the date the department distributes the grant to the school corporation or charter school.

(2) Not later than June 30 of the applicable state fiscal year, return any part of the grant not distributed as stipends to teachers.

Sec. 12. A stipend to an individual teacher in a particular year is not subject to collective bargaining and is in addition to the minimum salary or increase in salary set under IC 20-28-9-1.5.

Sec. 13. The state board may adopt rules under IC 4-22-2 as necessary to implement this chapter.

Sec. 14. This chapter expires June 30, 2027.

SECTION 199. IC 20-51-1-4.3, AS AMENDED BY P.L.201-2023, SECTION 215, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2026]: Sec. 4.3. "Eligible choice scholarship student" refers to an individual who:

(1) has legal settlement in Indiana; **and**

(2) is at least five (5) years of age and less than twenty-two (22) years of age on October 1 of the applicable school year. **and**

(3) is a member of a household with an annual income of not more than four hundred percent (400%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.

SECTION 200. IC 20-51-4-10, AS AMENDED BY P.L.165-2021, SECTION 179, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. The department shall distribute choice scholarships at least ~~once~~ **twice** each semester, or at equivalent intervals. The department may distribute the choice scholarship to the eligible choice scholarship student (or the parent of the eligible choice scholarship student) for the purpose of paying the educational costs described in section 4(a)(1)(A) of this chapter. For the distribution to be valid, the eligible choice scholarship student (or the parent of the eligible choice scholarship student) and the eligible school providing educational services to the eligible choice scholarship student must annually sign a form, prescribed by the department to endorse distributions for the particular school year. If:

(1) an eligible choice scholarship student who is receiving a choice scholarship for a school year changes schools during the school year after signing the form to endorse distributions for that school year; and

(2) the eligible choice scholarship student enrolls in a different eligible school that has not signed



the form to endorse distributions for that school year;
the eligible choice scholarship student (or the parent of the eligible choice scholarship student) and the eligible school must sign the form prescribed by the department to endorse distributions for the particular school year.

SECTION 201. IC 20-51.4-2-3.2, AS ADDED BY P.L.202-2023, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.2. "CSA participating entity" refers to an individual or entity authorized by the ~~commission for higher education~~ **department** to participate in the CSA program under IC 20-51.4-5.5.

SECTION 202. IC 20-51.4-2-3.8, AS AMENDED BY P.L.127-2024, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.8. "CSA qualified expenses" means expenses to enroll in and attend sequences, courses, apprenticeships, or programs of study designated and approved under IC 20-51.4-4.5-6, including the following:

- (1) Career coaching and navigation services.
- (2) Postsecondary education and training.
- (3) Subject to IC 20-51.4-4.5-6.5, transportation, equipment, and costs related to obtaining a driver's license.
- (4) Certification and credentialing examinations.
- (5) Any other expenses approved by the ~~treasurer of the state~~ **department** under IC 20-51.4-4.5.

SECTION 203. IC 20-51.4-2-4, AS AMENDED BY P.L.127-2024, SECTION 3, AND AS AMENDED BY P.L.162-2024, SECTION 28, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. "Eligible student" refers to an individual who:

- (1) has legal settlement in Indiana;
- (2) is at least five (5) years of age and less than twenty-two (22) years of age *on the date in the school year specified in IC 20-33-2-7; on October 1 of the applicable school year; and*
- (3) is a student:
 - (A) with a disability at the time the account is established who requires special education and for whom:
 - ~~(A)~~ (i) an individualized education program;
 - ~~(B)~~ (ii) a service plan developed under 511 IAC 7-34; or
 - ~~(C)~~ (iii) a choice special education plan developed under 511 IAC 7-49;has been developed; ~~and~~ *or*
 - (B) who is a sibling of a student described in clause (A) who has had an ESA account established in the student's name under IC 20-51.4-4-1. ~~and~~
- (4) meets the annual income qualification requirement for a choice scholarship student under IC 20-51-1.

SECTION 204. IC 20-51.4-2-4.7, AS ADDED BY P.L.202-2023, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.7. "ESA participating entity" refers to an individual or entity authorized by the ~~treasurer of state~~ **department** to participate in the ESA program under IC 20-51.4-5-2.

SECTION 205. IC 20-51.4-3-2, AS AMENDED BY P.L.202-2023, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) The ESA program shall be administered by the ~~treasurer of state department. in consultation with the state board and the department.~~



(b) The CSA program shall be administered by the **treasurer of state department**. ~~in consultation with the commission for higher education and the department.~~ The **treasurer of state department** may contract with one (1) or more entities under IC 5-22-6 to maintain and manage CSA accounts under IC 20-51.4-4.5.

(c) The **treasurer of state department** may contract with one (1) or more entities to maintain and manage ESA accounts established under IC 20-51.4-4-1 after issuing a request for proposal under IC 5-22-9. Each entity shall:

- (1) meet qualification requirements established by the ~~treasurer of state~~; **department**; and
- (2) comply with generally accepted accounting principles.

(d) The **treasurer of state department** shall establish reasonable fees for entities described in subsection (c) participating in the program based upon market rates.

SECTION 206. IC 20-51.4-3-3, AS AMENDED BY P.L.202-2023, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The ESA program and the CSA program are subject to annual audit by an independent public accounting firm retained by the ~~treasurer of state~~. **department**.

(b) The ~~treasurer of state~~ **department** shall promptly transmit copies of each annual audit to the governor and, in an electronic format under IC 5-14-6, the general assembly. Upon request, the ~~treasurer of state~~ **department** shall make copies of the audit available to the public.

SECTION 207. IC 20-51.4-3-4, AS AMENDED BY P.L.202-2023, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) After June 30, 2023, the ~~treasurer of state~~ **department** shall administer an annual survey of parents of eligible students and emancipated eligible students who maintain an ESA account under IC 20-51.4-4-1. The survey must request information:

- (1) regarding when the ESA account was established and the number of grants received;
- (2) relating to relative satisfaction with the ESA program and the CSA program, if applicable; and
- (3) regarding opinions on any topics, items, or issues that the ~~treasurer of state~~ **department** determines may improve the effectiveness of the ESA program or the education experience of the eligible student or the eligible student's family.

(b) After June 30, 2024, the ~~treasurer of state~~ **department** shall administer an annual survey of parents of career scholarship students and emancipated career scholarship students who maintain a CSA account under IC 20-51.4-4.5-1. The survey must request information:

- (1) regarding when the CSA account was established and the number of grants received;
- (2) relating to relative satisfaction with the CSA program; and
- (3) regarding opinions on any topics, items, or issues that the ~~treasurer of state~~ **department** determines may improve the effectiveness of the CSA program or the education experience of the career scholarship student or the career scholarship student's family.

(c) Not later than November 1, 2023, and each November 1 thereafter, the ~~treasurer of state~~ **department** shall annually provide a summary of the surveys administered under subsections (a) and (b) to the governor and, in an electronic format under IC 5-14-6, the legislative council.

SECTION 208. IC 20-51.4-3-5, AS AMENDED BY P.L.202-2023, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. The ~~treasurer of state~~ **department** shall provide online services and capabilities including, but not limited to, the following:

- (1) A method for parents to submit an application agreement described in IC 20-51.4-4-1(a) and IC 20-51.4-4.5-1.
- (2) A method for an ESA participating entity to submit the intent of the ESA participating entity to



participate in the ESA program.

(3) A method for a CSA participating entity to submit the intent of the CSA participating entity to participate in the CSA program.

(4) A method for parents to identify and select ESA or CSA participating entities participating in the ESA program or CSA program.

(5) A method for parents and ESA and CSA participating entities to initiate and receive payments from an eligible student's account or career scholarship student's account.

(6) A method for parents to rate the parent's experience with an ESA or CSA participating entity and the ability for other parents of eligible students or career scholarship students to see the rating.

(7) Methods that are intuitive and allow for contributions to be easily made to an eligible student's ESA account or a career scholarship student's CSA account.

(8) Resources the family of an eligible student or career scholarship student can access to learn about advocacy groups available to provide information and resources to the eligible student's or career scholarship student's family.

SECTION 209. IC 20-51.4-3-6, AS AMENDED BY P.L.202-2023, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) The department shall provide services that offer objective advice upon request to parents of an eligible student or an emancipated eligible student relating to services that can help meet the eligible student's or emancipated eligible student's particular needs.

(b) ~~The commission for higher education, in coordination with the~~ department shall provide services that offer objective advice upon request to parents of a career scholarship student or an emancipated career scholarship student relating to services that can help meet the career scholarship student's or emancipated career scholarship student's particular needs, including the provision of any services for which the ~~commission for higher education~~ **department** contracts under IC 20-51.4-4.5-7(b).

(c) The department may contract with a third party provider to provide the services described in subsection (a).

SECTION 210. IC 20-51.4-3-7 IS REPEALED [EFFECTIVE JULY 1, 2026]. ~~Sec. 7: (a) For each school year, the treasurer of state shall determine, based on the amount of funds available for the ESA program, the number of grants that the treasurer of state will award under the ESA program. The number of applications approved and the number of grants awarded under this article the ESA program by the treasurer of state for the school year may not exceed the number determined by the treasurer of state under this section.~~

~~(b) The treasurer of state may deduct the following amounts from the funds made available for the ESA program to cover costs of managing ESA accounts and administering the ESA program:~~

~~(1) For the first year of the ESA program, not more than ten percent (10%) of the funds made available to cover the costs described in this subsection.~~

~~(2) For each year thereafter, not more than five percent (5%) of the funds made available to cover the costs described in this subsection.~~

~~Any amount deducted under this subsection shall be deposited in the Indiana education scholarship account administration fund established by IC 20-51.4-4-3.5.~~

~~(c) The treasurer of state may deduct the following amounts from the funds made available for the CSA program to cover costs of managing CSA accounts and administering the CSA program:~~

~~(1) For the first year of the CSA program, not more than ten percent (10%) of the funds made available to cover the costs described in this subsection.~~



(2) For each year thereafter, not more than five percent (5%) of the funds made available to cover the costs described in this subsection.

Any amount deducted under this subsection shall be deposited in the career scholarship account administration fund established by IC 20-51.4-4.5-5.

SECTION 211. IC 20-51.4-4-1, AS AMENDED BY P.L.127-2024, SECTION 5, AND AS AMENDED BY P.L.150-2024, SECTION 69, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) After June 30, 2022, a parent of an eligible student or an emancipated eligible student may establish an Indiana education scholarship account for the eligible student by entering into a written agreement with the ~~treasurer of state department~~ on a form prepared by the ~~treasurer of state department~~. The ~~treasurer of state department~~ shall establish a date by which an application to establish an ESA account for the upcoming school year must be submitted. However, for a school year beginning after July 1, 2022, applications must be submitted for an eligible student not later than September 1 for the immediately following school year. The ESA account of an eligible student shall be made in the name of the eligible student. The ~~treasurer of state department~~ shall make the agreement available on the website of the ~~treasurer of state department~~. To be eligible, a parent of an eligible student or an emancipated eligible student wishing to participate in the ESA program must agree that:

- (1) *subject to subsection (i)*, a grant deposited in the eligible student's ESA account under section 2 of this chapter and any interest that may accrue in the ESA account will be used only for the eligible student's ESA qualified expenses;
 - (2) if the eligible student participates in the CSA program, a grant deposited in the eligible student's ESA account under IC 20-51.4-4.5-3 and any interest that may accrue in the ESA account will be used only for the eligible student's ESA qualified expenses;
 - (3) money in the ESA account when the ESA account is terminated reverts to the state general fund;
 - (4) the parent of the eligible student or the emancipated eligible student will use part of the money in the ESA account:
 - (A) for the eligible student's study in the subject of reading, grammar, mathematics, social studies, or science; or
 - (B) for use in accordance with the eligible student's:
 - (i) individualized education program;
 - (ii) service plan developed under 511 IAC 7-34;
 - (iii) choice special education plan developed under 511 IAC 7-49; or
 - (iv) plan developed under Section 504 of the federal Rehabilitation Act of 1973, 29 U.S.C. 794;
 - (5) the eligible student will not be enrolled in a school that receives tuition support under IC 20-43; and
 - (6) the eligible student will take the statewide *summative* assessment, as applicable based on the eligible student's grade level, as provided under IC 20-32-5.1, or the assessment specified in the eligible student's:
 - (A) individualized education program developed under IC 20-35;
 - (B) service plan developed under 511 IAC 7-34;
 - (C) choice special education plan developed under 511 IAC 7-49; or
 - (D) plan developed under Section 504 of the federal Rehabilitation Act of 1973, 29 U.S.C. 794.
- (b) A parent of an eligible student may enter into a separate agreement under subsection (a) for each



child of the parent. However, not more than one (1) ESA account may be established for each eligible student.

(c) The ESA account must be established under subsection (a) by a parent of an eligible student or an emancipated eligible student for a school year on or before a date established by the ~~treasurer of state;~~ **department** which must be at least thirty (30) days before the fall count day of ADM established under IC 20-43-4-3. A parent of an eligible student or an emancipated eligible student may not enter into an agreement under this section or maintain an ESA account under this chapter if the eligible student receives a choice scholarship under IC 20-51-4 for the same school year. An eligible student may not receive a grant under section 2 of this chapter if the eligible student is currently included in a school corporation's ADM count under IC 20-43-4.

(d) Except as provided in subsections (e) and (f), an agreement made under this section is valid for one (1) school year while the eligible student is in kindergarten through grade 12 and may be renewed annually. Upon graduation, or receipt of a certificate of completion under the eligible student's individualized education program, the eligible student's ESA account is terminated.

(e) An agreement entered into under this section terminates automatically for an eligible student if:

- (1) the eligible student no longer resides in Indiana while the eligible student is eligible to receive grants under section 2 of this chapter; or
- (2) the ESA account is not renewed within three hundred ninety-five (395) days after the date the ESA account was either established or last renewed.

If an ESA account is terminated under this section, money in the eligible student's ESA account, including any interest accrued, reverts to the state general fund.

(f) An agreement made under this section for an eligible student while the eligible student is in kindergarten through grade 12 may be terminated before the end of the school year if the parent of the eligible student or the emancipated eligible student notifies the ~~treasurer of state~~ **department** in a manner specified by the ~~treasurer of state;~~ **department**.

(g) A distribution made to an ESA account under section 2 of this chapter is considered tax exempt as long as the distribution is used for an ESA qualified expense. The amount is subtracted from the definition of adjusted federal gross income under IC 6-3-1-3.5 to the extent the distribution used for the ESA qualified expense is included in the taxpayer's adjusted federal gross income under the Internal Revenue Code.

(h) The department shall establish a student test number as described in IC 20-19-3-9.4 for each eligible student. ~~The treasurer of state shall provide the department information necessary for the department to comply with this subsection.~~

(i) A student described in IC 20-51.4-2-4(3)(B) may not use the money deposited into the eligible student's ESA account for ESA qualified expenses described in IC 20-51.4-2-9(a)(3), IC 20-51.4-2-9(a)(6), IC 20-51.4-2-9(a)(7), or IC 20-51.4-2-9(a)(9).

SECTION 212. IC 20-51.4-4-2, AS AMENDED BY P.L.202-2023, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) An eligible student who currently maintains an ESA account is entitled to an ESA annual grant amount for each school year until the student graduates or obtains a certificate of completion under the student's individualized education program. An eligible student may not receive a grant under this section after graduating or obtaining a certificate of completion. The ESA annual grant amount shall be paid from the ESA program fund. The ~~treasurer of state;~~ **department** ~~with notice to the department;~~ shall deposit the ESA annual grant amount under this section, in quarterly deposits, into an eligible student's ESA account. ~~in a manner established by the~~



treasurer of state:

(b) Except as provided in subsection (c), at the end of the year in which an ESA account is established, the parent of an eligible student or the emancipated eligible student may roll over for use in a subsequent year a maximum of one thousand dollars (\$1,000). However, for each year thereafter, the parent of the eligible student or the emancipated eligible student may roll over one thousand dollars (\$1,000) plus any amount rolled over in a previous year.

(c) An eligible student's ESA account shall terminate the later of:

- (1) the date the student graduates high school; or
- (2) July 1 of the year in the year which the student graduates high school.

Any money, including interest that remains in the eligible student's ESA account when it terminates under this subsection reverts to the state general fund.

SECTION 213. IC 20-51.4-4-3, AS AMENDED BY P.L.201-2023, SECTION 221, AND AS AMENDED BY P.L.202-2023, SECTION 51, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) The Indiana education scholarship account program fund is established for the purpose of providing grants to eligible students under the *ESA* program. ~~Money appropriated to the fund during the state fiscal year beginning July 1, 2021, and ending June 30, 2022, may only be used for the administrative costs to establish the program. However,~~ Money appropriated to the fund ~~during the state fiscal year beginning July 1, 2022, and ending June 30, 2023,~~ may be used to provide grants under this chapter in the manner prescribed in section 2 of this chapter.

(b) The **treasurer of state department** shall administer the *ESA program* fund.

(c) The *ESA program* fund consists of the following:

- (1) Appropriations by the general assembly.
- (2) Interest deposited in the *ESA program* fund under subsection (d).
- ~~(3) Donations, gifts, and money received from any other source, including transfers from other funds or accounts.~~
- ~~(4) Amounts transferred to the *ESA program* fund from the Indiana education scholarship account administration fund under section 3.5(e) of this chapter.~~

(d) The treasurer of state shall invest money in the *ESA program* fund not currently needed to meet the obligations of the *ESA program* fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the *ESA program* fund.

(e) Money in the *ESA program* fund at the end of a state fiscal year reverts to the state general fund.

SECTION 214. IC 20-51.4-4-3.5, AS AMENDED BY P.L.201-2023, SECTION 222, AND AS AMENDED BY P.L.202-2023, SECTION 52, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.5. (a) The Indiana education scholarship account administration fund is established for the purpose of accepting money for the Indiana education scholarship account program to support administration of the *ESA* program.

(b) The **treasurer of state department** shall administer the fund.

(c) The fund consists of the following:

- ~~(1) Administration fees deposited in the fund under IC 20-51.4-3-7(b). Appropriations by the general assembly.~~
- ~~(2) Donations, gifts, and money received from any other source, including transfers from other funds or accounts.~~
- ~~(3)~~ (2) Interest deposited in the fund under subsection (d).

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations



of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

~~(e) The treasurer of state may transfer any funds held in the fund to the ESA program fund established by section 3 of this chapter at any time for the purpose of the ESA program fund.~~

~~(e) Money in the fund at the end of a state fiscal year reverts to the state general fund.~~

SECTION 215. IC 20-51.4-4-3.6, AS ADDED BY P.L.201-2023, SECTION 223, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3.6. (a) The Indiana education scholarship account donation fund is established for the purpose of accepting donations for the Indiana education scholarship account program to support administration of the program.

(b) The **treasurer of state department** shall administer the fund.

(c) The fund consists of the following:

(1) Donations, gifts, and money received from any other source, including transfers from other funds or accounts.

(2) Interest deposited in the fund under subsection (d).

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

~~(e) The treasurer of state may transfer any funds held in the fund to the Indiana education scholarship account program fund established by section 3 of this chapter at any time for the purpose of that fund.~~

~~(f)~~ (e) Money in the fund is continuously appropriated for purposes of the fund.

~~(g)~~ (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund for the purposes of the fund.

SECTION 216. IC 20-51.4-4-5, AS AMENDED BY P.L.202-2023, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. If an eligible student's agreement under section 1 of this chapter is in effect for less than an entire school year, the ESA annual grant amount provided under section 2 of this chapter for that school year shall be reduced on a prorated basis in a manner prescribed by the **treasurer of state department** to reflect the length of the agreement. In the event an eligible student's ESA account is terminated because the eligible student enrolls in a school that receives tuition support under IC 20-43, the balance in the ESA account at the time the ESA account is terminated shall be transferred to the school corporation or charter school in which the eligible student enrolls. In the event that special education grant funding under section 4(b) of this chapter has been deposited into the eligible student's ESA account but the eligible student subsequently begins receiving special education services from a school that receives funding under IC 20-43, the balance in the ESA account up to the amount deposited under section 4(b) of this chapter shall be transferred to the school corporation or charter school that provides the special education services to the student.

SECTION 217. IC 20-51.4-4-6, AS AMENDED BY P.L.202-2023, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. Upon entering into or renewing an agreement under this chapter, the **treasurer of state department** shall provide to the parent of an eligible student or an emancipated eligible student a written explanation of the authorized uses of the money in the ESA account and the responsibilities of the parent of an eligible student or an emancipated eligible student and the **treasurer of state department** regarding an ESA account established under section 1 of this chapter.

SECTION 218. IC 20-51.4-4-7, AS AMENDED BY P.L.202-2023, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. A parent of an eligible student may use not



more than seven hundred fifty dollars (\$750) of the ESA annual grant amount received under this chapter each school year for fees for transportation paid to a fee-for-service transportation provider for the eligible student to travel to and from an approved service provider. However, ~~the treasurer of state, in consultation with the department~~ shall establish criteria and a process by which a parent of an eligible student may receive a waiver from the limit imposed on transportation fees under this section.

SECTION 219. IC 20-51.4-4-10, AS AMENDED BY P.L.202-2023, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10. (a) The ~~treasurer of state~~ **department** shall freeze the ESA account established under section 1 of this chapter of any parent of an eligible student or an emancipated eligible student who:

- (1) fails to comply with the terms of the agreement established under section 1 of this chapter;
- (2) fails to comply with applicable laws or regulations; or
- (3) substantially misuses funds in the ESA account.

(b) The ~~treasurer of state~~ **department** shall send written notice to the parent of the eligible student or the emancipated eligible student stating the reason for the freeze under subsection (a). The ~~treasurer of state~~ **department** may also send notice to the attorney general or the prosecuting attorney in the county in which the parent of the eligible student or the emancipated eligible student resides if the ~~treasurer of state~~ **department** believes a crime has been committed or a civil action relating to the ESA account is necessary.

(c) A parent of an eligible student or an emancipated eligible student whose ESA account has been frozen under subsection (a) may petition the ~~treasurer of state~~ **department** for redetermination of the decision under subsection (a) within thirty (30) days after the date the ~~treasurer of state~~ **department** sends notice to the parent of the eligible student or the emancipated eligible student under subsection (b). The petition must contain a written explanation stating why the ~~treasurer of state~~ **department** was incorrect in freezing the ESA account under subsection (a). If the ~~treasurer of state~~ **department** does not receive a timely submitted petition from a parent of an eligible student or an emancipated eligible student under this subsection, the ~~treasurer of state~~ **department** shall terminate the ESA account.

(d) The ~~treasurer of state~~ **department** shall review a petition received under subsection (c) within fifteen (15) business days of receipt of the petition and issue a redetermination letter to the parent of the eligible student or the emancipated eligible student. If the ~~treasurer of state~~ **department** overturns the ~~treasurer of state's department's~~ initial decision under subsection (a), the ~~treasurer of state~~ **department** shall immediately unfreeze the ESA account. If the ~~treasurer of state~~ **department** affirms the decision under subsection (a), the ~~treasurer of state~~ **department** shall give notice of the affirmation to the parent of the eligible student or the emancipated eligible student and terminate the ESA account.

SECTION 220. IC 20-51.4-4.5-1, AS AMENDED BY P.L.127-2024, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) After June 30, 2023, a parent of a career scholarship student or an emancipated career scholarship student may establish a career scholarship account for the career scholarship student by entering into a written agreement with the ~~treasurer of state~~ **department** on a form prepared by the ~~treasurer of state~~ **department**. An application to establish a CSA account, or an application to participate in the CSA program with an ESA account, must be submitted not later than October 1 for the school year. Subject to subsection (f), the CSA account of a career scholarship student must be made in the name of the career scholarship student. The ~~treasurer of state~~ **department** shall make the agreement available on the website of the ~~treasurer of state~~ **department**.

(b) To be eligible to participate in the CSA program, a parent of a career scholarship student or an emancipated career scholarship student must agree that:



(1) a grant deposited in the career scholarship student's CSA account under section 3 of this chapter and any interest that may accrue in the CSA account will be used only for the CSA qualified expenses;

(2) money in the CSA account when the CSA account is terminated reverts to the state general fund; and

(3) the parent of the career scholarship student or the emancipated career scholarship student will use the money in the CSA account for the career scholarship student to attend one (1) or more of the sequences, courses, apprenticeships, or programs of study designated and approved under section 6(a) of this chapter.

(c) A parent of a career scholarship student may enter into a separate agreement under subsection (a) for each child of the parent. However, not more than one (1) CSA account may be established for each career scholarship student.

(d) Except as provided under subsection (f), a CSA account must be established under subsection (a) by a parent of a career scholarship student or an emancipated career scholarship student for a school year not later than thirty (30) days after the date that the ~~treasurer of state~~ **department** approves an application submitted under subsection (a).

(e) Except as provided in section 2 of this chapter, an agreement made under this section is valid for one (1) school year while the career scholarship student is in grades 10 through 12 and may be renewed annually. Upon graduation, or receipt of:

(1) a certificate of completion under the career scholarship student's individualized education program; or

(2) an Indiana high school equivalency diploma under IC 22-4.1-18;

the career scholarship student's CSA account is terminated.

(f) If:

(1) a parent of a career scholarship student or an emancipated career scholarship student enters into a written agreement with the ~~treasurer of state~~ **department** on a form under subsection (a); and

(2) the career scholarship student participates in the ESA program under this article;

the parent or emancipated career scholarship student must participate in the CSA program using the student's ESA account instead of establishing a CSA account. However, if the student ceases to participate in the ESA program, the parent of the student or the emancipated student must establish a CSA account to participate in the CSA program.

SECTION 221. IC 20-51.4-4.5-2, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) An agreement entered into under section 1 of this chapter terminates automatically for a career scholarship student if:

(1) the career scholarship student no longer resides in Indiana while the career scholarship student is eligible to receive grants under section 3 of this chapter; or

(2) the CSA account is not renewed within three hundred ninety-five (395) days after the date the CSA account was either established or last renewed.

If a CSA account is terminated under this section, money in the career scholarship student's CSA account, including any interest accrued, reverts to the state general fund.

(b) An agreement made under section 1 of this chapter for a career scholarship student while the career scholarship student is in grades 10 through 12 may be terminated before the end of the school year if the parent of the career scholarship student or the emancipated career scholarship student notifies the ~~treasurer of state~~ **department** in a manner specified by the ~~treasurer of state~~ **department**.



(c) A distribution made to a CSA account or ESA account, as applicable, under section 3 of this chapter is considered tax exempt as long as the distribution is used for:

(1) a CSA qualified expense; or

(2) an ESA qualified expense if the career scholarship student is participating in the ESA program. The amount is subtracted from the definition of "adjusted gross income" under IC 6-3-1-3.5 to the extent the distribution used for the CSA qualified expense or ESA qualified expense, as applicable, is included in the taxpayer's adjusted federal gross income under the Internal Revenue Code.

(d) If a career scholarship student does not have a student test number, the department shall establish a student test number as described in IC 20-19-3-9.4 for the career scholarship student. The ~~treasurer of state~~ **department** shall provide the department information necessary for the department to comply with this subsection.

SECTION 222. IC 20-51.4-4.5-3, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. (a) A career scholarship student who currently maintains a CSA account or an ESA account and participates in the CSA program is entitled to an annual grant amount for each school year until the student:

(1) graduates; or

(2) obtains:

(A) a certificate of completion under the student's individualized education program; or

(B) an Indiana high school equivalency diploma under IC 22-4.1-18.

(b) A career scholarship student may not receive a grant under this section after graduating, receiving an Indiana high school equivalency diploma, or obtaining a certificate of completion. The CSA annual grant amount shall be paid from the CSA program fund. The ~~treasurer of state, with notice to the~~ department shall deposit the CSA annual grant amount under this section, in quarterly deposits, into a career scholarship student's:

(1) CSA account; or

(2) ESA account if the student participates in the ESA program;

in a manner established by the ~~treasurer of state~~ **department**.

(c) Except as provided in subsection (d), at the end of the year in which a CSA account is established, the parent of a career scholarship student or the emancipated career scholarship student may roll over for use in a subsequent year a maximum of one thousand dollars (\$1,000). However, for each year thereafter, the parent of the career scholarship student or emancipated eligible student may roll over one thousand dollars (\$1,000) plus any amount rolled over in a previous year.

(d) A career scholarship student's CSA account shall terminate the later of:

(1) the date the student graduates high school or obtains an Indiana high school equivalency diploma; or

(2) July 1 of the year in which the student graduates high school or obtains an Indiana high school equivalency diploma.

Any money, including interest that remains in the career scholarship student's CSA account when it terminates under this subsection, reverts to the state general fund.

SECTION 223. IC 20-51.4-4.5-4, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The career scholarship account program fund is established for the purpose of providing grants to career scholarship students under the CSA program.

(b) The ~~treasurer of state~~ **department** shall administer the CSA program fund.



(c) The CSA program fund consists of the following:

- (1) Appropriations by the general assembly.
- (2) Interest deposited in the CSA program fund under subsection (d).
- ~~(3) Amounts transferred to the CSA program fund from the career scholarship account administration fund under section 5(e) of this chapter.~~

(d) The treasurer of state shall invest money in the CSA program fund not currently needed to meet the obligations of the CSA program fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the CSA program fund.

(e) Money in the CSA program fund at the end of a state fiscal year reverts to the state general fund.

SECTION 224. IC 20-51.4-4.5-5, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) The career scholarship account administration fund is established for the purpose of accepting money for the CSA program to support administration of the CSA program.

(b) The ~~treasurer of state~~ **department** shall administer the fund.

(c) The fund consists of the following:

~~(1) Administration fees deposited in the fund under IC 20-51.4-3-7(c).~~

(1) Appropriations by the general assembly.

(2) Interest deposited in the fund under subsection (d).

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

~~(e) The treasurer of state may transfer any funds held in the fund to the CSA program fund established by section 4 of this chapter at any time for the purpose of the CSA program fund.~~

SECTION 225. IC 20-51.4-4.5-5.3, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5.3. (a) The career scholarship account donation fund is established for the purpose of accepting donations for the career scholarship account program to support administration of the program.

(b) The ~~treasurer of state~~ **department** shall administer the fund.

(c) The fund consists of the following:

(1) Donations, gifts, and money received from any other source, including transfers from other funds or accounts.

(2) Interest deposited in the fund under subsection (d).

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

~~(e) The treasurer of state may transfer any funds held in the fund to the career scholarship account program fund established by section 4 of this chapter at any time for the purpose of that fund.~~

~~(f)~~ **(e)** Money in the fund is continuously appropriated for purposes of the fund.

~~(g)~~ **(f)** Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund for the purposes of the fund.

SECTION 226. IC 20-51.4-4.5-6, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) The department shall ~~in consultation with the commission for higher education~~, designate and approve the following for grants under this chapter:

- (1) Course sequences.



- (2) Career courses.
- (3) Modern youth apprenticeships.
- (4) Apprenticeships or apprenticeship programs (as defined in IC 20-43-8-0.3).
- (5) Programs of study leading to industry recognized credentials.

~~(b)~~ The department shall provide to the treasurer of state information concerning the designated and approved sequences, courses, apprenticeships, and programs of study under subsection (a):

~~(c)~~ **(b)** A CSA participating entity may identify and recommend a skill competency learned during a course sequence, career course, modern youth apprenticeship, apprenticeship or apprenticeship program (as defined in IC 20-43-8-0.3), or a program of study leading to industry recognized credentials that has been approved under subsection (a) to the department for inclusion in the skill competency list maintained by the department under IC 20-19-3-28.5.

~~(d)~~ **(c)** The department shall approve a sequence, course, modern youth apprenticeship, apprenticeship, or program of study under subsection (a) that:

- (1) culminates in an approved credential; and
- (2) is offered by an employer that has partnered with an approved intermediary (as defined in IC 21-18-19-3) to offer the sequence, course, modern youth apprenticeship, apprenticeship, or program of study.

~~(e)~~ **(d)** The department may:

- (1) periodically review the approval of a sequence, course, modern youth apprenticeship, apprenticeship, or program of study under subsection ~~(d)~~; **(c)**; and
- (2) revoke an initial approval under subsection ~~(d)~~ **(c)** after a period of not less than three (3) years if the sequence, course, modern youth apprenticeship, apprenticeship, or program of study fails to achieve an adequate outcome, as determined by the department. ~~in consultation with the commission for higher education.~~

In determining whether a sequence, course, modern youth apprenticeship, apprenticeship, or program of study has failed to achieve an adequate outcome, the department shall consider the outcomes listed in IC 20-19-3-22.3.

SECTION 227. IC 20-51.4-4.5-7, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) Beginning July 1, 2025, a career scholarship student may only receive a grant amount for a sequence, course, apprenticeship, or program of study described in section 6(a) of this chapter that aligns with the career scholarship student's graduation plan.

~~(b)~~ The ~~commission for higher education~~ **department** may contract with one (1) or more entities to:

- (1) establish graduation plans with career scholarship students who have not established graduation plans with a school corporation or school; and
- (2) discuss sequence, course, apprenticeship, and program of study opportunities with career scholarship students.

SECTION 228. IC 20-51.4-4.5-8, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. Upon entering into or renewing an agreement under this chapter, the ~~treasurer of state~~ **department** shall provide to the parent of a career scholarship student or an emancipated career scholarship student a written explanation of the authorized uses of the money in the CSA account and the responsibilities of the parent of a career scholarship student or an emancipated career scholarship student and the ~~treasurer of state~~ **department** regarding a CSA account established under section 1 of this chapter or participation in the CSA program with an ESA



account, if applicable.

SECTION 229. IC 20-51.4-4.5-11, AS ADDED BY P.L.202-2023, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 11. (a) The ~~treasurer of state department~~ shall freeze the CSA account established under section 1 of this chapter of any parent of a career scholarship student or emancipated career scholarship student who:

- (1) fails to comply with the terms of the agreement established under section 1 of this chapter;
- (2) fails to comply with applicable laws or regulations; or
- (3) substantially misuses funds in the CSA account.

(b) The ~~treasurer of state department~~ shall send written notice to the parent of the career scholarship student or the emancipated career scholarship student stating the reason for the freeze under subsection (a). The ~~treasurer of state department~~ may also send notice to the attorney general or the prosecuting attorney in the county in which the parent of the career scholarship student or the emancipated career scholarship student resides if the ~~treasurer of state department~~ believes a crime has been committed or a civil action relating to the CSA account is necessary.

(c) A parent of a career scholarship student or an emancipated career scholarship student whose CSA account has been frozen under subsection (a) may petition the ~~treasurer of state department~~ for redetermination of the decision under subsection (a) within thirty (30) days after the date the ~~treasurer of state department~~ sends notice to the parent of the career scholarship student or the emancipated career scholarship student under subsection (b). The petition must contain a written explanation stating why the ~~treasurer of state department~~ was incorrect in freezing the CSA account under subsection (a).

(d) If the ~~treasurer of state department~~ does not receive a timely submitted petition from a parent of a career scholarship student or an emancipated career scholarship student under subsection (c), the ~~treasurer of state department~~ shall terminate the CSA account.

(e) The ~~treasurer of state department~~ shall review a petition received under subsection (c) within fifteen (15) business days of receipt of the petition and issue a redetermination letter to the parent of the career scholarship student or the emancipated career scholarship student.

(f) If the ~~treasurer of state department~~ overturns the ~~treasurer of state's department's~~ initial decision under subsection (a), the ~~treasurer of state department~~ shall immediately unfreeze the CSA account. If the ~~treasurer of state department~~ affirms the decision under subsection (a), the ~~treasurer of state department~~ shall give notice of the affirmation to the parent of the career scholarship student or the emancipated eligible student and terminate the CSA account.

SECTION 230. IC 20-51.4-5-1, AS AMENDED BY P.L.202-2023, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. It is the intent of the general assembly to honor the autonomy of nonpublic schools that choose and are authorized to become ESA participating entities under this article. A nonpublic eligible school is not an agent of the state or federal government, and therefore:

- (1) the ~~treasurer of state~~, state board, department, or any other state agency may not in any way regulate the educational program of a nonpublic school that accepts money from an ESA account under this article, including the regulation of curriculum content, religious instruction or activities, classroom teaching, teacher and staff hiring requirements, and other activities carried out by the nonpublic school;
- (2) the creation of the ESA program does not expand the regulatory authority of the state or the state's officers to impose additional regulation of nonpublic schools beyond those necessary to enforce the requirements of the ESA program; and



(3) an accredited nonpublic school that is an ESA participating entity may provide for the educational needs of students without governmental control.

SECTION 231. IC 20-51.4-5-2, AS AMENDED BY P.L.127-2024, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) The following individuals or entities may become an ESA participating entity by submitting an application to the **treasurer of state department** in a manner prescribed by the **treasurer of state department**:

- (1) A qualified school.
- (2) An individual who or tutoring agency that provides private tutoring.
- (3) An individual who or entity that provides services to a student with a disability in accordance with an individualized education program developed under IC 20-35 or a service plan developed under 511 IAC 7-34 or generally accepted standards of care prescribed by the eligible student's treating physician.
- (4) An individual who or entity that offers a course or program to an eligible student.
- (5) A licensed occupational therapist.
- (6) Entities that provide assessments.

(b) The **treasurer of state department** shall approve an application submitted under subsection (a) if the individual or entity meets the criteria to serve as an ESA participating entity.

(c) If it is reasonably expected by the **treasurer of state department** that an ESA participating entity will receive, from payments made under the ESA program, more than one hundred thousand dollars (\$100,000) during a particular school year, the ESA participating entity shall, on or before a date prescribed by the **treasurer of state department** provide the **treasurer of state department** evidence, in a manner prescribed by the **treasurer of state department**, indicating that the ESA participating entity has unencumbered assets sufficient to pay the **treasurer of state department** an amount equal to the amount expected to be paid to the ESA participating entity under the ESA program during the particular school year.

(d) Each ESA participating entity that accepts payments made from an ESA account under this article shall provide a receipt to the parent of an eligible student or to the emancipated eligible student for each payment made.

SECTION 232. IC 20-51.4-5-4, AS AMENDED BY P.L.202-2023, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) The **treasurer of state department** may refuse to allow an ESA participating entity to continue participation in the ESA program and revoke the ESA participating entity's status as an ESA participating entity if the **treasurer of state department** determines that the ESA participating entity accepts payments made from an ESA account under this article and:

- (1) has failed to provide any educational service required by state or federal law to an eligible student receiving instruction from the ESA participating entity; or
- (2) has routinely failed to meet the requirements of an ESA participating entity under the ESA program.

(b) If the **treasurer of state department** revokes an ESA participating entity's status as an ESA participating entity in the ESA program, the **treasurer of state department** shall provide notice of the revocation within thirty (30) days of the revocation to each parent of an eligible student and to each emancipated eligible student receiving instruction from the ESA participating entity who has paid the ESA participating entity from the eligible student's ESA account.

(c) The **treasurer of state department** may permit a former ESA participating entity described in



subsection (a) to reapply with the ~~treasurer of state~~ **department** for authorization to be an ESA participating entity on a date established by the ~~treasurer of state;~~ **department**, which may not be earlier than one (1) year after the date on which the former ESA participating entity's status as an ESA participating entity was revoked under subsection (a). The ~~treasurer of state~~ **department** may establish reasonable criteria or requirements that the former ESA participating entity must meet before being reapproved by the ~~treasurer of state~~ **department** as an ESA participating entity.

SECTION 233. IC 20-51.4-5-6, AS AMENDED BY P.L.202-2023, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. The ~~treasurer of state~~ **department** shall annually make available on the ~~treasurer of state's~~ **department's** website a list of ESA participating entities.

SECTION 234. IC 20-51.4-5.5-1, AS ADDED BY P.L.202-2023, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. The ~~commission for higher education shall, in consultation with the~~ **department shall** approve individuals and entities that provide sequences, courses, apprenticeships, or programs of study designated and approved under IC 20-51.4-4.5-6(a) as CSA participating entities under this article.

SECTION 235. IC 20-51.4-5.5-2, AS ADDED BY P.L.202-2023, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. To become a CSA participating entity, an individual or entity described in section 1 of this chapter must:

- (1) submit an application to the ~~commission for higher education~~ **department** in a manner prescribed by the ~~commission for higher education;~~ **department**;
- (2) offer a sequence, course, apprenticeship, or program of study designated and approved under IC 20-51.4-4.5-6(a) for enrollment by career scholarship students; and
- (3) meet any other requirements established by the ~~commission for higher education.~~ **department.**

SECTION 236. IC 20-51.4-5.5-3, AS AMENDED BY P.L.150-2024, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 3. The ~~commission for higher education~~ **department** shall approve an application submitted under section 2 of this chapter to the ~~commission for higher education~~ **department** if the individual or entity meets the criteria to serve as a CSA participating entity.

SECTION 237. IC 20-51.4-5.5-4, AS AMENDED BY P.L.127-2024, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4. (a) If it is reasonably expected by the ~~commission for higher education~~ **department** that a CSA participating entity will receive, from payments made under the CSA program, more than one hundred thousand dollars (\$100,000) during a particular school year, the CSA participating entity shall, on or before a date prescribed by the ~~treasurer of state;~~ **department**, provide the ~~treasurer of state~~ **department** evidence, in a manner prescribed by the ~~treasurer of state;~~ **department**, indicating that the CSA participating entity has unencumbered assets sufficient to pay the ~~treasurer of state~~ **department** an amount equal to the amount expected to be paid to the CSA participating entity under the CSA program during the particular school year.

(b) Each CSA participating entity that accepts payments made from a CSA account under this article shall provide a receipt to the parent of a career scholarship student or to the emancipated career scholarship student for each payment made.

SECTION 238. IC 20-51.4-5.5-5, AS AMENDED BY P.L.150-2024, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) The ~~commission for higher education~~ **department** may refuse to allow a CSA participating entity to continue participation in the CSA program and revoke the CSA participating entity's status as a CSA participating entity if the ~~commission for higher~~



education department determines that the CSA participating entity accepts payments made from a CSA account under this article and:

- (1) has failed to provide any educational service required by state or federal law to a career scholarship student receiving instruction from the CSA participating entity; or
- (2) has routinely failed to meet the requirements of a CSA participating entity under the CSA program.

(b) If the ~~commission for higher education~~ **department** approves a CSA participating entity under this chapter, the ~~commission for higher education~~ **department**:

- (1) may periodically review the sequences, courses, apprenticeships, or programs of study provided by the CSA participating entity to ensure the sequences, courses, or apprenticeships comply with the requirements under IC 20-51.4-4.5-6 and this chapter; and
- (2) may revoke approval of the CSA participating entity if, at any time more than two (2) years after the CSA participating entity is approved, the ~~commission for higher education~~ **department** determines that the sequences, courses, apprenticeships, or programs of study that the CSA participating entity offers do not comply with the requirements under IC 20-51.4-4.5-6 or this chapter.

(c) If the ~~commission for higher education~~ **department** revokes approval of a CSA participating entity under subsection (b), the revocation becomes effective the immediately following school year.

SECTION 239. IC 20-51.4-5.5-6, AS ADDED BY P.L.202-2023, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) If the ~~commission for higher education~~ **department** revokes a CSA participating entity's status as a CSA participating entity in the CSA program under section 5 of this chapter, the ~~commission for higher education~~ **department** shall provide notice of the revocation within thirty (30) days of the revocation to each parent of a career scholarship student and to each emancipated career scholarship student receiving instruction from the CSA participating entity that has paid the CSA participating entity from the career scholarship student's CSA account.

(b) The ~~commission for higher education~~ **department** may permit a former CSA participating entity described in section 5 of this chapter to reapply to the ~~commission for higher education~~ **department** for authorization to be a CSA participating entity on a date established by the ~~commission for higher education~~ **department**, which may not be earlier than one (1) year after the date on which the former CSA participating entity's status as a CSA participating entity was revoked under section 5 of this chapter. The ~~commission for higher education~~ **department** may establish reasonable criteria or requirements that the former CSA participating entity must meet before being reapproved by the ~~commission for higher education~~ **department** as a CSA participating entity.

SECTION 240. IC 20-51.4-5.5-8, AS ADDED BY P.L.202-2023, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. The ~~commission for higher education and the treasurer of state~~ **department** shall annually make available on the ~~commission for higher education's and treasurer of state's~~ **department's website** a list of the CSA participating entities.

SECTION 241. IC 20-51.4-6-1, AS AMENDED BY P.L.202-2023, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) The ~~treasurer of state~~ **department** shall adopt rules under IC 4-22-2 necessary to administer this article.

(b) The state board shall adopt rules under IC 4-22-2 to establish a procedure to establish an Indiana education scholarship account education service plan for an eligible student.

(c) The department of ~~education and the commission for higher education~~ may adopt rules under IC 4-22-2 necessary to administer the CSA program under this article.



SECTION 242. IC 21-12-3-19, AS AMENDED BY P.L.9-2024, SECTION 422, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 19. (a) The state comptroller shall create a separate and segregated higher education award fund distinct from the freedom of choice grant fund.

(b) All money disbursed from the higher education award fund shall be in accordance with this chapter.

(c) The expense of administering the fund may be paid from money in the fund.

(d) Money ~~remaining~~ in the higher education award fund ~~at the end of any fiscal year does not revert to the state general fund but remains available to be used for making higher education awards under this chapter; or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.~~

SECTION 243. IC 21-12-4-8, AS AMENDED BY P.L.234-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8. Money ~~remaining~~ in the freedom of choice grant fund ~~at the end of any fiscal year does not revert to the state general fund; but remains available to be used for making freedom of choice grants under this chapter; or it may be transferred to another fund under this article as directed by the commission under IC 21-12-1.2-2.~~

SECTION 244. IC 21-12-8-12, AS AMENDED BY P.L.152-2018, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. (a) As used in this section, "department" refers to the department of workforce development established by IC 22-4.1-2-1.

(b) As used in this section, "program" refers to the high value workforce ready noncredit-bearing grant program established by subsection (c).

(c) The department shall establish a high value workforce ready noncredit-bearing grant program.

(d) The department shall do at least the following to establish the program:

(1) Prescribe the form and manner in which applications for high value workforce ready noncredit-bearing grants may be submitted.

(2) Determine the eligibility of applicants. An applicant does not need to be enrolled as a student at a postsecondary educational institution in order to be eligible for a high value workforce ready noncredit-bearing grant.

(3) Determine the amount of a high value workforce ready noncredit-bearing grant awarded to a recipient.

(4) As the department considers appropriate, work with an employer to determine:

(A) whether one (1) or more of the employer's current or future employees may be eligible for a high value workforce ready noncredit-bearing grant; and

(B) what additional financial or other support for the employer's current or future employees the employer may provide, if one (1) or more of the employer's current or future employees may be eligible for a high value workforce ready noncredit-bearing grant.

(5) Work with interested units of local government and employer groups in a specific economic sector or region of the state to develop cost-sharing and other approaches to increase the scope of use and impact of the department's available funding for high value workforce ready noncredit-bearing grants.

(6) In conjunction with the commission, determine which noncredit-bearing credentials or similar programs are eligible for the high value workforce ready noncredit-bearing grant after considering at least the following for each credential or similar program:

(A) Workforce demand and needs.

(B) Wage level data and information.



- (C) Program content and completion data.
 - (D) Program job placement data.
 - (7) Monitor, collect, analyze, and report to the governor **and** the legislative council ~~and the governor's workforce cabinet (established by IC 4-3-27-3)~~ information and data concerning:
 - (A) the use, success, failure, and impact of the high value workforce ready noncredit-bearing grants;
 - (B) the results of each noncredit credential or similar program for which grants are sought; and
 - (C) the results of each noncredit credential or similar program for which grants are provided.
- The department shall submit the report required by this subdivision on or before October 1 for the preceding state fiscal year. The report provided under this subdivision to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 245. IC 21-18-6-1, AS AMENDED BY P.L.152-2018, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. The general purposes of the commission are the following:

- (1) Plan for and coordinate Indiana's state supported system of postsecondary education.
- (2) Review appropriation requests of state educational institutions.
- (3) Make recommendations to the governor, budget agency, or the general assembly concerning postsecondary education.
- (4) Perform other functions assigned by the governor or the general assembly. ~~except those functions specifically assigned by law to the governor's workforce cabinet under IC 22-4.1-19-~~
- (5) Administer state financial aid programs under IC 21-18.5-4.
- (6) Provide staff and office space for the board for proprietary education established by IC 21-18.5-5-1.

SECTION 246. IC 21-18-6-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9.5. (a) As used in this section, "physical facilities" refers to space assigned to departments and organizational units of a state educational institution, including space assigned to departments and organizational units that have functions related to instruction, research, public service, academic support, student services, institutional support, operation and maintenance of physical facilities, auxiliary enterprises, independent operations or noninstitutional activities, hospitals, and residential activities.

(b) Not later than July 1, 2026, and not later than each July 1 thereafter, the commission shall prepare and submit to the legislative council and to the budget committee a report that examines the utilization of physical facilities primarily used for instruction at each state educational institution. The report must include at least the:

- (1) number of classroom instructional spaces, instructional laboratory spaces, and combined classroom and instructional laboratory spaces in each physical facility; and
- (2) utilization of classroom instructional spaces, instructional laboratory spaces, and combined classroom and instructional laboratory spaces in each physical facility;

as defined by the commission.

(c) In compiling the information for the report required by this section, the commission shall consider:

- (1) characteristics of the student body of a state educational institution, such as serving part-time students, commuter students, and working adults;
- (2) the types of programs provided, and associated necessary instructional space, by a state



educational institution; and

(3) information about physical facilities that is collected by the commission in support of the commission's recommendations concerning capital as described in IC 21-18-9-1.

(d) A state educational institution shall provide any information required by the commission that is necessary to complete the report required by this section in the form and manner required by the commission.

(e) A report submitted to the legislative council under this section must be in an electronic format under IC 5-14-6.

SECTION 247. IC 21-18-9-10.5, AS ADDED BY P.L.213-2015, SECTION 234, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10.5. (a) The commission shall review the programs offered by Ivy Tech Community College that have low graduation rates.

(b) Based on the results of the review under subsection (a) **and except as provided under section 10.7 of this chapter**, the commission may do any of the following regarding such a program:

- (1) Require the restructuring of the program, based on information from other programs that are successful.
- (2) Eliminate the program.
- (3) Take no action concerning the program.

SECTION 248. IC 21-18-9-10.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10.7. (a) For each state educational institution degree program, if the:**

(1) average number of students who graduate over the immediately preceding three (3) years is fewer than:

- (A) ten (10) students for a particular associate degree program;**
- (B) fifteen (15) students for a particular bachelor's degree program;**
- (C) seven (7) students for a particular master's degree program;**
- (D) three (3) students for a particular education specialist program; or**
- (E) three (3) students for a particular doctorate degree program; and**

(2) state educational institution would like to continue a degree program described in subdivision (1);

the state educational institution must request approval from the commission to continue the degree program.

(b) If the commission does not grant approval under subsection (a), the state educational institution must eliminate:

- (1) the degree program; and**
- (2) any costs associated with the degree program.**

SECTION 249. IC 21-18-12.6 IS REPEALED [EFFECTIVE JULY 1, 2025]. (Postsecondary Prior Learning Assessment Clearinghouse).

SECTION 250. IC 21-18-20-5, AS ADDED BY P.L.202-2023, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 5. (a) The commission shall develop and implement a comprehensive career navigation and coaching system for Indiana that does both of the following:

- (1) Provides timely, comprehensive, relevant, and useful information on careers, including at least:
 - (A) general and industry sector based regional, state, national, and global information to identify both immediate and potential career opportunities arising from:



- (i) current employer needs;
- (ii) developing or foreseeable talent needs and trends; and
- (iii) other factors identified by the commission;
- (B) state, regional, and local labor market supply and demand information from the department of workforce development, industry sectors, and other verifiable sources; and
- (C) educational requirements and attainment information from employers, the department of workforce development, and other verifiable sources.
- (2) Establishes strategies and identifies capacity to deliver career navigation and coaching to kindergarten through grade 12 students, including at least:
 - (A) processes for identifying an individual's aptitude for and interest in, and the education and training required for, various career and employment opportunities;
 - (B) the use of approved intermediaries, career coaches, and other coaching resources;
 - (C) qualifications for career coaches and a training program to enable the career coaches to provide relevant information to the individuals being served;
 - (D) the incorporation and ongoing usage of Internet based systems that are interoperable with the comprehensive career navigation and coaching system; and
 - (E) career exploration, engagement, and experience.
- (b) All high schools in Indiana may participate in the comprehensive career navigation and coaching system developed under subsection (a).
- (c) In developing and implementing the comprehensive career navigation and coaching system described in subsection (a), the commission shall:
 - (1) work in consultation with, and receive cooperation, support, and assistance from:
 - (A) the department of workforce development, governor's workforce cabinet, and department; and
 - (B) the resources, providers, and institutions that the department of workforce development, ~~governor's workforce cabinet~~, and department use and oversee;
 - (2) explore approaches and models from Indiana and other states and countries;
 - (3) where appropriate, use pilot programs or other scaling approaches to develop and implement the comprehensive career navigation and coaching system in a cost effective and efficient manner; and
 - (4) initially focus on students enrolled in high school.

SECTION 251. IC 21-18-21 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 21. Postsecondary Career and Technical Education

Sec. 1. As used in this chapter, "state board" refers to the Indiana state board of education established by IC 20-19-2-2.1.

Sec. 2. The commission may consult with and make recommendations to the state board on all postsecondary career and technical education programs.

Sec. 3. The commission shall biennially prepare a plan for implementing postsecondary career and technical education programming after considering the long range state plan developed under IC 20-20-38-4. The commission shall submit the plan to the state board for its review and recommendations. The commission shall specifically report on how the plan addresses preparation for employment.

Sec. 4. The commission may also make recommendations to the general assembly concerning the plan prepared under section 3 of this chapter.



Sec. 5. The commission may make recommendations to the state board concerning the legislative budget requests prepared under IC 20-20-38-12 by state educational institutions for state funds for career and technical education.

Sec. 6. The commission may:

- (1) make or cause to be made studies of the needs for various types of postsecondary career and technical education; and**
- (2) submit to the state board the commission's findings in this regard.**

Sec. 7. (a) The commission may develop a definition for and report biennially to the:

- (1) general assembly;**
- (2) governor; and**
- (3) state board;**

on attrition and persistence rates by students enrolled in state career and technical education.

(b) A report under this section to the general assembly must be in an electronic format under IC 5-14-6.

SECTION 252. IC 21-18.5-4-11, AS AMENDED BY P.L.152-2018, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 11. The commission may cooperate in developing training programs concerning grant program requirements with the

~~(1) board for proprietary education. or~~

~~(2) governor's workforce cabinet.~~

SECTION 253. IC 21-20-3-2, AS ADDED BY P.L.2-2007, SECTION 261, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a) The board of trustees has nine (9) members appointed by the governor.**

(b) At least five (5) of the members appointed to the board of trustees must be alumni of Indiana University.

SECTION 254. IC 21-20-3-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) The governor may at any time remove and replace a member of the board of trustees who was elected by the alumni of Indiana University.**

(b) If the governor removes and replaces a member under this section, the new member appointed by the governor serves until the expiration of the term of the replaced member described in subsection (a).

(c) If the governor does not remove and replace a member under this section, the member of the board of trustees elected by the alumni of Indiana University may serve until the member's term expires.

(d) This section expires January 1, 2028.

SECTION 255. IC 21-20-3-3, AS ADDED BY P.L.2-2007, SECTION 261, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a) At least five (5) of the members appointed to the board of trustees must be residents of Indiana.**

(b) This section subsection does not apply to the student trustee appointed to the board of trustees. Not more than

~~(1) one (1) of the trustees elected to the board of trustees; and~~

~~(2) two (2) three (3) of the trustees appointed to members of the board of trustees~~
may reside in the same county.

SECTION 256. IC 21-20-3-4 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 4. (a) Three (3)~~



members of the board of trustees shall be elected by the alumni of Indiana University under this chapter. In the year in which the term of any member of the board of trustees elected by the alumni expires, a successor to the trustee shall be elected by the alumni of Indiana University, to serve for a term of three (3) years beginning July 1 next succeeding the election.

(b) When a vacancy occurs in the membership of the board of trustees who are elected by the alumni, because of death, resignation, or any other reason, the vacancy shall be filled by selection by the Indiana University alumni association executive council for the unexpired term.

SECTION 257. IC 21-20-3-5 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 5: The members of the board of trustees who are elected by the alumni of Indiana University must be alumni of Indiana University.

SECTION 258. IC 21-20-3-6 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 6: The alumni of Indiana University consist of those persons who have been awarded a degree by the board of trustees of Indiana University as recommended by the faculty.

SECTION 259. IC 21-20-3-7 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 7: (a) Any one hundred (100) or more alumni of Indiana University may file with the librarian of Indiana University on or before April 1 in each year a written nomination for a trustee to be elected by the alumni at the next election.

(b) After April 1, but not later than June 1, a list of all candidates nominated under this section shall be mailed by the librarian to each alumnus at the alumnus's address.

SECTION 260. IC 21-20-3-8 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 8: The election of members of the board of trustees shall be held at Indiana University on the secular day immediately preceding July 1. At that time trustees shall be elected to:

- (1) serve for a term of three (3) years from July 1 next succeeding the trustee's election; and
- (2) complete any unexpired term or terms.

SECTION 261. IC 21-20-3-9 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 9: The university librarian shall conduct the elections to select the three (3) alumni members of the board of trustees. All alumni (as described in section 6 of this chapter) are eligible to participate in the election either by electronic or printed ballot, and each eligible individual may cast only one (1) vote. A request for a printed ballot must be made in writing to the university librarian not later than May 1 of an election year. The university librarian may adopt rules and regulations as necessary to carry out this section.

SECTION 262. IC 21-20-3-10 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 10: The person receiving the greatest number of votes cast shall be declared the elected trustee. If two (2) or more persons receive an equal and the greatest number of votes cast, the librarian shall cast lots to determine which of the persons shall be declared the elected trustee.

SECTION 263. IC 21-20-3-11 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 11: The term of an elected trustee expires July 1 of the year in which the terms are to end.

SECTION 264. IC 21-20-3-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11.5. Except for the student trustee described in section 13 of this chapter, an employee of Indiana University may not serve as a member of the board of trustees.**

SECTION 265. IC 21-20-3-12, AS AMENDED BY P.L.29-2012, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) **The governor shall appoint five (5) members Except for a student trustee described in section 13 of this chapter, each member** of the board of trustees **serves for terms a term** of three (3) years.



(b) A member of the board of trustees may not serve more than three (3) terms.

~~(b) (c)~~ Whenever a vacancy occurs in the membership of the board of trustees ~~who are appointed by the governor~~ because of death or resignation or for any other reason, the vacancy shall be filled by an appointment of the governor for the unexpired term.

SECTION 266. IC 21-20-3-13, AS ADDED BY P.L.2-2007, SECTION 261, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. ~~(a) The governor shall appoint One~~ **(1) member appointed** to the board of trustees ~~a member who~~ must be a full-time student of Indiana University. ~~during the two (2) year tenure of the appointment.~~

(b) The student trustee appointed in accordance with this section serves for a term of one (1) year.

SECTION 267. IC 21-38-3.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 3.5. Tenured Faculty Member Productivity Reviews

Sec. 1. As used in this chapter, "board of trustees" has the meaning set forth in IC 21-39.5-1-2.

Sec. 2. As used in this chapter, "faculty member" means an employee of an institution to whom one (1) or both of the following apply:

(1) The employee's employment duties include teaching students of the institution.

(2) The employee conducts research at the institution.

Sec. 3. As used in this chapter, "institution" means a state educational institution.

Sec. 4. (a) In addition to the review described in IC 21-39.5-2, the board of trustees of each institution shall establish the following:

(1) A review process with regard to department level promotions and tenure expectations.

(2) A post-tenure review process for tenured faculty members that:

(A) measures productivity; and

(B) includes, at a minimum, the following:

(i) The faculty member's teaching workload.

(ii) The total number of students who the faculty member teaches at the graduate and undergraduate level.

(iii) The time spent on instructional assignments and the time spent on overseeing graduate students.

(iv) The research and creative scholarship productivity of the faculty member.

(b) The process established under subsection (a)(2) must include a requirement that the institution place a faculty member on probation, which may result in dismissal of the faculty member, if productivity requirements established by the institution are not met.

(c) Beginning July 1, 2025, a tenure agreement entered into or renewed between an institution and a faculty member must comply with the post-tenure review process established under subsection (a)(2).

(d) Unless an agreement entered into before July 1, 2025, provides otherwise, the post-tenure review process established by an institution under subsection (a)(2) applies to all tenured faculty members of the institution.

Sec. 5. A faculty member shall prepare and post on the institution's website a syllabus for each course the faculty member is teaching.

SECTION 268. IC 21-38-11 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:



Chapter 11. Faculty Governance Organizations

Sec. 1. As used in this chapter, "faculty governance organization" means a body of members selected to represent faculty of a state educational institution.

Sec. 2. A faculty governance organization meeting at which the members of the faculty governance organization make a motion or vote on a matter must be open to the public.

Sec. 3. Only members of a faculty governance organization who are employed by the applicable state educational institution may vote on a matter.

Sec. 4. Faculty governance organization actions are advisory only.

SECTION 269. IC 21-41-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 17. State Educational Institution Degree Program Review

Sec. 1. As used in this chapter, "commission" means the commission for higher education.

Sec. 2. As used in this chapter, "institution" refers to a state educational institution.

Sec. 3. (a) Each institution shall do the following:

(1) Plan and conduct a degree program review in accordance with section 4 of this chapter to be used for the purposes described in subdivision (3). The degree program review must include an analysis of enrollment and both quantitative and qualitative data.

(2) Develop procedures to evaluate the effectiveness of the institution's degree programs to address the quality, viability, and productivity of efforts in:

(A) teaching and learning;

(B) scholarship; and

(C) service;

as appropriate to the institution's mission.

(3) Use the findings and recommendations from the degree program review for the progressive improvement and adjustment of degree programs in the context of the institution's strategic plan.

(4) Submit each degree program review to the commission.

(5) Post a degree program review on the applicable institution's website.

(b) The adjustment under subsection (a)(3) may include:

(1) degree program enhancement;

(2) maintenance of a degree program at its current level;

(3) degree program reduction in scope; or

(4) consolidation or elimination of a degree program.

Sec. 4. (a) Each institution shall review each degree program at least once every seven (7) years.

(b) Programs accredited by external entities may not substitute an external review for a degree program review by the institution under this chapter. However, an institution may use material submitted as part of an external accreditation process in the degree program review by the institution under this chapter.

(c) An institution may align degree program review cycles described in subsection (a) with required external accreditation reviews as long as a degree program review cycle does not at any time exceed seven (7) years.

Sec. 5. If a review of a degree program under section 4 of this chapter demonstrates that the degree program is unsuccessful, the institution shall develop a plan of action regarding the degree program.



SECTION 270. IC 21-43-9-1 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 1. As used in this chapter, "cabinet" means the governor's workforce cabinet established in IC 4-3-27-3.~~

SECTION 271. IC 21-43-9-3, AS ADDED BY P.L.216-2021, SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. The governor shall direct the commission for higher education **and** the department **and the cabinet** to, in consultation with state educational institutions, prepare model guidance and informational resources concerning postsecondary enrollment opportunities described in this article that incorporate work based learning experiences.

SECTION 272. IC 21-43-9-4, AS AMENDED BY P.L.250-2023, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. (a) Model guidance and informational resources that incorporate secondary work based learning and postsecondary enrollment opportunities under this chapter must include the following:

- (1) At least one (1) model of a codevelopment process that describes roles and responsibilities of secondary, postsecondary, and employer stakeholders.
- (2) A model of a faculty led process to align postsecondary learning outcomes and secondary career and technical education standards.
- (3) A model of a codevelopment process for the development of secondary student learning assessments that enables eligibility for postsecondary credit.
- (4) Procedures to document and formalize the secondary, postsecondary, and employer partnership agreement.
- (5) Recommended timelines for codevelopment, implementation, and course content update.
- (6) Applicable legal or regulatory requirements, including a requirement that postsecondary educational institutions ensure that a student's completion of a work based learning course is indicated on the student's transcript.
- (7) Applicable accreditation guidelines of state educational institutions.
- (8) Other informational or best practice resources related to development and implementation of postsecondary enrollment opportunities through work based learning experiences.

(b) Not later than January 1, 2022, the governor shall direct the commission for higher education **and** the department **and the cabinet** to publish model guidance and information resources prepared under subsection (a) on its respective website.

SECTION 273. IC 22-2-18.1-34 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 34. The department shall submit, not later than December 1 of each year, an annual report listing all registered employers under section 25 of this chapter to the governor's workforce cabinet established by IC 4-3-27-3.~~

SECTION 274. IC 22-4.1-1-1.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 1.5. "Cabinet" refers to the governor's workforce cabinet established by IC 4-3-27-3.~~

SECTION 275. IC 22-4.1-1-6.5, AS ADDED BY P.L.106-2024, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6.5. "Workforce focused agency" means the following:

- (1) The department.
- (2) The department of education established by IC 20-19-3-1.
- (3) The commission for higher education established by IC 21-18-2-1.
- ~~(4) The governor's workforce cabinet established by IC 4-3-27-3.~~
- ~~(5)~~ (4) The office of the secretary of family and social services established by IC 12-8-1.5-1.

SECTION 276. IC 22-4.1-4-1.5, AS AMENDED BY SEA 448-2025, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1.5. (a) The department shall do the



following:

- (1) Administer the Wagner-Peyser program, the WIOA, a free public labor exchange, and related federal and state employment and training programs as directed by the governor.
- (2) Formulate and implement an employment and training plan as required by the WIOA, and the Wagner-Peyser Act (29 U.S.C. 49 et seq.).
- (3) Coordinate activities with all state agencies and departments that either provide employment and training related services or operate appropriate resources or facilities, to maximize Indiana's efforts to provide employment opportunities for economically disadvantaged individuals, dislocated workers, and others with substantial barriers to employment.
- (4) Apply for, receive, disburse, allocate, and account for all funds, grants, gifts, and contributions of money, property, labor, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government.
- (5) Enter into agreements with the United States government that may be required as a condition of obtaining federal funds related to activities of the department.
- (6) Enter into contracts or agreements and cooperate with local governmental units or corporations, including profit or nonprofit corporations, or combinations of units and corporations to carry out the duties of the department imposed by this chapter, including contracts for the establishment and administration of employment and training offices and the delegation of the department's administrative, monitoring, and program responsibilities and duties set forth in this article.
- (7) Perform other services and activities that are specified in contracts for payments or reimbursement of the costs made with the Secretary of Labor, any federal, state, or local public agency or administrative entity, or a private for-profit or nonprofit organization under the WIOA.
- (8) Enter into contracts or agreements and cooperate with entities that provide career and technical education to carry out the duties imposed by this article.
- (9) Serve as the state advisory body required under the federal Workforce Innovation and Opportunity Act of 2014 under 29 U.S.C. 3101 et seq., including reauthorizations of WIOA.**

(b) The department shall distribute federal funds made available for employment training in accordance with:

- (1) the WIOA, and other applicable federal laws; and
- (2) the plan prepared ~~by the cabinet~~ under subsection (c)(1).

(c) In addition to the duties prescribed in subsections (a) and (b), the department shall do the following:

- (1) Implement the postsecondary career and technical education programming plan prepared ~~by the cabinet~~ under IC 22-4.1-19-4 **(before its repeal)**.
- (2) Upon request of the budget director, prepare a legislative budget request for state and federal funds for employment training. The budget director shall determine the period to be covered by the budget request.
- (3) Make or cause to be made studies of the needs for various types of programs that are related to employment training and authorized under the WIOA.
- (4) Distribute state funds made available for employment training that have been appropriated by the general assembly in accordance with the general assembly appropriation.
- (5) Collect from each employer subject to IC 22-4 the following information in the form and manner prescribed by the department:

- (A) The Standard Occupational Classification code applicable to each employee as prescribed



by the Bureau of Labor Statistics of the United States Department of Labor or primary job title as recorded and reported by the employer.

(B) Whether each employee is:

- (i) classified by the employer as full-time, part-time, intern, or apprentice; or
- (ii) designated as a seasonal worker pursuant to a decision issued by the department.

(C) The hourly rate of pay for each employee.

(6) Enter into data sharing agreements and transmit the data collected under subdivision (5), in addition to any other relevant data, to agencies deemed appropriate by the department for:

- (A) assessing outcomes of education and workforce programs;
- (B) evaluating educational and workforce training investments;
- (C) informing labor market analysis; and
- (D) conducting economic research.

(7) Minimize employer reporting burdens, where feasible, through:

- (A) aligning and streamlining definitions and requirements for quarterly wage and employment reports;
- (B) deploying user friendly application programming interfaces; and
- (C) other means to simplify reporting processes.

(8) Establish an employer outreach and communications campaign in collaboration with statewide business and industry associations to increase the number of employers that report accurate data under subdivision (5).

SECTION 277. IC 22-4.1-18-2, AS AMENDED BY P.L.157-2023, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. The department may grant the following:

- (1) An Indiana high school equivalency diploma to an individual who achieves satisfactory high school level scores on the Indiana high school equivalency test or any other properly validated test of comparable difficulty designated ~~by the cabinet.~~ **department.**
- (2) An Indiana competency based high school diploma or equivalency diploma to an individual who:
 - (A) demonstrates high school level skills through validated competency based assessments designated by the ~~cabinet;~~ **department;** and
 - (B) obtains an industry recognized certificate.

SECTION 278. IC 22-4.1-18-3, AS AMENDED BY P.L.86-2020, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) The department shall administer the testing program provided in this chapter. All administrative costs of this program must be funded through appropriations of the general assembly.

(b) The test shall be:

- (1) a nationally administered high school equivalency exam utilizing college and career readiness standards that includes subtests of reading, mathematics, science, social studies, and writing; and
- (2) available in a pencil and paper and online formats.

(c) The test vendor shall provide:

- (1) annual in-person and online training;
- (2) an annual national and Indiana statistical report;
- (3) a dedicated customer service line;
- (4) at least one (1) practice test available in both pencil and paper and online formats;
- (5) at least two (2) retests for each subtest, free of charge; and
- (6) a nationally based research report on the long term outcomes for candidates who passed the test,



which shall be presented to the department, ~~governor's workforce cabinet~~, the chairman of the house committee on education, and the chairman of the senate committee on education and career development.

SECTION 279. IC 22-4.1-19 IS REPEALED [EFFECTIVE JULY 1, 2025]. (Postsecondary Career and Technical Education).

SECTION 280. IC 22-4.1-20-2, AS AMENDED BY P.L.152-2018, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) The ~~cabinet and the~~ governor may prescribe a program of adult education.

(b) The department, in consultation with ~~the cabinet and the~~ governor, may adopt rules under IC 4-22-2 to provide for this program and to provide for the state distribution formula for money appropriated by the general assembly for adult education.

SECTION 281. IC 22-4.1-22.5-1, AS AMENDED BY P.L.10-2019, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) The state workforce innovation council established by IC 22-4.1-22-3 (before its repeal) is abolished.

(b) The following are transferred on March 21, 2018, the effective date of P.L.152-2018, from the state workforce innovation council to the governor's workforce cabinet established by IC 4-3-27-3 **(before its repeal)**:

- (1) All real and personal property of the state workforce innovation council.
- (2) All powers, duties, assets, and liabilities of the state workforce innovation council.
- (3) All appropriations to the state workforce innovation council.

(c) All rules or policies that were adopted by the state workforce innovation council before March 21, 2018, shall be treated as though the rules were adopted by the governor's workforce cabinet established by IC 4-3-27-3 **(before its repeal)** until the governor's workforce cabinet **(before its repeal)** adopts new rules or policies.

(d) After March 21, 2018, a reference to the state workforce innovation council in a statute or rule shall be treated as a reference to the governor's workforce cabinet established by IC 4-3-27-3 **(before its repeal)**.

SECTION 282. IC 22-4.1-22.5-2, AS AMENDED BY P.L.10-2019, SECTION 100, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) After March 21, 2018, the effective date of P.L.152-2018, a contract entered into by the state workforce innovation council (before its abolishment on March 21, 2018) is a contract of the governor's workforce cabinet established by IC 4-3-27-3 **(before its repeal)**.

(b) The repeal of IC 22-4.1-22 does not affect the right, duties, or obligations of the governor's workforce cabinet **(before its repeal)** or a person who before March 21, 2018, had a contract with the state workforce innovation council (before its abolishment on March 21, 2018).

(c) A person or the governor's workforce cabinet established by IC 4-2-27-3 **(before its repeal)** may enforce a right to compel performance of a duty for a contract as if the repeal of IC 22-4.1-22 had not been enacted.

SECTION 283. IC 22-4.1-24-2, AS AMENDED BY P.L.152-2018, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 2. (a) A state provider shall prepare a written report concerning:

- (1) its workforce related programs annually; and
 - (2) a new workforce related program not later than thirty (30) days after establishing the program.
- (b) At a minimum, the following information must be provided in an annual report for each program:



- (1) A description of the program that includes an explanation of how the program aligns with Indiana's workforce needs and coordinates with existing workforce related programs.
- (2) The amount of funding provided for the program and the source or sources of the funding.
- (3) The number of individuals participating in the program.
- (4) Demographic information about the individuals participating in the program, including:
 - (A) the age or ages of the program participants; and
 - (B) the education attainment level of the program participants.
- (5) The results of the program, including:
 - (A) the number of individuals completing the program;
 - (B) the number and types of degrees, certificates, credentials, and certifications awarded, and whether the degrees, certificates, credentials, and certifications are industry recognized, if a degree, certificate, credential, or certification is awarded at the completion of the program;
 - (C) the extent to which participants in the program obtained employment, retained employment, or secured better employment as the direct result of participating in or completing the program, including the number of participants placed at the completion of or departure from the program and within one (1) year after program completion or departure;
 - (D) a description of the specific jobs that participants in the program obtained or retained;
 - (E) the wages offered to and earned by the participants both before and after participation in or completion of the program, including the starting wages at placement of participants completing the program; and
 - (F) the retention rates of participants who obtained employment or secured better employment as the direct result of participating in or completing the program.
- (c) At a minimum, the report for a new workforce related program must include the information described in subsection (b)(1) and (b)(2).
- (d) A state provider shall provide a copy of a report described in subsection (a) to the:
 - (1) governor;
 - (2) legislative council; **and**
 - ~~(3) cabinet; and~~
 - ~~(4)~~ **(3)** department.

An annual report must be submitted on or before October 1 for the preceding state fiscal year. A report concerning a new workforce related program must be submitted not later than thirty (30) days after a state provider establishes the program. A report provided under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 284. IC 22-4.1-27-1 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 1. As used in this chapter, "cabinet" refers to the governor's workforce cabinet established by IC 4-3-27-3.~~

SECTION 285. IC 22-4.1-27-7, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) The workforce diploma reimbursement program is established.

(b) ~~The cabinet, in coordination with~~ The department shall administer the program.

SECTION 286. IC 22-4.1-27-8, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8. (a) The workforce diploma reimbursement program fund is established for the purpose of providing payments under the program to approved eligible program providers that assist adults who are more than twenty-two (22) years of age in:

- (1) developing employability and career technical skills; and



- (2) obtaining high school diplomas.
- (b) The fund consists of the following:
 - (1) Appropriations made by the general assembly.
 - (2) Gifts, grants, devises, or bequests made to the **cabinet department** to achieve the purposes of the fund.
- (c) The **cabinet department** shall administer the fund.
- (d) The expenses of administering the fund shall be paid from money in the fund.
- (e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

SECTION 287. IC 22-4.1-27-9, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. (a) To be approved to participate in the program under this chapter, an eligible program provider must meet the following requirements:

- (1) Except as provided under section 11 of this chapter, the eligible program provider submits an application to the **cabinet department** on a form prescribed by the **cabinet department** not later than August 15 of the year for which the eligible program provider is applying.
- (2) The eligible program provider demonstrates that the eligible program provider:
 - (A) has experience providing services to assist adults who are more than twenty-two (22) years of age in:
 - (i) obtaining high school diplomas; and
 - (ii) developing employability and career and technical skills; and
 - (B) has the ability to:
 - (i) provide academic skill intake assessment and transcript evaluations;
 - (ii) develop a learning plan that integrates academic requirements and career goals;
 - (iii) provide remediation course work in literacy and numeracy;
 - (iv) provide a research validated academic resiliency assessment and intervention;
 - (v) provide employability skills development aligned to employer needs;
 - (vi) provide career pathways course work;
 - (vii) provide preparation for industry recognized credentials; and
 - (viii) provide career placement services.
- (3) The eligible program provider's course catalog includes all courses necessary to meet requirements for an Indiana diploma with a general designation, including sufficient courses to meet graduation pathway requirements (as defined in IC 20-18-2-6.3).
- (4) The eligible program provider is accredited by a recognized regional accrediting body.
- (5) The eligible program provider's programs begin not later than October 1 of the year for which the eligible program provider is applying.

(b) The **cabinet department** shall approve eligible program providers that meet the requirements of this chapter.

SECTION 288. IC 22-4.1-27-10, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. ~~(a)~~ Not later than September 15, 2019, and not later than September 15 of each year thereafter, the **cabinet department** shall ~~provide~~ **publish** a list of approved eligible program providers ~~to the department.~~ **on the department's website.**

~~(b) The department shall publish the list described in subsection (a) on the department's Internet web site.~~



SECTION 289. IC 22-4.1-27-15, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 15. (a) Not later than July 15, 2020, and not later than July 15 each year thereafter, each approved eligible program provider shall report the following to the department, the legislative council in an electronic format under IC 5-14-6, and the interim study committee on education established by IC 2-5-1.3-4:

- (1) The total number of students for whom the eligible program provider has received funding through the program.
- (2) The total number of credits that have been earned through the program.
- (3) The total number of employability skills certifications that have been completed under the program.
- (4) The total number of industry recognized credentials that have been attained under the program for each respective milestone described in section 12(3) through 12(5) of this chapter.
- (5) The total number of graduates under the program.
- (6) To the extent possible, the use of the funding received by the approved eligible program provider under this chapter during the previous school year and metrics of student achievement and demographics, including:
 - (A) the amount of funding received under this chapter that is used for each course or program of instruction of the approved eligible program provider;
 - (B) the amount of funding received under this chapter that is used for transportation costs for students to attend a course or program of the approved eligible program provider;
 - (C) the amount of funding received under this chapter that is used for any other purposes; and
 - (D) metrics of student achievement and demographic information for those students during the previous school year that participated in a course or program of instruction of the approved eligible program provider that was funded in whole or in part by funding received under this chapter.

(b) The ~~cabinet~~, **department**, in consultation with the ~~department~~ and department of education, shall prescribe a standard form to be used by an approved eligible program provider to report student achievement and demographic information as required under subsection (a)(6)(D).

(c) The department shall make the information reported under subsection (a) available to the public on the department's Internet web site.

SECTION 290. IC 22-4.1-27-16, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 16. The ~~cabinet~~ **department** shall review data from each approved eligible program provider to ensure that the programs offered by each approved eligible program provider are achieving minimum program performance standards. The minimum program performance standards must include the following:

- (1) A minimum of a fifty percent (50%) graduation rate for each cohort.
- (2) A cost per graduate for a cohort of not more than six thousand seven hundred fifty dollars (\$6,750).

SECTION 291. IC 22-4.1-27-17, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17. (a) The ~~cabinet~~ **department** shall place an approved eligible program provider that does not meet:

- (1) the minimum program performance standards described in section 16 of this chapter; or
 - (2) any other requirements under this chapter;
- on probationary status for the remainder of the applicable state fiscal year.



(b) If an approved eligible program provider is placed on probationary status for two (2) consecutive years, the:

- (1) ~~cabinet shall notify the department that the~~ eligible program provider is no longer approved to participate in the program; and
- (2) department shall remove the eligible program provider from the approved eligible program provider list.

SECTION 292. IC 22-4.1-27-18 IS REPEALED [EFFECTIVE JULY 1, 2025]. ~~Sec. 18. The cabinet shall include in the report the cabinet submits under IC 4-3-27-12 the cabinet's review, analysis, and evaluation of the program, including the cabinet's and department's activities related to the development of the program.~~

SECTION 293. IC 22-4.1-27-19, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 19. In developing the program, the ~~cabinet~~ **department** shall:

- ~~(1) receive cooperation, support, and assistance from the department;~~
- ~~(2) (1) explore and incorporate, as appropriate, approaches and models from other states and organizations, including approaches to graduation requirements; and~~
- ~~(3) (2) use pilot programs or other scaling approaches, as appropriate, to develop and implement the program in a cost effective and efficient manner.~~

SECTION 294. IC 22-4.1-27-20, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 20. (a) An approved eligible program provider shall conduct a survey of the individuals:

- (1) who participated in a course or certification or other program of the approved eligible program provider; and
- (2) for whom the approved eligible program provider received reimbursement under this chapter.

(b) The survey shall be conducted in the year after the year in which the individual graduates or is no longer enrolled with the approved eligible program provider and the next four (4) consecutively succeeding years.

(c) The survey must include the individual's employment status, including whether the individual is employed full-time or part-time, for each year the survey is conducted.

(d) The approved eligible program provider shall submit each survey conducted under this section to ~~the cabinet and~~ the department not later than December 1 of the year in which the survey is conducted.

SECTION 295. IC 22-4.1-27-21, AS ADDED BY P.L.237-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 21. The ~~cabinet~~ **department** may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 296. IC 23-19-6-1, AS AMENDED BY P.L.156-2023, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) This article shall be administered by a division of the office of the secretary of state. The secretary of state shall appoint a securities commissioner who shall be responsible for the direction and supervision of the division and the administration of this article under the direction and control of the secretary of state. The salary of the securities commissioner shall be paid out of the funds appropriated for the administration of this article. The commissioner shall serve at the will of the secretary of state.

(b) The secretary of state:

- (1) shall employ a chief deputy, attorneys, a senior investigator, a senior accountant, and other deputies, investigators, accountants, clerks, stenographers, and other employees necessary for the



administration of this article; and

(2) shall fix their compensation with the approval of the budget agency.

(c) It is unlawful for the commissioner or an officer, employee, or designee of the commissioner to use for personal benefit or the benefit of others records or other information obtained by or filed with the commissioner that is not public under section 7(b) of this chapter. This article does not authorize the commissioner or an officer, employee, or designee of the commissioner to disclose the record or information, except in accordance with section 2, 7(c), or 8 of this chapter.

(d) This article does not create or diminish a privilege or exemption that exists at common law, by statute or rule, or otherwise.

(e) Subject to IC 4-2-6-15, the commissioner may develop and implement investor education initiatives to inform the public about investing in securities, with particular emphasis on the prevention and detection of securities fraud. In developing and implementing these initiatives, the commissioner may collaborate with public and nonprofit organizations with an interest in investor education. The commissioner may accept a grant or donation from a person that is not affiliated with the securities industry or from a nonprofit organization, regardless of whether the organization is affiliated with the securities industry, to develop and implement investor education initiatives. This subsection does not authorize the commissioner to require participation or monetary contributions of a registrant in an investor education program.

(f) The securities division enforcement account is established. Except as provided in subsection (o), fees and funds of whatever character accruing from the administration of this article shall be accounted for by the secretary of state and shall be deposited with the treasurer of state to be deposited by the treasurer of the state in either the state general fund or the securities division enforcement account. Subject to IC 4-2-6-15, expenses incurred in the administration of this article shall be paid from the state general fund upon appropriation being made for the expenses in the manner provided by law for the making of those appropriations. The following shall be deposited by the treasurer of state in the securities division enforcement account:

(1) Grants and donations received under subsection (e).

(2) Costs of investigations recovered under section 4(e) of this chapter.

(3) Fifty percent (50%) of the first four million dollars (\$4,000,000):

(A) of a civil penalty recovered under section 3(b) or 4(d) of this chapter;

(B) recovered in a settlement of an action initiated to enforce this article; or

(C) awarded as a judgment in an action to enforce this article.

(g) The following shall be deposited by the treasurer of state in the state general fund:

(1) Fifty percent (50%) of the first four million dollars (\$4,000,000):

(A) of a civil penalty recovered under section 3(b) or 4(d) of this chapter;

(B) recovered in a settlement of an action initiated to enforce this article; or

(C) awarded as a judgment in an action to enforce this article.

(2) Any amount exceeding four million dollars (\$4,000,000):

(A) of a civil penalty recovered under section 3(b) or 4(d) of this chapter;

(B) recovered in a settlement of an action initiated to enforce this article; or

(C) awarded as a judgment in an action to enforce this article.

(3) Subject to subsection (o), other fees and revenues that are not designated for deposit in the securities division enforcement account or the securities restitution fund.

(h) Notwithstanding IC 23-2-2.5-34, IC 23-2-2.5-43, IC 23-2.5-2, IC 23-19-4-12, IC 25-11-1-15, and



this chapter, five percent (5%) of funds received for deposit in the securities division enforcement account shall instead be deposited in the securities restitution fund established by IC 23-20-1-25. **Subject to appropriation by the general assembly and** subject to IC 4-2-6-15, the funds deposited in the enforcement account shall be available, with the approval of the budget agency:

- (1) to augment and supplement the funds appropriated for the administration of this article; and
- (2) for grants and awards to nonprofit entities for programs and activities that will further investor education and financial literacy in the state.

The funds in the enforcement account do not revert to the state general fund at the end of any state fiscal year. **The fund may be augmented after budget committee review.**

(i) In connection with the administration and enforcement of this article, the attorney general shall render all necessary assistance to the commissioner upon the commissioner's request, and to that end, the attorney general shall employ legal and other professional services as are necessary to adequately and fully perform the service under the direction of the commissioner as the demands of the securities division shall require. Expenses incurred by the attorney general for the purposes stated in this subsection shall be chargeable against and paid out of funds appropriated to the attorney general for the administration of the attorney general's office. The attorney general may authorize the commissioner and the commissioner's designee to represent the commissioner and the securities division in any proceeding involving enforcement or defense of this article.

(j) Neither the secretary of state, the commissioner, nor an employee of the securities division shall be liable in their individual capacity, except to the state, for an act done or omitted in connection with the performance of their respective duties under this article.

(k) The commissioner shall take, prescribe, and file the oath of office prescribed by law. The commissioner, chief deputy commissioner, and each attorney or investigator designated by the commissioner are police officers of the state and shall have all the powers and duties of police officers in making arrests for violations of this article, or in serving any process, notice, or order connected with the enforcement of this article by whatever officer, authority, or court issued and shall comprise the enforcement department of the division and are considered a criminal justice agency for purposes of IC 5-2-4 and IC 10-13-3.

(l) The provisions of this article delegating and granting power to the secretary of state, the securities division, and the commissioner shall be liberally construed to the end that:

- (1) the practice or commission of fraud may be prohibited and prevented;
- (2) disclosure of sufficient and reliable information in order to afford reasonable opportunity for the exercise of independent judgment of the persons involved may be assured; and
- (3) the qualifications may be prescribed to assure availability of reliable broker-dealers, investment advisers, and agents engaged in and in connection with the issuance, barter, sale, purchase, transfer, or disposition of securities in this state.

It is the intent and purpose of this article to delegate and grant to and vest in the secretary of state, the securities division, and the commissioner full and complete power to carry into effect and accomplish the purpose of this article and to charge them with full and complete responsibility for its effective administration.

(m) Copies of any statement and documents filed in the office of the secretary of state and of any records of the secretary of state certified by the commissioner shall be admissible in any prosecution, action, suit, or proceeding based upon, arising out of, or under this article to the same effect as the original of such statement, document, or record would be if actually produced.



(n) IC 4-21.5 and any rules of practice adopted by the securities division are applicable to administrative proceedings under this article.

(o) Notwithstanding any other law, two percent (2%) of funds received for deposit in the state general fund as described in subsection (g)(3) shall instead be deposited in the securities restitution fund established by IC 23-20-1-25.

SECTION 297. IC 23-20-1-26, AS AMENDED BY P.L.85-2012, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 26. The money in the fund is ~~continually appropriated to the division~~ **may be expended subject to appropriation by the general assembly** for purposes of:

- (1) awarding restitution assistance under this chapter;
- (2) paying expenses incurred in administering this chapter; and
- (3) making awards to informants under IC 23-19-7.

The fund may be augmented after budget committee review.

SECTION 298. IC 27-1-24.5-19.5, AS ADDED BY P.L.196-2021, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 19.5. (a) This section **does not apply to:**

- (1) ~~applies to~~ a Medicaid managed care organization (as defined in 42 U.S.C. 1396b(m)); and
- (2) ~~does not apply to~~ the state Medicaid program when Medicaid provides reimbursement for covered outpatient drugs (as defined in 42 U.S.C. 1396r-8(k)) on a fee for service basis.

(b) As used in this section, "340B covered entity" means an entity authorized to participate in the federal 340B Drug Pricing Program under Section 340B(a)(4) of the federal Public Health Service Act (42 U.S.C. 256b(a)(4)) and includes any pharmacy under contract with the entity to dispense drugs on behalf of the entity.

(c) The following provisions may not be contained in a contract between a pharmacy benefit manager and a 340B covered entity:

- (1) A reimbursement rate for a prescription drug that would diminish the 340B benefit to a 340B covered entity.
- (2) A fee or adjustment that is not imposed on a pharmacy that is not a 340B covered entity.
- (3) A fee or adjustment amount that exceeds the fee or adjustment amount imposed on a pharmacy that is not a 340B covered entity.
- (4) Any provision that prevents or interferes with an individual's choice to receive a prescription drug from a 340B covered entity, including the administration of the drug.
- (5) Any provision that excludes a 340B covered entity from pharmacy benefit manager networks based on the 340B covered entity's participation in the federal 340B Drug Pricing Program.
- (6) Any provision that discriminates against a 340B covered entity.

A violation of this subsection by a pharmacy benefit manager constitutes an unfair or deceptive act or practice in the business of insurance under IC 27-4-1-4.

(d) For contracts between a pharmacy benefit manager and a 340B covered entity that are entered into, amended, or renewed after June 30, 2021, a provision that violates subsection (c) is considered void and unenforceable.

SECTION 299. IC 31-25-2-28 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 28. (a) Subject to federal approval, the department may enter into a written agreement with the department of state revenue to transfer the administration of the child support bureau established by IC 31-25-3 and all related duties to the department of state revenue.**



(b) If the department receives federal approval and enters into a written agreement with the department of state revenue under subsection (a), the department shall submit a report detailing the agreement to the budget committee within thirty (30) days of entering into the agreement.

SECTION 300. IC 31-32-3-12, AS AMENDED BY P.L.156-2020, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. (a) The following definitions apply throughout this section:

- (1) "Pilot county" means a county selected under subsection (d).
- (2) "Voluntary preventative program" refers to a voluntary preventative program under section 11 of this chapter.

(b) The supreme court may establish a pilot program to assist juvenile court judges in five (5) Indiana counties in establishing voluntary preventative programs under section 11 of this chapter for:

- (1) at-risk children who are not:
 - (A) the subject of proceedings over which a juvenile court has jurisdiction; or
 - (B) participating in a diversionary program or a program of informal adjustment; and
- (2) families of children described in subdivision (1).
- (c) A pilot program established under subsection (b) may provide assistance that includes:
 - (1) providing grants to the juvenile court in a pilot county for use in establishing and maintaining a voluntary preventative program;
 - (2) gathering data and consulting with:
 - (A) schools;
 - (B) government; and
 - (C) business and community leaders;in a pilot county to determine the needs of children in the county;
- (3) assisting in developing and coordinating programs and services offered under the voluntary preventative program; and
- (4) engaging in continuing outreach to schools in a pilot county to:
 - (A) inform schools of the availability of services provided under the voluntary preventative program; and
 - (B) encourage schools to consider referral of at-risk students to the voluntary preventative program as an adjunct or alternative to disciplinary action by the school.

(d) The five (5) counties selected for participation in a pilot program established under subsection (b) should include:

- (1) at least one (1) predominantly urban county; and
- (2) at least one (1) predominantly rural county;

selected in collaboration with the department, the office of the secretary of family and social services, the department of education, and the ~~governor's workforce cabinet established under IC 4-3-27~~ **department of workforce development established by IC 22-4.1-2-1.**

(e) Nonjudicial state, county, and local governmental bodies, including:

- (1) the department;
- (2) the department of education; and
- (3) the office of the secretary of family and social services;

shall assist the supreme court as needed to implement a pilot program established under subsection (b).

(f) If the Indiana supreme court establishes a pilot program under this section, the office of judicial administration shall issue a report to the legislative council:



- (1) for delivery not later than December 1 of the calendar year following the calendar year in which a pilot program is established under subsection (b);
- (2) prepared in collaboration with:
 - (A) the department;
 - (B) the office of the secretary of family and social services; and
 - (C) the department of education; and
- (3) providing information regarding the pilot program, which may include the following:
 - (A) An enterprise level assessment of:
 - (i) wraparound services provided to at-risk children and families of at-risk children in the pilot counties; and
 - (ii) identified gaps in the services described in item (i).
 - (B) A recommended framework and roadmap for:
 - (i) improving coordination of; and
 - (ii) a systematic, integrated approach in delivering;
 the services described in clause (A), including the feasibility of further implementation or expansion of the services.
 - (C) Suggested metrics for measuring the success of the pilot program that are aligned with strategic goals, including specific accountability mechanisms.

SECTION 301. IC 33-34-8-1, AS AMENDED BY HEA 1478-2025, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. (a) The following fees and costs apply to cases in the small claims court:

- (1) A township docket fee of five dollars (\$5) plus forty-five percent (45%) of the infraction or ordinance violation costs fee under IC 33-37-4-2.
- (2) The bailiff's service of process by registered or certified mail fee of fifteen dollars (\$15) for each service.
- (3) The cost for the personal service of process by the bailiff or other process server of fifteen dollars (\$15) for each service.
- (4) Witness fees, if any, in the amount provided by IC 33-37-10-3 to be taxed and charged in the circuit court.
- (5) A redocketing fee, if any, of five dollars (\$5).
- (6) A document storage fee under IC 33-37-5-20.
- (7) An automated record keeping fee under IC 33-37-5-21.
- (8) A late fee, if any, under IC 33-37-5-22.
- (9) A public defense administration fee under IC 33-37-5-21.2.
- (10) A judicial insurance adjustment fee under IC 33-37-5-25.
- (11) A judicial salaries fee under IC 33-37-5-26.
- (12) A court administration fee under IC 33-37-5-27.
- (13) A pro bono legal services fee under IC 33-37-5-31.
- (14) A sheriff's service of process fee under IC 33-37-5-15 for each service of process performed outside Marion County.
- (15) A small claims service fee of twenty-six dollars (\$26) under IC 33-37-5-35.**

The **township** docket fee and the cost for the initial service of process shall be paid at the institution of a case. The cost of service after the initial service shall be assessed and paid after service has been made. The cost of witness fees shall be paid before the witnesses are called.



(b) If the amount of the township docket fee computed under subsection (a)(1) is not equal to a whole number, the amount shall be rounded to the next highest whole number.

SECTION 302. IC 33-34-8-3, AS AMENDED BY HEA 1478-2025, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) Payment for all costs made as a result of proceedings in a small claims court shall be to the _____ Township of Marion County Small Claims Court (with the name of the township inserted). The court shall issue a receipt for all money received on a form numbered serially in duplicate.

~~(b) This subsection applies only to a low caseload court (as defined in section 5 of this chapter). All township docket fees and late fees received by the court shall be paid to the township trustee at the close of each month.~~

~~(c) This subsection does not apply to a low caseload court. This subsection applies to all other township small claims courts in Marion County. One dollar and fifty cents (\$1.50) of the township docket fee shall be paid to the township trustee of each low caseload court at the end of each month. The remaining township docket fees and late fees received by the court shall be paid to the township trustee at the close of each month.~~

~~(d)~~ **(b) The court shall distribute collected fees according the following:**

~~(1) semiannually~~ Distribute **semiannually** to the state comptroller:

(A) all automated record keeping fees (IC 33-37-5-21) received by the court for deposit in the homeowner protection unit account established by IC 4-6-12-9 and the state user fee fund established under IC 33-37-9;

(B) all public defense administration fees collected by the court under IC 33-37-5-21.2 for deposit in the state general fund;

(C) sixty percent (60%) of all court administration fees collected by the court under IC 33-37-5-27 for deposit in the state general fund;

(D) all judicial insurance adjustment fees collected by the court under IC 33-37-5-25 for deposit in the state general fund;

(E) seventy-five percent (75%) of all judicial salaries fees collected by the court under IC 33-37-5-26 for deposit in the state general fund; and

(F) one hundred percent (100%) of the pro bono legal services fees collected by the court under IC 33-37-5-31 for deposit in the pro bono legal services fund established by IC 33-37-5-34. ~~and~~

~~(2) Distribute monthly to the county auditor all document storage fees received by the court. The county auditor shall deposit the document storage fees received under this subdivision into the clerk's record perpetuation fund under IC 33-37-5-2.~~

(3) Distribute the following fees monthly to the county auditor for deposit in the small claims fund established under IC 33-37-5-36:

~~(A) The remaining twenty-five percent (25%) of the judicial salaries fees described in subdivision (1)(E). shall be deposited monthly in the township general fund of the township in which the court is located. The county auditor shall deposit fees distributed under subdivision (2) into the clerk's record perpetuation fund under IC 33-37-5-2.~~

(B) Township docket fees and late fees.

(C) Small claims service fee received under IC 33-37-5-35.

~~(e) (D) The court semiannually shall pay to the township trustee of the township in which the court is located The remaining forty percent (40%) of the court administration fees described under subsection (d)(1)(C) to fund the operations of the small claims court in the trustee's~~



~~township: subdivision (1)(C).~~

SECTION 303. IC 33-37-5-34, AS AMENDED BY P.L.9-2024, SECTION 509, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 34. (a) The pro bono legal services fund is established. The state comptroller shall administer the fund.

(b) The fund consists of distributions of pro bono legal services fees under:

- (1) ~~IC 33-34-8-3(d)(1)(F);~~ **IC 33-34-8-3(b)(1)(F);**
- (2) IC 33-37-7-2(l); or
- (3) IC 33-37-7-8(i).

(c) The state comptroller shall transfer semiannually the pro bono legal services fees in the fund to the Indiana Bar Foundation (or a successor entity) as the entity designated to organize and administer the interest on lawyers trust accounts (IOLTA) program under Rule 1.15 of the Rules of Professional Conduct of the Indiana supreme court. The Indiana Bar Foundation shall:

- (1) deposit in an appropriate account and otherwise manage the fees the Indiana Bar Foundation receives under this subsection in the same manner the Indiana Bar Foundation deposits and manages the net earnings the Indiana Bar Foundation receives from IOLTA accounts; and
- (2) use the fees the Indiana Bar Foundation receives under this subsection to assist or establish approved pro bono legal services programs.

The handling and expenditure of the pro bono legal services fees received under this section by the Indiana Bar Foundation (or its successor entity) are subject to audit by the state board of accounts.

(d) Money in the fund and any interest that accrues to the fund remain in the fund and do not revert to the state general fund.

(e) Money in the fund is continuously appropriated to carry out the transfers required under subsection (c).

SECTION 304. IC 33-37-5-35 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 35. (a) This section applies to a small claims action in which a party is required to pay a township docket fee under IC 33-34-8-1(a)(1).**

(b) The clerk shall collect a small claims service fee of twenty-six dollars (\$26) from the party filing the small claims action.

SECTION 305. IC 33-37-5-36 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 36. (a) The small claims fund is established. The auditor of Marion County shall administer the fund.**

(b) The small claims fund consists of the following fees distributed under IC 33-34-8-3(b)(3):

- (1) Judicial salaries fees.**
- (2) Township docket and late fees.**
- (3) Small claims service fees.**
- (4) Court administration fees.**

(c) The county auditor shall transfer semiannually the fees described in subsection (b) that are in the small claims fund to each township within which a small claims court is located. The fees transferred under this section shall be distributed equally among the townships. The trustee of a township in which a court is located shall:

- (1) deposit the fees into the township general fund and otherwise manage the fees received under this subsection; and**
- (2) use the fees received under this subsection to fund the operations of the small claims court in the trustee's township.**



(d) Money in the small claims fund and any interest that accrues from money in the fund remain in the fund and do not revert to a clerk of the court.

SECTION 306. IC 36-7-31.3-4, AS AMENDED BY P.L.104-2022, SECTION 191, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4. As used in this chapter, "covered taxes" means the part of the following taxes attributable to the operation of a facility designated as part of a tax area under section 8 of this chapter:

(1) With respect to a tax area as it existed on June 30, 2026:

- ~~(1)~~ **(A)** The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.
- ~~(2)~~ **(B)** An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.
- ~~(3)~~ **(C)** The local income tax imposed under IC 6-3.6.
- ~~(4)~~ **(D)** Except in a county having a population of more than three hundred fifty thousand (350,000) and less than four hundred thousand (400,000), a food and beverage tax imposed under IC 6-9.

(2) With respect to an addition after June 30, 2026, to the tax area designated in the city of Evansville under section 8(e) of this chapter, the state gross retail tax imposed under IC 6-2.5-2-1 or the use tax imposed under IC 6-2.5-3-2.

SECTION 307. IC 36-7-31.3-8, AS AMENDED BY P.L.183-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8. (a) A designating body may designate as part of a professional sports and convention development area any facility that is:

- (1) owned by the city, the county, a school corporation, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11, and used by a professional sports franchise for practice or competitive sporting events;
- (2) owned by the city, the county, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11, and used as one (1) of the following:
 - (A) A facility used principally for convention or tourism related events serving national or regional markets.
 - (B) An airport.
 - (C) A museum.
 - (D) A zoo.
 - (E) A facility used for public attractions of national significance.
 - (F) A performing arts venue.
 - (G) A county courthouse registered on the National Register of Historic Places; or
- (3) a hotel.

Notwithstanding section 9 of this chapter or any other law, a designating body may by resolution approve the expansion of a professional sports and convention development area after June 30, 2009, to include a hotel designated by the designating body. A resolution for such an expansion must be reviewed by the budget committee and approved by the budget agency in the same manner as a resolution establishing a professional sports and convention development area is reviewed and approved. A facility may not include a private golf course or related improvements. The tax area may include only facilities described in this section and any parcel of land on which a facility is located. An area may contain noncontiguous tracts of land within the city, county, or school corporation.

(b) Except for a tax area that is located in:

- (1) the city of Fort Wayne; or



- (2) the city of Gary;
- a tax area must include at least one (1) facility described in subsection (a)(1).
- (c) A tax area may contain other facilities not owned by the designating body if:
- (1) the facility is owned by a city, the county, a school corporation, or a board established under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11; and
 - (2) an agreement exists between the designating body and the owner of the facility specifying the distribution and uses of the covered taxes to be allocated under this chapter.
- (d) This subsection applies to all tax areas located in Allen County. The facilities located at an Indiana University Fort Wayne and Purdue University Fort Wayne campus are added to the tax area designated by the county. For state fiscal years:
- (1) beginning before July 1, 2021, the maximum amount of covered taxes that may be captured in all tax areas located in the county is three million dollars (\$3,000,000) per year; and
 - (2) beginning after June 30, 2021, the maximum amount of covered taxes that may be captured in all tax areas located in the county is five million dollars (\$5,000,000) per year;
- regardless of the designating body that established the tax area. The revenue from the local income tax imposed under IC 6-3.6 that is captured must be counted first toward this maximum.
- (e) This subsection applies to a tax area located in the city of Evansville. Notwithstanding any other provision of this chapter, **the tax area shall include each facility or complex of facilities as follows:**
- (1) For state fiscal years beginning after July 1, 2021, any facility in the city of Evansville that:
 - (1) (A) consists of a hotel; and
 - (2) (B) is located in the north part of an area bounded on the northwest by Walnut Street, on the northeast by SE Martin Luther King Jr. Boulevard, on the southwest by SE 6th Street, and on the southeast by Cherry Street, as those streets were located on July 1, 2021.
 - (2) For state fiscal years beginning after June 30, 2026, any facility or complex of facilities located in the city of Evansville as follows:
 - (A) Any facility or complex of facilities that consists of a sports, recreational, and event facility or complex of facilities bounded on the north by Main Street, on the west by SE 6th Street, on the east by SE Martin Luther King Jr. Boulevard, and on the south by Walnut Street, as those streets were located on July 1, 2026.
 - (B) Any facility or complex of facilities that consists of a zoo bounded on the north by W Summit Drive and Buchanan Road, on the west by Meskar Park Drive, on the east by N St. Joseph Avenue, and on the south by Bement Avenue, as those streets were located on July 1, 2026.
 - (C) Any facility or complex of facilities that consists of a hotel bounded on the north by Walnut Street, on the west by SE 2nd Street, on the east by SE 3rd Street, and on the south by Cherry Street, as those streets were located on July 1, 2026.
 - (D) Any facility or complex of facilities that is:
 - (i) owned by the city of Evansville through a board established under IC 36-9-6;
 - (ii) titled in the name of the city of Evansville or an entity established to assist the city of Evansville to exercise its corporate powers;
 - (iii) occupied by the city of Evansville; and
 - (iv) used to exercise power under IC 36-1-4 to provide services pursuant to IC 36-4-4-3, IC 36-4-4-4, IC 36-8-2, and IC 36-9-2.
- is added to the tax area. The provisions in sections 11 and 12 of this chapter are not applicable to the area



described in this subsection.

(f) This subsection applies to a tax area located in the city of South Bend. Notwithstanding any other provision of this chapter, for state fiscal years in which the tax area is renewed under section 10(e) of this chapter after June 30, 2021, the tax area shall also include any facility or complex of facilities as follows:

- (1) That consists of hotels located in the following areas in the city of South Bend:
 - (A) In the east quadrant of an area bounded on the north by Columbus Court, on the east by North Main Street, and on the south by West Washington Street, as those streets were located on July 1, 2021.
 - (B) An area bounded on the north by East Colfax Avenue, on the east by Doctor Martin Luther King, Jr. Boulevard, on the south by East Washington Street, and on the west by North Michigan Street, as those streets were located on July 1, 2021.
 - (C) In the southeast quadrant of an area bounded on the north by East Washington Street, on the east by Doctor Martin Luther King, Jr. Boulevard, and on the south by East Jefferson Boulevard, as those streets were located on July 1, 2021.
- (2) That consists of a sports, recreational and event facility or complex of facilities located in the city of South Bend, in the northeast quadrant of an area bounded on the north by East Jefferson Boulevard, on the east by South St. Louis Boulevard, as those streets were located on July 1, 2021, and on the west by the St. Joseph River.
- (3) Located at an Indiana University South Bend campus.
- (4) That is within the boundaries of the city of South Bend and:
 - (A) owned by the city of South Bend through a board established under IC 36-9-6;
 - (B) titled in the name of the city of South Bend or an entity established to assist the city of South Bend to exercise its corporate powers;
 - (C) occupied by the city of South Bend; and
 - (D) used to exercise power under IC 36-1-4 to provide services pursuant to IC 36-4-4-3, IC 36-4-4-4, IC 36-8-2, and IC 36-9-2.

The provisions in sections 11 and 12 of this chapter are not applicable to the renewal of the tax areas described in this subsection.

SECTION 308. IC 36-7-31.3-10, AS AMENDED BY P.L.183-2023, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. (a) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area to the professional sports and convention development area fund established for the city or county. The allocation provision must apply to the entire tax area. The following apply to Allen County:

- (1) The fund required by this subsection is the coliseum professional sports and convention development area fund. This fund shall be administered by the Allen County Memorial Coliseum board of trustees.
- (2) The allocation each year must be as follows:
 - (A) The following for state fiscal years ending before July 1, 2021:
 - (i) The first two million six hundred thousand dollars (\$2,600,000) shall be transferred to the county treasurer for deposit in the coliseum professional sports and convention development area fund.
 - (ii) The remaining amount shall be transferred to the treasurer of the joint county-city capital improvement board in the county.



(B) The following for state fiscal years beginning after June 30, 2021:

(i) The first two million six hundred thousand dollars (\$2,600,000) shall be transferred to the county treasurer for deposit in the coliseum professional sports and convention development area fund.

(ii) After the allocation under item (i), the next four hundred thousand dollars (\$400,000) shall be transferred to the joint county-city capital improvement board in the county for the Grand Wayne Center.

(iii) After the allocations under items (i) and (ii), any remaining amount shall be transferred to the joint county-city capital improvement board in the county to be split evenly between the Allen County War Memorial Coliseum and the Grand Wayne Center.

A tax area located in Allen County terminates not later than December 31, 2038. Any bonds that were issued before January 1, 2015, to finance the facility or proposed facility must have a maturity of less than twenty-five (25) years.

(b) In addition to subsection (a), all of the salary, wages, bonuses, and other compensation that are:

(1) paid during a taxable year to a professional athlete for professional athletic services;

(2) taxable in Indiana; and

(3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(c) ~~Except as provided in subsection (d), for a tax area that is:~~

~~(1) not located in Allen County;~~

~~(2) not located in the city of Fishers; and~~

~~(3) not located in the city of South Bend;~~

This subsection applies to a tax area established in the city of Evansville. The following apply:

(1) The total amount of ~~state revenue covered taxes~~ captured by the tax area may not exceed:

(A) before July 1, 2026, ten dollars (\$10) per resident of the city or county per year; and

(B) after June 30, 2026, two million dollars (\$2,000,000) per year;

for twenty (20) consecutive years.

(2) For state fiscal years after June 30, 2026, the tax revenue captured in the tax area each year shall be transferred to the city of Evansville to be used for purposes consistent with section 19 of this chapter.

(d) This subsection applies to a tax area established in the city of Evansville that expired before July 1, 2021. The tax area described in this subsection is renewed beginning after June 30, 2021, for an additional twenty (20) consecutive years, and shall include:

(1) the boundaries of the tax area before its expiration; plus

(2) the additional tax ~~area areas~~ added under section 8(e) of this chapter.

The provisions in sections 11 and 12 of this chapter are not applicable to the renewal of the tax area described in this subsection.

(e) This subsection applies to a tax area established in the city of South Bend that expired before July 1, 2021. The following apply:

(1) The tax area described in this subsection is renewed beginning after June 30, 2021, and shall include:

(A) the boundaries of the tax area before its expiration; plus

(B) the additional tax areas added under section 8(f) of this chapter.



The provisions in sections 11 and 12 of this chapter are not applicable to the renewal of the tax area described in this subsection.

(2) The maximum amount of covered taxes that may be captured in the tax area under this subsection is:

(A) before July 1, 2023, two million dollars (\$2,000,000) per year; and

(B) after June 30, 2023, five million dollars (\$5,000,000) per year.

(3) For state fiscal years beginning after June 30, 2023, the first two million five hundred thousand dollars (\$2,500,000) captured in the tax area each year shall be transferred to the city of South Bend to be used for a capital improvement that will construct or equip a facility owned by the city and used by a professional sports franchise for practice or competitive sporting events.

(4) After the allocations under subdivision (3), any remaining amount shall be transferred to the city of South Bend to be used consistent with section 19(1) of this chapter.

The tax area renewed in the city of South Bend under this subsection terminates not later than June 30, 2044.

(f) This subsection applies to a tax area established in the city of Fishers. The following apply:

(1) The maximum amount of covered taxes that may be captured in the tax area is two million dollars (\$2,000,000) per year.

(2) The tax revenue captured in the tax area each year shall be transferred to the city of Fishers to be used for a capital improvement that will construct or equip a facility owned by the city and used by a professional sports franchise for practice or competitive sporting events.

The tax area located in the city of Fishers terminates not later than June 30, 2044.

(g) The resolution establishing the tax area must designate the facility or proposed facility and the facility site for which the tax area is established.

(h) The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered taxes to a tax area.

SECTION 309. IC 36-7-32.5-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 0.5. The amendments made to this chapter by HEA 1001-2025:**

(1) apply only to an innovation development district designated after December 31, 2024; and

(2) do not apply to an innovation development district designated before January 1, 2025.

SECTION 310. IC 36-7-32.5-9, AS AMENDED BY P.L.123-2024, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 9. (a) Before the corporation may designate territory within the jurisdiction of a city, town, or county, or within the jurisdiction of more than one (1) city, town, or county, as an innovation development district under this section, the board of the corporation established under IC 5-28-4 shall establish uniform policies and guidelines that the corporation must follow when notifying and collaborating with an executive, or, if applicable, executives, to designate territory within the jurisdiction of a city, town, or county as an innovation development district under this section. The corporation shall publish the uniform policies and procedures established under this subsection on the corporation's website.

(b) Subject to subsection (c) and section 12(a) of this chapter, after:

(1) budget committee review; and

(2) notifying and collaborating with the executive, or, if an innovation development district will include territory within the jurisdiction of more than one (1) city, town, or county, with the executives of each city, town, or county, in the manner provided under the policies and guidelines



established under subsection (a);
the corporation may designate territory within the jurisdiction of a city, town, or county, or territory within the jurisdiction of more than one (1) city, town, or county, as an innovation development district if the corporation determines that:

- (1) the designation will support economic growth; and
- (2) the total investment plan is an amount equal to or greater than seven hundred fifty million dollars (\$750,000,000).**

(c) Notwithstanding section 10(b) of this chapter, but subject to section 12(c) of this chapter, the corporation may designate territory that is located in an existing allocation area described in section 10(b) of this chapter as an innovation development district after:

- (1) budget committee review; and
 - (2) obtaining consent from the executive, executives, or the board of any military base reuse authority, in the manner provided under the policies and guidelines established under subsection (a).
- (d) The requirements in subsection (c) apply to all innovation development districts established under this chapter regardless of the total costs and benefits of the proposed investment of an innovation development district.

SECTION 311. IC 36-7-32.5-11, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 11. ~~(a) Except as provided in subsection (b);~~ The term of an area's designation as an innovation development district may not exceed thirty (30) years.

~~(b) The term of an area's designation as an innovation development district may be extended beyond the thirty (30) year term under subsection (a) after budget committee review.~~

SECTION 312. IC 36-7-32.5-12, AS AMENDED BY P.L.123-2024, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 12. (a) If the ~~total costs and benefits of the proposed investment of an innovation development district are expected to be an amount less than two billion dollars (\$2,000,000,000);~~ **corporation designates a territory within the jurisdiction of a city, town, or county, or within the jurisdiction of more than one (1) city, town, or county, as an innovation development district under section 9(b) or 9(c) of this chapter,** the following apply:

- (1) The executive, or, if applicable, the executives, and the corporation shall enter into an agreement establishing the terms and conditions governing the innovation development district in accordance with this section.
 - (2) If the executive, or, if applicable, the executives, and the corporation cannot enter into an agreement under subdivision (1), the designation of territory under section 9 of this chapter is no longer effective and the innovation development district may not be designated or otherwise established under this chapter.
- (b) The agreement must include the following provisions:
- (1) A description of the area, including a list of all parcels to be included within the innovation development district.
 - (2) Covenants and restrictions, if any, upon all or a part of the properties contained within the innovation development district and terms of enforcement of any covenants or restrictions.
 - (3) The due diligence and financial commitments of any party to the agreement and of any owner or developer of property within the innovation development district.
 - (4) The financial projections of the innovation development district.



(5) The proposed use of the:

(A) net increment; and

(B) incremental property tax amount described in section ~~14(c)~~ **14(d)** of this chapter;

that is captured within the innovation development district, **including the amount of any funds expected to be allocated to the business or businesses that are locating within the innovation development district as economic development incentives.**

(6) The aggregate percentage of annual incremental property tax revenue that will be transferred to the city, town, county, or school corporation, or, if applicable, the cities, towns, counties, or school corporations, under section 19(e) of this chapter. The aggregate percentage transferred may not be less than twelve percent (12%) of the annual amount of incremental property tax revenue deposited in the local innovation development district fund established by section 19 of this chapter.

(7) Subject to the limitations of this chapter, the duration of the designation of an area as an innovation development district.

(8) The terms of enforcement of the agreement, which may include the definition of events of default, cure periods, legal and equitable remedies and rights, and penalties and damages, actual or liquidated, upon the occurrence of an event of default.

(9) The public facilities to be developed for the innovation development district and the estimated costs of those public facilities.

(c) If an innovation development district will include territory located in an existing allocation area described in section 10(b) of this chapter, the executive, or, if applicable, the executives, and the corporation shall enter into an agreement establishing the terms and conditions governing the innovation development district in accordance with this section. The agreement must include the following provisions:

(1) The provisions listed in subsection (b)(1) through (b)(9).

(2) A provision prohibiting the city, county, town, or other entity that established the applicable existing allocation area described in section 10(b) of this chapter from incurring any additional obligations that require a pledge of future incremental property tax revenue to be paid from the applicable existing allocation area described in section 10(b) of this chapter without first obtaining the consent of the corporation.

(3) A provision requiring the maintenance of all applicable property tax records for the parcel or parcels located within the innovation development district during the term of the innovation development district.

If the executive, or, if applicable, the executives, and the corporation cannot enter into an agreement under this subsection, the designation of territory under section 9 of this chapter is no longer effective and the innovation development district may not be designated or otherwise established under this chapter.

(d) An executive may discuss the terms of an agreement described in this section and hold a meeting as an executive session under IC 5-14-1.5-6.1 with:

(1) in the case of a city other than a consolidated city, the common council;

(2) in the case of a consolidated city, or a county having a consolidated city, the city-county council;

(3) in the case of a town, the town council; and

(4) in the case of a county that does not have a consolidated city, the board of county commissioners.

(e) Within fifteen (15) days of entering into an agreement under subsection (a), the corporation shall:

(1) submit a written report on the agreement to the budget committee; **and**

(2) **provide notification of the designation to the department of state revenue and the**



department of local government finance.

(f) Neither an executive nor the corporation may exercise the power of eminent domain within an innovation development district.

SECTION 313. IC 36-7-32.5-13, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 13. If an innovation development district is designated, ~~under section 9 of this chapter or described under section 12 of this chapter~~, each executive shall designate the innovation development district as an allocation area for purposes of the allocation and distribution of property taxes. **Not later than August 1 of the calendar year immediately following the designation**, each executive shall:

(1) set the base assessed value of the allocation area; and

(2) provide notice of the designation and notice of the base assessed value;

to the county auditor, **the department of local government finance**, and to each taxing unit that has authority to levy property taxes in the geographic area where the innovation development district is located. The notice must state the general boundaries of the innovation development district and include ~~a list~~ **the mailing address** of all parcels to be included within the innovation development district.

SECTION 314. IC 36-7-32.5-14, AS AMENDED BY P.L.123-2024, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 14. (a) An allocation area designated under section 13 of this chapter must:

(1) apply to the entire innovation development district; and

(2) require that any property tax assessed on taxable real and personal property used for commercial or industrial purposes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes in the innovation development district be allocated and distributed as provided in subsections ~~(b) and (c)~~: **(c) and (d)**.

(b) Property tax proceeds may not be allocated under this section before January 1 of the calendar year immediately following the calendar year in which the base assessed value of the allocation area is determined under section 13 of this chapter.

~~(b)~~ **(c)** Except as otherwise provided in this section:

(1) the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the taxable real and personal property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated and, when collected, paid into the funds of the respective taxing units; and

(2) the excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

~~(c)~~ **(d)** Except as provided in subsections ~~(d) and (e)~~: **(e) and (f)**, all the property tax proceeds that:

(1) exceed those described in subsection ~~(b)~~: **(c)**; and

(2) are attributable to the assessed value of taxable real and personal property used for commercial or industrial purposes;

shall be paid into the appropriate local innovation development district fund established by section 19 of this chapter by the county auditor at the same time that the county auditor distributes property taxes to other local units of government under IC 6-1.1-27. Any remaining property tax proceeds that exceed those



described in subsection ~~(b)~~ **(c)** that are not described in subdivision (2) shall be allocated and, when collected, paid into the funds of the respective taxing units.

~~(d)~~ **(e)** Notwithstanding any provision to the contrary in this section, if an innovation development district that is designated as an allocation area under section 13 of this chapter includes territory located in an existing allocation area described in section 10(b) of this chapter, the county auditor shall continue to allocate to the existing allocation area described in section 10(b) of this chapter any incremental property tax revenues that would otherwise be allocated to the existing allocation area described in section 10(b) of this chapter as if the innovation development district had not been designated under this chapter, until the existing allocation area described in section 10(b) of this chapter expires.

~~(e)~~ **(f)** Notwithstanding any other law, each assessor shall, upon petition of an executive or the corporation, reassess the taxable real and personal property situated upon or in, or added to, the innovation development district effective on the next assessment date after the petition.

~~(f)~~ **(g)** Notwithstanding any other law, the assessed value of all taxable real and personal property in the innovation development district, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the taxable real and personal property as valued without regard to this section; or
- (2) the base assessed value.

SECTION 315. IC 36-7-32.5-17, AS AMENDED BY P.L.201-2023, SECTION 277, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 17. (a) **Except as provided in subsection (b)**, if an innovation development district is designated under section 9 of this chapter, the corporation shall, **not later than August 1 of the calendar year immediately following the designation date**, send to the department of state revenue:

- (1) a certified copy of the designation of the innovation development district under section 9 of this chapter, **including the date of the designation**;
- (2) if an agreement is entered into under section 12 of this chapter, a certified copy of the agreement; and
- (3) a complete list of the employers and businesses that are paying for the services of individuals who are not employees in the innovation development district and ~~the street names and the range of street numbers of each street in the innovation development district.~~ **each mailing address on each street in the innovation development district.**

The corporation shall update the list provided under subdivision (3) before July 1 of each year.

The corporation shall provide, within ten (10) days of a request, any additional information requested by the department of state revenue concerning any information described in subdivisions (1) through (3).

~~(b)~~ Not later than sixty ~~(60)~~ days after receiving a copy of the designation of the innovation development district, the department of state revenue shall determine the gross retail base period amount and the income tax base period amount.

(b) The corporation shall update and send the list described in subsection (a)(3) to the department of state revenue before July 1 of each year.

SECTION 316. IC 36-7-32.5-18, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 18. (a) **Not later than October 1 of the calendar year immediately following the designation date of an innovation**



development district, the department of state revenue shall set the gross retail base period amount and the income tax base period amount. The department of state revenue may request any information necessary from the corporation and executive, or executives, to determine the gross retail base period amount and the income tax base period amount. Not later than ten (10) days after a request from the department of state revenue, the corporation and executive, or executives, shall provide the necessary information.

(b) Revenue collected under the state adjusted gross income taxes and state gross retail and use taxes may not be allocated under this section before January 1 of the year immediately following the year in which the gross retail base period amount and the income tax base period amount are determined under subsection (a).

(c) Before the first business day in October of each year, the department of state revenue shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for each innovation development district designated under this chapter.

~~(b)~~ (d) Taxpayers operating in an innovation development district shall report annually, in the manner and form prescribed by the department of state revenue, information that the department of state revenue determines necessary to calculate the net increment.

~~(c)~~ (e) A taxpayer operating in an innovation development district that files a consolidated tax return with the department of state revenue shall also file annually an informational return with the department of state revenue for each business location of the taxpayer within the innovation development district.

~~(d)~~ (f) If a taxpayer fails to report the information required by this section or file an informational return required by this section, the department of state revenue shall use the best information available in calculating the income tax incremental amount and gross retail incremental amount.

~~(e)~~ (g) The department of state revenue shall transfer the amount calculated as provided in subsection ~~(a)~~ (c) to the applicable local innovation development district fund established for the innovation development district under section 19 of this chapter by November 1 of each year.

SECTION 317. IC 36-7-32.5-19, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 19. (a) The corporation shall establish a local innovation development district fund for each innovation development district designated under section 9 of this chapter.

(b) Each fund consists of:

- (1) deposits of incremental property tax revenue from the county auditor as provided in section ~~14~~(c) **14(d)** of this chapter; and
- (2) transfers from the department of state revenue under section 18 of this chapter.

(c) The corporation shall administer each local innovation development district fund established under this section. The expenses of administering each fund shall be paid from money in that fund.

(d) The corporation may use money in each fund as follows:

~~(1) If an agreement described in section 12 of this chapter has been entered into between the corporation and the executive, or, if applicable, the executives, for any purpose authorized in the agreement:~~

~~(2) If an agreement described in section 12 of this chapter has not been entered into between the corporation and the executive, or, if applicable, the executives, for the following purposes:~~

~~(A) (1) The acquisition, improvement, preparation, demolition, disposal, construction, reconstruction, remediation, rehabilitation, restoration, preservation, maintenance, repair, furnishing, and equipping of public facilities, including but not limited to utilities and transportation~~



infrastructure.

~~(B)~~ (2) The operation of public facilities.

~~(C)~~ (3) The acquisition of land within the innovation development district.

~~(D)~~ (4) The recruitment of new businesses and new employees to the innovation development district.

~~(E)~~ (5) The training of individuals employed in the innovation development district.

(6) The payment of economic development incentives granted by the corporation to businesses located within the boundaries of the innovation development district.

(e) Not later than August 1 of each year, the corporation shall transfer

~~(1) if an agreement described in section 12 of this chapter has been entered into between the corporation and the executive; or if applicable, the executives; the amount of incremental property tax revenues determined in the agreement; and~~

~~(2) if an agreement described in section 12 of this chapter has not been entered into between the corporation and the executive; or if applicable, the executives; an amount of incremental property tax revenues that may not be less than twelve percent (12%) of the annual amount of incremental property tax revenue deposited under subsection (b)(1)~~

to the general fund of each city, town, county, or school corporation with territory located within the innovation development district. If the corporation is required to transfer funds to more than one (1) city, town, county, or school corporation under this subsection, the amount transferred to each city, town, county, and school corporation must be allocated among each city, town, county, and school corporation proportionately based on each city's, town's, county's, and school corporation's property tax levy applied to property located within the innovation development district. A transfer under this subsection does not reduce the actual or maximum permissible levy of a city, town, county, or school corporation and may not be considered in determining a city's, town's, county's, or school corporation's maximum permissible ad valorem property tax levy limit under IC 6-1.1-18.5.

(f) Each state fiscal year, the corporation ~~may~~, **shall**, after:

(1) making the transfer required under subsection (e);

(2) paying all obligations and expenses of the innovation development district in accordance with an agreement entered into under section 12 of this chapter, including payment of any economic development incentives for businesses located within the boundaries of the innovation development district; and

(3) satisfying all debt service obligations due and payable during the state fiscal year for bonds issued under IC 5-1.2-4-4(a)(2);

transfer from each local innovation development district fund to the ~~statewide innovation development district fund~~ **economic development reserve account** established by section ~~20~~ **20.5** of this chapter an amount not to exceed one hundred percent (100%) of the net incremental revenue derived from state income taxes and gross retail taxes deposited into each fund during the immediately preceding state fiscal year.

(g) Money in each local innovation development district fund at the end of a state fiscal year does not revert to the state general fund.

(h) Money in each local innovation development district fund is continuously appropriated for the purposes specified in this section.

SECTION 318. IC 36-7-32.5-20 IS REPEALED [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]. ~~Sec. 20: (a) The statewide innovation development district fund is established within~~



the state treasury to provide grants or loans to support the development or expansion of industry in Indiana:

(b) The fund consists of the following:

- (1) Transfers from a local innovation development district fund under section 19(f) of this chapter.
- (2) Appropriations from the general assembly.
- (3) Loan repayments, including earnings from loans under subsection (d).

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

- (1) The expenses of administering the fund.
- (2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The corporation may make grants, loans, or investments from the fund for the following purposes:

- (1) For the purposes identified in section 19(d) of this chapter.
- (2) For the acquisition and improvement of land or other property.
- (3) For costs associated with creating new innovation development districts.
- (4) For the development of partnerships, including grants and loans, between the state, advanced industry, and higher educational institutions focused on development, expansion, or retention in the state.
- (5) For the stimulation of investments in entrepreneurial or high growth potential companies in the state.
- (6) For workforce training assistance in the state.

(f) The corporation may use money in the fund to make a payment in lieu of a growing economy tax credit as provided in IC 6-3-5-5.

SECTION 319. IC 36-7-32.5-20.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: **Sec. 20.5. (a) The economic development reserve account is established within the state general fund to support the development and expansion of industry in Indiana. The budget agency shall administer the economic development reserve account.**

(b) The economic development reserve account consists of the following:

- (1) Money appropriated to the economic development reserve account by the general assembly.**
- (2) Money transferred to the economic development reserve account under section 19(f) of this chapter.**
- (3) Interest earned on the balance of the economic development reserve account.**

(c) The treasurer of state shall invest the money in the economic development reserve account not currently needed to meet the obligations of the account in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the economic development reserve account.

(d) Money in the economic development reserve account at the end of a state fiscal year does not revert to the state general fund.

SECTION 320. IC 36-7-32.5-21 IS REPEALED [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]. **Sec. 21. (a) Except as provided in subsection (b), money in the statewide innovation development district fund established by section 20 of this chapter at the end of the state fiscal year does not revert to the state general fund.**

(b) Notwithstanding subsection (a), if the unobligated balance of the statewide innovation development



district fund established by section 20 of this chapter exceeds five hundred million dollars (\$500,000,000) at the close of any state fiscal year; the amount of funds in excess of five hundred million dollars (\$500,000,000) shall be transferred to the state general fund:

(c) Money in the fund is continuously appropriated for the purposes of this chapter.

SECTION 321. IC 36-7-32.5-22, AS ADDED BY P.L.135-2022, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 22. The corporation shall provide information on the innovation development district program in its economic incentive and compliance report submitted pursuant to IC 5-28-28-5, and to the budget committee, that includes the following:

(1) Metrics established by the corporation to evaluate the effectiveness of the innovation development district in promoting economic growth in the state.

~~(2) The number and amount of grants or loans from the statewide innovation development district fund established by section 20 of this chapter that are contractually awarded by the corporation for each innovation development district and in total for all innovation development districts statewide.~~

~~(3) The name of each entity receiving a grant or loan from the statewide innovation development district fund established by section 20 of this chapter for each innovation development district and for all innovation development districts statewide.~~

~~(4)~~ (2) The amount and name of each entity for which there is a unfunded obligation at the close of each state fiscal year.

~~(5)~~ (3) A report on each innovation development district designated under this chapter that includes a description of:

(A) the general boundaries of the innovation development district;

(B) the total acreage encompassed within the innovation development district;

(C) the base assessed value of the innovation development district;

(D) the gross retail base period amount determined for the innovation development district;

(E) the income tax base period amount determined for the innovation development district;

(F) the gross assessed value of all tangible real and personal property, without regard to any exemption granted by an executive or the corporation under section 15(b) of this chapter, that is:

(i) located within the innovation development district; and

(ii) in the case of real property, assessed as commercial or industrial property under the rules of the department of local government finance;

in each calendar year after the calendar year in which the innovation development district was designated;

(G) the amount of incremental property tax revenue deposited into the local innovation development district fund established by section 19 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;

(H) the amount of incremental state gross retail and use tax revenue deposited into the local innovation development district fund established by section 19 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;

(I) the amount of incremental state adjusted gross income tax revenue deposited into the local innovation development district fund established by section 19 of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;

(J) the amount of revenue deposited into the local innovation development district fund established by section 19 of this chapter that was transferred into the ~~statewide innovation~~



~~development district fund~~ **economic development reserve account** established under section ~~20~~ **20.5** of this chapter in each state fiscal year after the state fiscal year in which the innovation development district was designated;

(K) the aggregate amount of bonds issued by the Indiana finance authority under IC 5-1.2-4-4(a)(2) to pay for projects within the innovation development district;

(L) the annual amount of debt service payments due on the bonds described in clause (K); and

(M) a description of all economic development incentives granted by the corporation to businesses located within the innovation development district.

SECTION 322. P.L.201-2023, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 284. (a) Notwithstanding IC 4-13-2-19 or any other law, the appropriations made in P.L.165-2021, SECTION 26, from the account in the federal economic stimulus fund created for the American Rescue Plan Act that are unexpended and unencumbered at the close of the state fiscal year ending on June 30, ~~2023~~, **2025**, do not lapse but instead remain available for expenditure:

(1) during the state fiscal year beginning July 1, **2025**, and ending June 30, **2026**; and

(2) for the state fiscal year beginning July 1, **2026**, and ending June 30, **2027**, during the period of time after June 30, **2026**, and before January 1, **2027**;

~~either state fiscal year in a biennium beginning after June 30, 2023, and ending before July 1, 2025, for the purpose for which the appropriation was originally made.~~

(b) This SECTION expires ~~July 1, 2025~~; **January 1, 2027**.

SECTION 323. [EFFECTIVE JULY 1, 2025] (a) On July 1, **2025**, the state comptroller shall transfer fifteen million dollars (\$15,000,000) from the addiction services fund established by IC 12-23-2-2 to the tobacco master settlement agreement fund established by IC 4-12-1-14.3.

(b) On July 1, **2025**, the state comptroller shall transfer twenty-five million dollars (\$25,000,000) from the department of insurance fund established by IC 27-1-3-28 to the tobacco master settlement agreement fund established by IC 4-12-1-14.3.

(c) This SECTION expires July 1, **2027**.

SECTION 324. [EFFECTIVE UPON PASSAGE] (a) The budget agency shall transfer to the state general fund on June 30, **2025**, the balance in the freedom of choice grant fund (IC 21-12-4-5) and the higher education award fund (IC 21-12-3-19) that is not needed for the payment of scholarship awards in the state fiscal year ending June 30, **2025**.

(b) This SECTION expires July 1, **2027**.

SECTION 325. [EFFECTIVE UPON PASSAGE] (a) Any balance on June 30, **2025**, in the curricular materials fund established by IC 20-40-22-5, shall be transferred to the state general fund on June 30, **2025**.

(b) This SECTION expires July 1, **2025**.

SECTION 326. [EFFECTIVE JULY 1, 2025] (a) The bureau of motor vehicles shall update the Relationship to Family Member section of state form 54181 (R/10-11) to reflect the definition of Gold Star family member defined in IC 9-18.5-33-1, as amended by this act.

(b) This SECTION expires July 1, **2027**.

SECTION 327. [EFFECTIVE JULY 1, 2025] The office of management and budget shall, on or before December 31, **2025**, prepare and submit a report to the budget committee that contains options for the general assembly to consider to reform the:

(1) Indiana office of technology charge back agency model of funding in order to reduce and



streamline technology costs in the executive branch, improve technology services, and reduce purchase costs for state agencies; and

(2) management performance hub in order to better achieve data quantities of scale among state agencies and to streamline use of agency database platforms.

SECTION 328. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office of the secretary" means the office of the secretary of family and social services established by IC 12-8-1.5-1, its offices, or divisions.

(b) Notwithstanding any provision to the contrary, the appropriation of one hundred forty-seven million two hundred fifty thousand dollars (\$147,250,000) made in SECTION 8 of HB 1001-2025, as added by this act, for the biennium beginning July 1, 2025, and ending June 30, 2027, for the purpose of CCDF hold harmless funding to the office of the secretary may also be used for the purpose of CCDF hold harmless funding beginning in the state fiscal year beginning July 1, 2024, and ending June 30, 2025.

(c) This SECTION expires July 1, 2027.

SECTION 329. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "account" means the state tuition reserve account established by IC 4-12-1-15.7.

(b) Notwithstanding any provision to the contrary, there is appropriated to the department of education from the account for the state fiscal year beginning July 1, 2024, and ending June 30, 2025, the amount necessary, as determined by the budget director, to pay tuition support payments during the state fiscal year. However, the amount appropriated from the account under this SECTION may not exceed ten million dollars (\$10,000,000).

(c) This SECTION expires July 1, 2027.

SECTION 330. [EFFECTIVE UPON PASSAGE] The amounts appropriated under SECTION 30 of HEA 1001-2023 for "Northern IN Regional Economic Dev" shall remain available through June 30, 2027, to be spent on supporting potential regional economic development projects. The Northern Indiana Regional Development Authority may create a regional revolving loan fund administered by the regional development authority for eligible capital projects. The funds can be used for expenses including fixed asset loans, land costs, building costs, project gap funding, and grants for nonprofit entities. If the revolving loan fund issues a grant to a nonprofit entity, the grant shall not exceed one million dollars (\$1,000,000) and shall require a dollar for dollar match. Up to two million dollars (\$2,000,000) may be set aside for the purpose of accruing interest. All unencumbered and unexpended funds shall be returned to the state general fund on or before June 30, 2031. Only the interest may be used for administrative expenses incurred in administering the fund. The regional development authority must submit an annual report to the budget committee detailing the balance of the revolving loan fund and the progress of the projects that have received funding by July 1, 2026, and by July 1 of each year thereafter.

SECTION 331. [EFFECTIVE UPON PASSAGE] The amounts appropriated under SECTION 30 of HEA 1001-2023 for "Northeast IN Regional Economic Dev" shall remain available through June 30, 2027. Up to two million dollars (\$2,000,000) may be set aside for the purpose of accruing interest. All unencumbered and unexpended funds shall be returned to the state general fund on or before June 30, 2031. The authority must submit an annual report to the budget committee detailing the projects that have received funding by July 1, 2026, and by July 1 of each year thereafter.

SECTION 332. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "governance



agreement" means the fifth amended and restated governance agreement concerning development of the rail projects effective September 22, 2023, and entered into by NWIRDA, NICTD, and IFA.

(b) As used in this SECTION, "IFA" means the Indiana finance authority established by IC 5-1.2-3-1.

(c) As used in this SECTION, "NICTD" means the northern Indiana commuter transportation district established under IC 8-5-15.

(d) As used in this SECTION, "NWIRDA" means the northwest Indiana regional development authority established by IC 36-7.5-2-1.

(e) Notwithstanding IC 6-3.1-20-7 or any other law, but subject to the prior written consent of the United States Department of Transportation, Build America Bureau, acting through the executive director of the Build America Bureau, NWIRDA shall, not later than July 1, 2025, transfer any funds:

(1) paid to NWIRDA under IC 6-3.1-20-7(d) before January 1, 2025; and

(2) being held in escrow as of December 31, 2024;

to NICTD to subsidize NICTD's operation and maintenance costs of the South Shore line that are attributable to the operations of the part of the South Shore line located in Lake County.

(f) Nothing in this SECTION may be construed as altering NICTD's ability under the governance agreement to receive transfers of money from funds paid to NWIRDA under IC 6-3.1-20-7(d) after December 31, 2024, to pay for operating deficits for the West Lake corridor project, as provided in the governance agreement.

(g) In accordance with the governance agreement, NWIRDA, NICTD, and IFA shall cooperate to secure WL Deficit Alternative Funding (as that term is defined in the governance agreement).

(h) This SECTION expires July 1, 2026.

SECTION 333. [EFFECTIVE UPON PASSAGE] (a) If a taxpayer is required to remit an estimated tax payment under IC 6-3-2.1-6(d) for a taxable year that ended before amendment of IC 6-3-2.1-6 in HB 1001-2025, the penalty under IC 6-3-2.1-6(d) shall only be imposed if the taxpayer failed to remit estimated payments by the end of the taxable year.

(b) If a taxpayer is required to remit one (1) or more estimated tax payments under IC 6-3-2.1-6(d) for a taxable year ending on or after the effective date of IC 6-3-2.1-6, as amended in HB 1001-2025, the taxpayer shall remit all estimated tax payments due, but not previously remitted, on or before the due date of the first estimated tax payment due after the effective date of IC 6-3-2.1-6, as amended in HB 1001-2025, and no penalty shall be imposed for failure to make estimated payments before that due date. The required payment for the first estimated payment after the effective date of IC 6-3-2.1-6, as amended in HB 1001-2025, equals the amount in IC 6-3-2.1-6(d) multiplied by the number of estimated payments that otherwise would have been required to be made on or before the due date of the first estimated payment required on or after the effective date of IC 6-3-2.1-6, as amended in HB 1001-2025.

SECTION 334. [EFFECTIVE UPON PASSAGE] (a) The general assembly recognizes that this act repeals IC 4-3-27 effective July 1, 2025, and that SEA 448-2025 adds IC 4-3-27-3.2 effective July 1, 2025. The general assembly intends to repeal IC 4-3-27 effective July 1, 2025.

(b) This SECTION expires January 1, 2026.

SECTION 335. P.L.201-2023, SECTION 290, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2025]: SECTION 290. (a) Notwithstanding IC 4-13-2-19 or any other law, any part of an appropriation made for the legislative council and the legislative services agency, in a state



fiscal year beginning after June 30, 2018, and ending before July 1, ~~2024~~, **2027**, that is unexpended and unencumbered at the close of that state fiscal year does not lapse and is not returned to the state general revenue fund but remains available for expenditure during either state fiscal year in a biennium beginning after June 30, ~~2023~~, **2025**, and ending before July 1, ~~2025~~, **2027**. The unexpended and unencumbered amount may be used to supplement the amounts appropriated in this act for each state fiscal year in the biennium and shall be allotted, as requested by the executive director of the legislative services agency, for the total operating expenses of the legislative council or the legislative services agency, or both. **However, if any part of the appropriations have not been allotted or encumbered before the expiration of a state fiscal year, the personnel subcommittee of the legislative council may determine that any part of the balance of the appropriations shall be reverted to the state general fund.**

(b) This SECTION expires July 1, ~~2025~~, **2027**.

SECTION 336. P.L.201-2023, SECTION 291 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2025]: SECTION 291. (a) The definitions of "vacation leave", "sick leave", and other types of leave used on July 1, 2010, by the department apply to this SECTION.

(b) As used in this SECTION, "department" refers to the state personnel department established by IC 4-15-2.2-13.

(c) As used in this SECTION, "pilot program" refers to the pilot program reestablished under subsection (d).

(d) The personnel committee of the legislative council for the legislative branch of state government or the Indiana supreme court for the judicial branch of state government, or both, may ~~reestablish~~ **continue** the pilot program established by P.L.220-2005, SECTION 8 (before its expiration), and P.L.220-2005, SECTION 10 (before its expiration) **and as amended in P.L.201-2023, SECTION 291, for either or both the state fiscal year beginning July 1, 2025, and ending June 30, 2026, and the state fiscal year beginning July 1, 2026, and ending June 30, 2027**, including provisions adopted by:

- (1) the deferred compensation committee (established by IC 5-10-1.1-4) to govern the pilot program;
- (2) the department under LSA Document #06-488(E) (before its expiration), filed with the publisher of the Indiana Register on October 16, 2006, to govern the pilot program; or
- (3) the ~~auditor of state~~ **comptroller** to administer the pilot program.

(e) Subject to the Internal Revenue Code and applicable regulations, the personnel committee of the legislative council or the Indiana supreme court, or both, may adopt procedures to implement and administer the pilot program, including provisions established or reestablished under subsection (d).

(f) The ~~auditor of state~~ **comptroller** shall provide for the administration of the pilot program.

(g) This SECTION expires June 30, ~~2025~~, **2027**.

SECTION 337. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding the effective date of the following sections added by HEA 1601-2025, the effective date for these sections is January 1, 2026, and not upon passage:**

- (1) IC 6-1.1-10-54, as added by HEA 1601-2025, SECTION 1.
- (2) IC 6-2.5-15-0.5, as added by HEA 1601-2025, SECTION 2.
- (3) IC 6-2.5-15-5.7, as added by HEA 1601-2025, SECTION 5.
- (4) IC 6-2.5-15-6.5, as added by HEA 1601-2025, SECTION 6.
- (5) IC 6-2.5-15-13.2, as added by HEA 1601-2025, SECTION 11.
- (6) IC 6-2.5-15-13.3, as added by HEA 1601-2025, SECTION 12.
- (7) IC 6-2.5-15-13.4, as added by HEA 1601-2025, SECTION 13.



(b) Notwithstanding the effective date of the following sections amended by HEA 1601-2025, the effective date for these sections is January 1, 2026, and not upon passage:

- (1) IC 6-2.5-15-3, as amended by HEA 1601-2025, SECTION 3.**
- (2) IC 6-2.5-15-5, as amended by HEA 1601-2025, SECTION 4.**
- (3) IC 6-2.5-15-7, as amended by HEA 1601-2025, SECTION 7.**
- (4) IC 6-2.5-15-9, as amended by HEA 1601-2025, SECTION 8.**
- (5) IC 6-2.5-15-11, as amended by HEA 1601-2025, SECTION 9.**
- (6) IC 6-2.5-15-13, as amended by HEA 1601-2025, SECTION 10.**
- (7) IC 6-2.5-15-14, as amended by HEA 1601-2025, SECTION 14.**
- (8) IC 6-2.5-15-15, as amended by HEA 1601-2025, SECTION 15.**
- (9) IC 6-2.5-15-16, as amended by HEA 1601-2025, SECTION 16.**
- (10) IC 6-2.5-15-17, as amended by HEA 1601-2025, SECTION 17.**
- (11) IC 6-2.5-15-18, as amended by HEA 1601-2025, SECTION 18.**
- (12) IC 6-2.5-15-19, as amended by HEA 1601-2025, SECTION 19.**
- (13) IC 6-2.5-15-20, as amended by HEA 1601-2025, SECTION 20.**

(c) This SECTION expires July 1, 2027.

SECTION 338. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the appropriate interim study committee established under IC 2-5 during the 2025 legislative interim the task of studying the impact of removing caseload limitations for the department of child services.

(b) This SECTION expires December 31, 2025.

SECTION 339. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

HEA 1001 — CC 1

