



February 12, 2019

# HOUSE BILL No. 1641

DIGEST OF HB 1641 (Updated February 11, 2019 12:21 pm - DI 116)

**Citations Affected:** IC 20-18; IC 20-24; IC 20-25; IC 20-25.7; IC 20-26; IC 20-31; IC 20-35; IC 36-1.

**Synopsis:** Charter school matters. Increases the membership of the Indiana charter school board (board) from seven to nine. Authorizes the governor to appoint four members to the board, not more than two of whom may be members of the same political party. (Under current law, the governor appoints two members who may not be members of the same political party.) Provides that the affirmative votes of a majority of the members present are required for the board to take action as opposed to the affirmative votes of a majority of the voting members appointed to the board. Adds a representative from the Arc of Indiana to the list of members who must be included on the state advisory council on the education of children with disabilities. Allows a charter school to limit admissions to allow siblings of student alumni of a charter school or a charter school held by the same organizer to attend the same charter school. Provides that a student who attends a charter school co-located with the charter school may receive preference to admission to the charter school if the preference is specifically provided for in the charter school's charter and is approved by the charter school's authorizer. Provides that a school corporation must sell or lease a vacant school building to a charter school or neighboring school corporation for one dollar. (Current law requires a school corporation to sell or lease a vacant or unused school building to a charter school.) Reduces the time frame that a school corporation must make the vacant school building available to a charter school or neighboring school corporation. Provides that a charter school may establish a charter school police department. Provides that a school  
(Continued next page)

**Effective:** July 1, 2019.

## Behning

January 24, 2019, read first time and referred to Committee on Education.  
February 11, 2019, amended, reported — Do Pass.

HB 1641—LS 7242/DI 116



## Digest Continued

corporation may not enter into a lease agreement that prevents the sale of real property to another educational entity. Adds educational service centers to a provision relating to employee wage payment arrangements. Provides that the governing body of a school corporation may allow, by written authorization, the use of a school bus or a special purpose bus for the transportation of adults at least 65 years of age or disabled adults. Provides that if a school corporation does not comply with the requirements to make a vacant or unused school building available to a charter school or neighboring school corporation, the school corporation must deposit the proceeds from the sale of the vacant or unused school building in the charter school and innovation program.

**HB 1641—LS 7242/DI 116**



February 12, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1641

---

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

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

1           SECTION 1. IC 20-18-2-16, AS AMENDED BY P.L.190-2018,  
2           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3           JULY 1, 2019]: Sec. 16. (a) "School corporation", for purposes of this  
4           title (except IC 20-20-33, IC 20-26-1 through IC 20-26-5, IC 20-26-7,  
5           **IC 20-26-7.1**, IC 20-28-11.5, IC 20-30-8, IC 20-30-16, and IC 20-43),  
6           means a public school corporation established by Indiana law. The term  
7           includes a:  
8                 (1) school city;  
9                 (2) school town;  
10                (3) consolidated school corporation;  
11                (4) metropolitan school district;  
12                (5) township school corporation;  
13                (6) county school corporation;  
14                (7) united school corporation; or  
15                (8) community school corporation.

HB 1641—LS 7242/DI 116



1 (b) "School corporation", for purposes of IC 20-26-1 through  
 2 IC 20-26-5, ~~and IC 20-26-7~~, **and IC 20-26-7.1**, has the meaning set  
 3 forth in IC 20-26-2-4.

4 (c) "School corporation", for purposes of IC 20-20-33, IC 20-26.5,  
 5 and IC 20-30-8, includes a charter school (as defined in IC 20-24-1-4).

6 (d) "School corporation", for purposes of IC 20-43, has the meaning  
 7 set forth in IC 20-43-1-23.

8 (e) "School corporation", for purposes of IC 20-28-11.5, has the  
 9 meaning set forth in IC 20-28-11.5-3.

10 (f) "School corporation", for purposes of IC 20-35, has the meaning  
 11 set forth in IC 20-35-1-6.

12 (g) "School corporation", for purposes of IC 20-30-16, has the  
 13 meaning set forth in IC 20-30-16-4.

14 SECTION 2. IC 20-24-2.1-1, AS AMENDED BY P.L.280-2013,  
 15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2019]: Sec. 1. (a) The Indiana charter school board is  
 17 established for the purpose of authorizing charter schools throughout  
 18 Indiana.

19 (b) The charter board is a statewide charter school authorizer  
 20 composed of the following ~~seven (7)~~ **nine (9)** members appointed to  
 21 four (4) year terms:

22 (1) ~~Two (2)~~ **Four (4)** members ~~who may not be members of the~~  
 23 ~~same political party~~; appointed by the governor. **Not more than**  
 24 **two (2) members appointed under this subdivision may be**  
 25 **members of the same political party.**

26 (2) One **(1)** member who has previous experience with or on  
 27 behalf of charter schools appointed by the state superintendent.

28 (3) Four (4) members, who may not be legislators, appointed as  
 29 follows:

30 (A) One (1) member appointed by the president pro tempore  
 31 of the senate.

32 (B) One (1) member appointed by the minority leader of the  
 33 senate.

34 (C) One (1) member appointed by the speaker of the house of  
 35 representatives.

36 (D) One (1) member appointed by the minority leader of the  
 37 house of representatives.

38 A member appointed under this subsection may not be removed by the  
 39 member's appointing authority without cause before the end of the full  
 40 four (4) year term.

41 (c) The governor shall appoint the chairperson of the charter board.

42 (d) A majority of the members appointed to the charter board



1 constitutes a quorum. The affirmative votes of a majority of the ~~voting~~  
 2 members ~~appointed to the charter board present~~ are required for the  
 3 charter board to take action.

4 (e) Each member of the charter board who is not a state employee  
 5 is entitled to the minimum salary per diem provided by  
 6 IC 4-10-11-2.1(b). The member is also entitled to reimbursement for  
 7 traveling expenses as provided under IC 4-13-1-4 and other expenses  
 8 actually incurred in connection with the member's duties as provided  
 9 in the state policies and procedures established by the Indiana  
 10 department of administration and approved by the budget agency.

11 (f) Members appointed to the charter board must collectively  
 12 possess strong experience and expertise in:

- 13 (1) public and nonprofit governance;
- 14 (2) management;
- 15 (3) finance;
- 16 (4) public school leadership;
- 17 (5) higher education;
- 18 (6) school assessments, curriculum, and instruction; and
- 19 (7) public education law.

20 SECTION 3. IC 20-24-5-5, AS AMENDED BY P.L.215-2018(ss),  
 21 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JULY 1, 2019]: Sec. 5. (a) Except as provided in subsections (b), (c),  
 23 (d), (e), and (f), a charter school must enroll any eligible student who  
 24 submits a timely application for enrollment.

25 (b) This subsection applies if the number of applications for a  
 26 program, class, grade level, or building exceeds the capacity of the  
 27 program, class, grade level, or building. If a charter school receives a  
 28 greater number of applications than there are spaces for students, each  
 29 timely applicant must be given an equal chance of admission. The  
 30 organizer must determine which of the applicants will be admitted to  
 31 the charter school or the program, class, grade level, or building by  
 32 random drawing in a public meeting, with each timely applicant limited  
 33 to one (1) entry in the drawing. However, the organizer of a charter  
 34 school located in a county with a consolidated city shall determine  
 35 which of the applicants will be admitted to the charter school or the  
 36 program, class, grade level, or building by using a publicly verifiable  
 37 random selection process.

38 (c) A charter school may limit new admissions to the charter school  
 39 to:

- 40 (1) ensure that a student who attends the charter school during a  
 41 school year may continue to attend the charter school in  
 42 subsequent years;



- 1 (2) ensure that a student who attends a charter school during a  
 2 school year may continue to attend a different charter school held  
 3 by the same organizer in subsequent years;
- 4 (3) allow the siblings of a student **alumnus or a current student**  
 5 who attends a charter school or a charter school held by the same  
 6 organizer to attend the same charter school the student is  
 7 attending **or the student alumnus attended;**
- 8 (4) allow preschool students who attend a Level 3 or Level 4  
 9 Paths to QUALITY program preschool to attend kindergarten at  
 10 a charter school if the charter school and the preschool provider  
 11 have entered into an agreement to share services or facilities; ~~and~~
- 12 (5) allow each student who qualifies for free or reduced price  
 13 lunch under the national school lunch program to receive  
 14 preference for admission to a charter school if the preference is  
 15 specifically provided for in the charter school's charter and is  
 16 approved by the authorizer; **and**
- 17 **(6) allow each student who attends a charter school that is**  
 18 **co-located with the charter school to receive preference for**  
 19 **admission to the charter school if the preference is specifically**  
 20 **provided for in the charter school's charter and is approved**  
 21 **by the charter school's authorizer.**
- 22 (d) This subsection applies to an existing school that converts to a  
 23 charter school under IC 20-24-11. During the school year in which the  
 24 existing school converts to a charter school, the charter school may  
 25 limit admission to:
- 26 (1) those students who were enrolled in the charter school on the  
 27 date of the conversion; and
- 28 (2) siblings of students described in subdivision (1).
- 29 (e) A charter school may give enrollment preference to children of  
 30 the charter school's founders, governing body members, and charter  
 31 school employees, as long as the enrollment preference under this  
 32 subsection is not given to more than ten percent (10%) of the charter  
 33 school's total population.
- 34 (f) A charter school may not suspend or expel a charter school  
 35 student or otherwise request a charter school student to transfer to  
 36 another school on the basis of the following:
- 37 (1) Disability.
- 38 (2) Race.
- 39 (3) Color.
- 40 (4) Gender.
- 41 (5) National origin.
- 42 (6) Religion.



- 1 (7) Ancestry.
- 2 A charter school student may be expelled or suspended only in a
- 3 manner consistent with discipline rules established under IC 20-24-5.5.
- 4 SECTION 4. IC 20-25-4-14, AS ADDED BY P.L.1-2005,
- 5 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 JULY 1, 2019]: Sec. 14. (a) **Except as provided in IC 20-26-7.1**, a
- 7 school city may:
- 8 (1) sell real estate;
- 9 (2) transfer personal property; and
- 10 (3) execute deeds of conveyance and instruments of transfer with
- 11 or without covenants of warranty;
- 12 if, in the opinion of the board, the real estate or personal property
- 13 cannot be advantageously used for school or library purposes and can
- 14 be sold for its fair cash value.
- 15 (b) A determination by the board that real estate or personal
- 16 property cannot be advantageously used under subsection (a) must be
- 17 entered into the record of the minutes of the school city's board.
- 18 SECTION 5. IC 20-25.7-5-2, AS AMENDED BY P.L.86-2018,
- 19 SECTION 174, IS AMENDED TO READ AS FOLLOWS
- 20 [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The board may enter into an
- 21 agreement with an organizer to reconstitute an eligible school as a
- 22 participating innovation network charter school or to establish a
- 23 participating innovation network charter school at a location selected
- 24 by the board within the boundary of the school corporation.
- 25 Notwithstanding ~~IC 20-26-7-1~~, **IC 20-26-7.1**, a participating innovation
- 26 network charter school may be established within a vacant school
- 27 building.
- 28 (b) The terms of the agreement entered into between the board and
- 29 an organizer must specify the following:
- 30 (1) A statement that the organizer authorizes the department to
- 31 include the charter school's performance assessment results under
- 32 IC 20-31-8 when calculating the school corporation's performance
- 33 assessment under rules adopted by the state board.
- 34 (2) The amount of state funding, including tuition support (if the
- 35 participating innovation network charter school is treated in the
- 36 same manner as a school operated by the school corporation
- 37 under subsection (d)(2)), and money levied as property taxes that
- 38 will be distributed by the school corporation to the organizer.
- 39 (3) The performance goals and accountability metrics agreed
- 40 upon for the charter school in the charter agreement between the
- 41 organizer and the authorizer.
- 42 (c) If an organizer and the board enter into an agreement under



1 subsection (a), the organizer and the board shall notify the department  
 2 that the agreement has been made under this section within thirty (30)  
 3 days after the agreement is entered into.

4 (d) Upon receipt of the notification under subsection (c), for school  
 5 years starting after the date of the agreement:

6 (1) the department shall include the participating innovation  
 7 network charter school's performance assessment results under  
 8 IC 20-31-8 when calculating the school corporation's performance  
 9 assessment under rules adopted by the state board;

10 (2) the department shall treat the participating innovation network  
 11 charter school in the same manner as a school operated by the  
 12 school corporation when calculating the total amount of state  
 13 funding to be distributed to the school corporation unless  
 14 subsection (e) applies; and

15 (3) if requested by a participating innovation network charter  
 16 school that reconstitutes an eligible school, the department may  
 17 use student growth as the state board's exclusive means to  
 18 determine the innovation network charter school's category or  
 19 designation of school improvement under 511 IAC 6.2-10-10 for  
 20 a period of three (3) years.

21 (e) If a participating innovation network school was established  
 22 before January 1, 2016, and for the current school year has a  
 23 complexity index that is greater than the complexity index for the  
 24 school corporation that the innovation network school has contracted  
 25 with, the innovation network school shall be treated as a charter school  
 26 for purposes of determining tuition support. This subsection expires  
 27 June 30, 2019.

28 SECTION 6. IC 20-26-1-1, AS AMENDED BY P.L.185-2017,  
 29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JULY 1, 2019]: Sec. 1. Except as otherwise provided, IC 20-26-1  
 31 through IC 20-26-5, ~~and~~ IC 20-26-7, **and IC 20-26-7.1** apply to all  
 32 school corporations.

33 SECTION 7. IC 20-26-2-1, AS ADDED BY P.L.1-2005, SECTION  
 34 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
 35 2019]: Sec. 1. Notwithstanding IC 20-18-2, the definitions in this  
 36 chapter apply in IC 20-26-1 through IC 20-26-5, ~~and~~ IC 20-26-7, **and**  
 37 **IC 20-26-7.1.**

38 SECTION 8. IC 20-26-5-4, AS AMENDED BY P.L.244-2017,  
 39 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JULY 1, 2019]: Sec. 4. (a) In carrying out the school purposes of a  
 41 school corporation, the governing body acting on the school  
 42 corporation's behalf has the following specific powers:





- 1 (1) In the name of the school corporation, to sue and be sued and  
2 to enter into contracts in matters permitted by applicable law.  
3 However, a governing body may not use funds received from the  
4 state to bring or join in an action against the state, unless the  
5 governing body is challenging an adverse decision by a state  
6 agency, board, or commission.
- 7 (2) To take charge of, manage, and conduct the educational affairs  
8 of the school corporation and to establish, locate, and provide the  
9 necessary schools, school libraries, other libraries where  
10 permitted by law, other buildings, facilities, property, and  
11 equipment.
- 12 (3) To appropriate from the school corporation's general fund  
13 (before January 1, 2019) or the school corporation's operations  
14 fund (after December 31, 2018) an amount, not to exceed the  
15 greater of three thousand dollars (\$3,000) per budget year or one  
16 dollar (\$1) per pupil, not to exceed twelve thousand five hundred  
17 dollars (\$12,500), based on the school corporation's ADM of the  
18 previous year (as defined in IC 20-43-1-7) to promote the best  
19 interests of the school corporation through:
- 20 (A) the purchase of meals, decorations, memorabilia, or  
21 awards;
- 22 (B) provision for expenses incurred in interviewing job  
23 applicants; or
- 24 (C) developing relations with other governmental units.
- 25 (4) To do the following:
- 26 (A) Acquire, construct, erect, maintain, hold, and contract for  
27 construction, erection, or maintenance of real estate, real estate  
28 improvements, or an interest in real estate or real estate  
29 improvements, as the governing body considers necessary for  
30 school purposes, including buildings, parts of buildings,  
31 additions to buildings, rooms, gymnasiums, auditoriums,  
32 playgrounds, playing and athletic fields, facilities for physical  
33 training, buildings for administrative, office, warehouse, repair  
34 activities, or housing school owned buses, landscaping, walks,  
35 drives, parking areas, roadways, easements and facilities for  
36 power, sewer, water, roadway, access, storm and surface  
37 water, drinking water, gas, electricity, other utilities and  
38 similar purposes, by purchase, either outright for cash (or  
39 under conditional sales or purchase money contracts providing  
40 for a retention of a security interest by the seller until payment  
41 is made or by notes where the contract, security retention, or  
42 note is permitted by applicable law), by exchange, by gift, by



- 1           devise, by eminent domain, by lease with or without option to  
2           purchase, or by lease under IC 20-47-2, IC 20-47-3, or  
3           IC 20-47-5.
- 4           (B) Repair, remodel, remove, or demolish, or to contract for  
5           the repair, remodeling, removal, or demolition of the real  
6           estate, real estate improvements, or interest in the real estate  
7           or real estate improvements, as the governing body considers  
8           necessary for school purposes.
- 9           (C) Provide for conservation measures through utility  
10          efficiency programs or under a guaranteed savings contract as  
11          described in IC 36-1-12.5.
- 12          (5) To acquire personal property or an interest in personal  
13          property as the governing body considers necessary for school  
14          purposes, including buses, motor vehicles, equipment, apparatus,  
15          appliances, books, furniture, and supplies, either by cash purchase  
16          or under conditional sales or purchase money contracts providing  
17          for a security interest by the seller until payment is made or by  
18          notes where the contract, security, retention, or note is permitted  
19          by applicable law, by gift, by devise, by loan, or by lease with or  
20          without option to purchase and to repair, remodel, remove,  
21          relocate, and demolish the personal property. All purchases and  
22          contracts specified under the powers authorized under subdivision  
23          (4) and this subdivision are subject solely to applicable law  
24          relating to purchases and contracting by municipal corporations  
25          in general and to the supervisory control of state agencies as  
26          provided in section 6 of this chapter.
- 27          (6) To sell or exchange real or personal property or interest in real  
28          or personal property that, in the opinion of the governing body, is  
29          not necessary for school purposes, in accordance with IC 20-26-7  
30          **and IC 20-26-7.1**, to demolish or otherwise dispose of the  
31          property if, in the opinion of the governing body, the property is  
32          not necessary for school purposes and is worthless, and to pay the  
33          expenses for the demolition or disposition.
- 34          (7) To lease any school property for a rental that the governing  
35          body considers reasonable or to permit the free use of school  
36          property for:
- 37                  (A) civic or public purposes; or
- 38                  (B) the operation of a school age child care program for  
39                  children who are at least five (5) years of age and less than  
40                  fifteen (15) years of age that operates before or after the school  
41                  day, or both, and during periods when school is not in session;  
42          if the property is not needed for school purposes. Under this



1 subdivision, the governing body may enter into a long term lease  
 2 with a nonprofit corporation, community service organization, or  
 3 other governmental entity, if the corporation, organization, or  
 4 other governmental entity will use the property to be leased for  
 5 civic or public purposes or for a school age child care program.  
 6 However, if payment for the property subject to a long term lease  
 7 is made from money in the school corporation's debt service fund,  
 8 all proceeds from the long term lease must be deposited in the  
 9 school corporation's debt service fund so long as payment for the  
 10 property has not been made. The governing body may, at the  
 11 governing body's option, use the procedure specified in  
 12 IC 36-1-11-10 in leasing property under this subdivision.

13 (8) To do the following:

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

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

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

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

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

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



- 1 of teachers. The compensation, terms of employment, and  
2 discharge of bus drivers are subject to and governed by laws  
3 relating to employment, contracting, compensation, and discharge  
4 of bus drivers.
- 5 (9) Notwithstanding the appropriation limitation in subdivision  
6 (3), when the governing body by resolution considers a trip by an  
7 employee of the school corporation or by a member of the  
8 governing body to be in the interest of the school corporation,  
9 including attending meetings, conferences, or examining  
10 equipment, buildings, and installation in other areas, to permit the  
11 employee to be absent in connection with the trip without any loss  
12 in pay and to reimburse the employee or the member the  
13 employee's or member's reasonable lodging and meal expenses  
14 and necessary transportation expenses. To pay teaching personnel  
15 for time spent in sponsoring and working with school related trips  
16 or activities.
- 17 (10) Subject to IC 20-27-13, to transport children to and from  
18 school, when in the opinion of the governing body the  
19 transportation is necessary, including considerations for the safety  
20 of the children. The transportation must be otherwise in  
21 accordance with applicable law.
- 22 (11) To provide a lunch program for a part or all of the students  
23 attending the schools of the school corporation, including the  
24 establishment of kitchens, kitchen facilities, kitchen equipment,  
25 lunch rooms, the hiring of the necessary personnel to operate the  
26 lunch program, and the purchase of material and supplies for the  
27 lunch program, charging students for the operational costs of the  
28 lunch program, fixing the price per meal or per food item. To  
29 operate the lunch program as an extracurricular activity, subject  
30 to the supervision of the governing body. To participate in a  
31 surplus commodity or lunch aid program.
- 32 (12) To purchase curricular materials, to furnish curricular  
33 materials without cost or to rent curricular materials to students,  
34 and to participate in a curricular materials aid program, all in  
35 accordance with applicable law.
- 36 (13) To accept students transferred from other school corporations  
37 and to transfer students to other school corporations in accordance  
38 with applicable law.
- 39 (14) To make budgets, to appropriate funds, and to disburse the  
40 money of the school corporation in accordance with applicable  
41 law. To borrow money against current tax collections and  
42 otherwise to borrow money, in accordance with IC 20-48-1.



- 1 (15) To purchase insurance or to establish and maintain a  
2 program of self-insurance relating to the liability of the school  
3 corporation or the school corporation's employees in connection  
4 with motor vehicles or property and for additional coverage to the  
5 extent permitted and in accordance with IC 34-13-3-20. To  
6 purchase additional insurance or to establish and maintain a  
7 program of self-insurance protecting the school corporation and  
8 members of the governing body, employees, contractors, or agents  
9 of the school corporation from liability, risk, accident, or loss  
10 related to school property, school contract, school or school  
11 related activity, including the purchase of insurance or the  
12 establishment and maintenance of a self-insurance program  
13 protecting persons described in this subdivision against false  
14 imprisonment, false arrest, libel, or slander for acts committed in  
15 the course of the persons' employment, protecting the school  
16 corporation for fire and extended coverage and other casualty  
17 risks to the extent of replacement cost, loss of use, and other  
18 insurable risks relating to property owned, leased, or held by the  
19 school corporation. In accordance with IC 20-26-17, to:  
20 (A) participate in a state employee health plan under  
21 IC 5-10-8-6.7;  
22 (B) purchase insurance; or  
23 (C) establish and maintain a program of self-insurance;  
24 to benefit school corporation employees, including accident,  
25 sickness, health, or dental coverage, provided that a plan of  
26 self-insurance must include an aggregate stop-loss provision.  
27 (16) To make all applications, to enter into all contracts, and to  
28 sign all documents necessary for the receipt of aid, money, or  
29 property from the state, the federal government, or from any other  
30 source.  
31 (17) To defend a member of the governing body or any employee  
32 of the school corporation in any suit arising out of the  
33 performance of the member's or employee's duties for or  
34 employment with, the school corporation, if the governing body  
35 by resolution determined that the action was taken in good faith.  
36 To save any member or employee harmless from any liability,  
37 cost, or damage in connection with the performance, including the  
38 payment of legal fees, except where the liability, cost, or damage  
39 is predicated on or arises out of the bad faith of the member or  
40 employee, or is a claim or judgment based on the member's or  
41 employee's malfeasance in office or employment.  
42 (18) To prepare, make, enforce, amend, or repeal rules,



- 1 regulations, and procedures:
- 2 (A) for the government and management of the schools,  
3 property, facilities, and activities of the school corporation, the  
4 school corporation's agents, employees, and pupils and for the  
5 operation of the governing body; and
- 6 (B) that may be designated by an appropriate title such as  
7 "policy handbook", "bylaws", or "rules and regulations".
- 8 (19) To ratify and approve any action taken by a member of the  
9 governing body, an officer of the governing body, or an employee  
10 of the school corporation after the action is taken, if the action  
11 could have been approved in advance, and in connection with the  
12 action to pay the expense or compensation permitted under  
13 IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12, and  
14 IC 20-48-1 or any other law.
- 15 (20) To exercise any other power and make any expenditure in  
16 carrying out the governing body's general powers and purposes  
17 provided in this chapter or in carrying out the powers delineated  
18 in this section which is reasonable from a business or educational  
19 standpoint in carrying out school purposes of the school  
20 corporation, including the acquisition of property or the  
21 employment or contracting for services, even though the power or  
22 expenditure is not specifically set out in this chapter. The specific  
23 powers set out in this section do not limit the general grant of  
24 powers provided in this chapter except where a limitation is set  
25 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12,  
26 IC 20-40-18 (after December 31, 2018), and IC 20-48-1 by  
27 specific language or by reference to other law.
- 28 (b) A superintendent hired under subsection (a)(8):
- 29 (1) is not required to hold a teacher's license under IC 20-28-5;  
30 and
- 31 (2) is required to have obtained at least a master's degree from an  
32 accredited postsecondary educational institution.
- 33 SECTION 9. IC 20-26-5-12, AS AMENDED BY P.L.2-2006,  
34 SECTION 118, IS AMENDED TO READ AS FOLLOWS  
35 [EFFECTIVE JULY 1, 2019]: Sec. 12. Except for IC 20-26-4-1,  
36 IC 20-26-4-4, and IC 20-26-4-5, the powers given each school  
37 corporation in IC 20-26-1 through IC 20-26-5, IC 20-26-7,  
38 IC 20-40-12, and IC 20-48-1 and the limitations on those powers set  
39 out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, **IC 20-26-7.1**,  
40 IC 20-40-12, and IC 20-48-1 may not be construed to limit the  
41 authority of the governing body given by any other statute or rule.
- 42 SECTION 10. IC 20-26-5-32.2, AS AMENDED BY P.L.6-2012,



1 SECTION 132, IS AMENDED TO READ AS FOLLOWS  
 2 [EFFECTIVE JULY 1, 2019]: Sec. 32.2. (a) Notwithstanding  
 3 IC 22-2-5-1, a school corporation, **educational service center**, or  
 4 charter school and:

5 (1) an employee if there is no representative described under  
 6 subdivision (2) or (3) for that employee;

7 (2) the exclusive representative of its certificated employees with  
 8 respect to those employees; or

9 (3) a labor organization representing its noncertificated  
 10 employees with respect to those employees;

11 may agree in writing to a wage payment arrangement.

12 (b) A wage payment arrangement under subsection (a) may provide  
 13 that compensation earned during a school year may be paid:

14 (1) using equal installments or any other method; and

15 (2) over:

16 (A) all or part of that school year; or

17 (B) any other period that begins not earlier than the first day of  
 18 that school year and ends not later than thirteen (13) months  
 19 after the wage payment arrangement period begins.

20 Such an arrangement may provide that compensation earned in a  
 21 calendar year is paid in the next calendar year, so long as all the  
 22 compensation is paid within the thirteen (13) month period beginning  
 23 with the first day of the school year.

24 (c) A wage payment arrangement under subsection (a) must be  
 25 structured in such a manner so that it is not considered:

26 (1) a nonqualified deferred compensation plan for purposes of  
 27 Section 409A of the Internal Revenue Code; or

28 (2) deferred compensation for purposes of Section 457(f) of the  
 29 Internal Revenue Code.

30 (d) Absent an agreement under subsection (a), a school corporation,  
 31 **educational service center**, or charter school remains subject to  
 32 IC 22-2-5-1.

33 (e) Wage payments required under a wage payment arrangement  
 34 entered into under subsection (a) are enforceable under IC 22-2-5-2.

35 (f) If an employee leaves employment for any reason, either  
 36 permanently or temporarily, the amount due the employee under  
 37 IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and  
 38 unpaid. If the employment relationship ends at the conclusion of a  
 39 school year, the school corporation, **educational service center**, or  
 40 charter school may pay the employee the remaining wages owed as  
 41 provided in the written wage payment arrangement.

42 (g) Employment with a school corporation, **educational service**



1 **center**, or charter school may not be conditioned upon the acceptance  
2 of a wage payment arrangement under subsection (a).

3 (h) An employee may revoke a wage payment arrangement under  
4 subsection (a) at the beginning of each school year.

5 (i) A wage payment arrangement under this chapter may not contain  
6 any terms beyond those permitted to be bargained under IC 20-29-6-4.

7 SECTION 11. IC 20-26-7-1, AS AMENDED BY P.L.140-2018,  
8 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2019]: Sec. 1. (a) ~~As used in this section, "charter school" has~~  
10 ~~the meaning set forth in IC 20-24-1-4 and includes a group or entity~~  
11 ~~seeking approval from an authorizer to operate a charter school under~~  
12 ~~IC 20-24-3.~~

13 ~~(b) (a)~~ Except as otherwise provided in ~~this section, IC 20-26-7.1,~~  
14 if a governing body of a school corporation determines that any real or  
15 personal property:

16 (1) is no longer needed for school purposes; or

17 (2) should, in the interests of the school corporation, be  
18 exchanged for other property;

19 the governing body may sell or exchange the property in accordance  
20 with IC 36-1-11.

21 ~~(e) (b)~~ Money derived from the sale or exchange of property under  
22 this section shall be placed in the school corporation's operations fund.

23 ~~(d) (c)~~ A governing body may not **enter into a lease agreement or**  
24 **make a covenant** that prohibits the sale of real property to another  
25 educational institution.

26 ~~(e)~~ This subsection does not apply to a school building that on July  
27 ~~1, 2011,~~ is leased or loaned by the school corporation that owns the  
28 school building to another entity; if the entity is not a building  
29 corporation or other entity that is related in any way to, or created by,  
30 the school corporation or the governing body. Except as provided in  
31 subsections (k) through (p), a governing body shall make available for  
32 lease or purchase to any charter school any school building owned by  
33 the school corporation or any other entity that is related in any way to,  
34 or created by, the school corporation or the governing body, including  
35 but not limited to a building corporation; that:

36 (1) either:

37 (A) is not used in whole or in part for classroom instruction at  
38 the time the charter school seeks to lease the building; or

39 (B) appears on the list compiled by the department under  
40 subsection (f); and

41 (2) was previously used for classroom instruction;

42 in order for the charter school to conduct classroom instruction:





1 (f) Not later than August 1 each calendar year, each governing body  
2 shall inform the department if a school building that was previously  
3 used for classroom instruction is closed, unused, or unoccupied. The  
4 department shall maintain a list of closed, unused, or unoccupied  
5 school buildings and make the list available on the department's  
6 Internet web site. Each school corporation shall provide a list of closed,  
7 unused, or unoccupied buildings to the department by the date set by  
8 the department. The department must update the list not later than  
9 fifteen (15) days after being notified of a closed, unused, or unoccupied  
10 building.

11 (g) A school building that appears for the first time on the  
12 department's list under subsection (f) shall be designated as  
13 "Unavailable until (a date two (2) years after the school building first  
14 appears on the list)" if the governing body of the school corporation  
15 that owns the school building indicates to the department, on a form  
16 prescribed by the department, that the school building may be  
17 reclaimed during that period for classroom instruction. If a governing  
18 body does not indicate that a school building may be reclaimed, the  
19 governing body shall designate the school building as "Available" on  
20 the department's list. The governing body may change the designation  
21 of a building from unavailable to available at any time. If the  
22 designation of a school building is "Available" on the department's list,  
23 the governing body of the school corporation that owns the school  
24 building may reclaim the school building for classroom instruction at  
25 any time before the submission of a letter of intent by a charter school  
26 under subsection (h) by indicating to the department, on a form  
27 prescribed by the department, that the school desires to reclaim the  
28 building for classroom instruction. The department shall remove the  
29 school building from the department's list under subsection (f). If a  
30 school building remains unused for classroom instruction one (1) year  
31 after being reclaimed under this subsection, the governing body shall  
32 designate the school building as "Available" on the department's list.  
33 A governing body may reclaim a school building only one (1) time  
34 under this subsection.

35 (h) If a charter school wishes to use a school building on the list  
36 created under subsection (f), the charter school shall send a letter of  
37 intent to the department. Within thirty (30) days after receiving a letter  
38 from a charter school, the department shall notify the school  
39 corporation of the charter school's intent, and, within thirty (30) days  
40 after receiving notification from the department, the school corporation  
41 that owns the school building shall lease the school building to the  
42 charter school for one dollar (\$1) per year for as long as the charter



1 school uses the school building for classroom instruction or for a term  
 2 at the charter school's discretion; or sell the school building to the  
 3 charter school for one dollar (\$1). The charter school must begin to use  
 4 the school building for classroom instruction not later than two (2)  
 5 years after acquiring the school building. If the school building is not  
 6 used for classroom instruction within two (2) years after acquiring the  
 7 school building, the school building shall be placed on the department's  
 8 list under subsection (f). If during the term of the lease the charter  
 9 school closes or ceases using the school building for classroom  
 10 instruction, the school building shall be placed on the department's list  
 11 under subsection (f). If a school building is sold to a charter school  
 12 under this subsection and the charter school or any entity related to the  
 13 charter school subsequently sells or transfers the school building to a  
 14 third party, the charter school or related entity must transfer an amount  
 15 equal to the gain in the property minus the adjusted basis (including  
 16 costs of improvements to the school building) to the school corporation  
 17 that initially sold the vacant school building to the charter school. Gain  
 18 and adjusted basis shall be determined in the manner prescribed by the  
 19 Internal Revenue Code and the applicable Internal Revenue Service  
 20 regulations and guidelines.

21 (i) During the term of a lease under subsection (h), the charter  
 22 school is responsible for the direct expenses related to the school  
 23 building leased, including utilities, insurance, maintenance, repairs,  
 24 and remodeling. The school corporation is responsible for any debt  
 25 incurred for or liens that attached to the school building before the  
 26 charter school leased the school building.

27 (j) With the exception of a waiver provided in this section, when a  
 28 school building is designated as "Available" under subsection (g), the  
 29 school building must remain designated as "Available", unless it is  
 30 reclaimed under subsection (g), and may not be sold or otherwise  
 31 disposed of for at least two (2) years. When the two (2) year period has  
 32 elapsed, the school corporation may sell or otherwise dispose of the  
 33 school building in accordance with IC 36-1-11.

34 (k) Notwithstanding subsection (e), a governing body may request  
 35 a waiver from the department from the requirements of subsection (e).  
 36 In order for a governing body to receive a waiver under subsection (n),  
 37 the governing body must apply to the department, on a form prescribed  
 38 by the department, for the waiver. The application must include a  
 39 statement that the governing body believes that a charter school would  
 40 not be interested in leasing or purchasing the vacant or unused school  
 41 building.

42 (l) If the department receives a waiver request under subsection (k);



1 the department; within five (5) days after receiving the waiver request  
 2 under subsection (k); shall notify each charter school authorizer and  
 3 statewide organization representing charter schools in Indiana by  
 4 certified mail of the waiver request received under subsection (k). The  
 5 notice must include a copy of the governing body's waiver request.

6 (m) Not later than thirty (30) days after a charter school authorizer  
 7 or statewide organization representing charter schools in Indiana  
 8 receives a notice described in subsection (l), the charter school  
 9 authorizer or a statewide organization representing charter schools may  
 10 submit a qualified objection to the governing body's request for a  
 11 waiver under subsection (k). The qualified objection must be submitted  
 12 to the department in writing. In order for an objection to be considered  
 13 a qualified objection by the department, the objection must include:

- 14 (1) the name of the charter school that is interested in leasing or
- 15 purchasing the vacant or unused school building; and
- 16 (2) a time frame, which may not exceed one (1) year from the date
- 17 of the objection, in which the charter school intends to begin
- 18 providing classroom instruction in the vacant or unused school
- 19 building.

20 (n) If the department receives a qualified objection under subsection  
 21 (m), the vacant or unused school building shall remain on the  
 22 department's list under subsection (f) with the designation with which  
 23 the building is listed under subsection (g) at the time the department  
 24 receives the waiver request. If the department does not receive a  
 25 qualified objection, the department shall grant the governing body's  
 26 request for a waiver. A governing body that receives a waiver under  
 27 this subsection may sell or otherwise dispose of the unused or vacant  
 28 school building in accordance with IC 36-1-11.

29 (o) The governing body of the School City of East Chicago school  
 30 corporation may request a waiver from the department from the  
 31 requirements of subsection (e) for the Carrie Gosch Elementary School  
 32 building. If requested, the department shall grant the waiver. To receive  
 33 the waiver, the governing body must apply to the department on a form  
 34 prescribed by the department.

35 (p) An emergency manager of a distressed school corporation under  
 36 IC 6-1.1-20.3 or a fiscally impaired school corporation under  
 37 IC 6-1.1-20.3 may sell an existing school building without complying  
 38 with the requirements of subsection (e).

39 SECTION 12. IC 20-26-7.1 IS ADDED TO THE INDIANA CODE  
 40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2019]:

42 **Chapter 7.1. Transfers of Vacant School Buildings to Charter**



1 **Schools or Neighboring School Corporations.**

2 **Sec. 1. This chapter does not apply to a school building that on**  
 3 **July 1, 2011, is leased or loaned by the school corporation that**  
 4 **owns the school building to another entity, if the entity is not a**  
 5 **building corporation or other entity that is related in any way to,**  
 6 **or created by, the school corporation or the governing body.**

7 **Sec. 2. The following definitions apply throughout this chapter:**

8 **(1) "Charter school" has the meaning set forth in IC 20-24-1-4**  
 9 **and includes an entity that has filed an application with an**  
 10 **authorizer and is seeking approval from the authorizer to**  
 11 **operate a charter school under IC 20-24-3.**

12 **(2) "Neighboring school corporation" refers to a school**  
 13 **corporation that shares a common boundary with the school**  
 14 **corporation that owns a vacant or unused school building**  
 15 **under this chapter.**

16 **Sec. 3. (a) Before a governing body may sell or exchange a**  
 17 **building described in this section in accordance with IC 20-25-4-14,**  
 18 **IC 20-26-5-4(7), or IC 20-26-7-1, and except as provided in**  
 19 **subsections (b), (c), and (d), a governing body shall make available**  
 20 **for lease or purchase to any charter school or neighboring school**  
 21 **corporation any school building owned by the school corporation**  
 22 **or any other entity that is related in any way to, or created by, the**  
 23 **school corporation or the governing body, including but not limited**  
 24 **to a building corporation, that:**

25 **(1) is not used in whole or in part for classroom instruction at**  
 26 **the time the charter school or neighboring school corporation**  
 27 **seeks to lease the building; and**

28 **(2) was previously used for classroom instruction;**

29 **in order for the charter school or neighboring school corporation**  
 30 **to conduct classroom instruction.**

31 **(b) The following are not required to comply with the**  
 32 **requirements provided in section 4 of this chapter:**

33 **(1) A governing body that vacates a school building in order**  
 34 **to renovate or demolish the school building and build a new**  
 35 **school building on the same site as the demolished building.**

36 **(2) An emergency manager of a distressed school corporation**  
 37 **under IC 6-1.1-20.3.**

38 **(3) The governing body of the School City of East Chicago**  
 39 **school corporation for the Carrie Gosch Elementary School**  
 40 **building.**

41 **(c) Notwithstanding subsection (a), a lease entered into by a**  
 42 **governing body under IC 20-26-5-4(7) prior to July 1, 2019, with**



1 an accredited nonpublic school shall remain in full force and effect.  
 2 In addition, the governing body may, during or at the expiration of  
 3 the term of such lease, sell the school building leased under  
 4 IC 20-26-5-4(7) to the nonpublic school at a purchase price  
 5 mutually agreed to by the governing body and the nonpublic  
 6 school.

7 (d) This subsection applies to a vacant or unused school building  
 8 with more than two hundred fifty thousand (250,000) gross square  
 9 feet. A school corporation shall make appropriate space available  
 10 as part of the school corporation's disposition of the school  
 11 building, or to cause the acquirer of the school building to make  
 12 appropriate space available as part of the acquirer's initial  
 13 development of the school building site, for lease by the charter  
 14 school or neighboring school corporation on the real estate  
 15 occupied by the unused or vacant school building at fifty percent  
 16 (50%) or less than the current market rate for similar property. In  
 17 the event that the charter school or neighboring school corporation  
 18 does not enter into a lease for the appropriate space as part of the  
 19 initial development of the school building parcel, the school  
 20 corporation or the acquirer of the school building is not required  
 21 to make the space available for use by another charter school or  
 22 neighboring school corporation.

23 Sec. 4. (a) Not later than ten (10) days after passing a resolution  
 24 or taking other official action to close, no longer use, or no longer  
 25 occupy a school building that was previously used for classroom  
 26 instruction, the governing body shall:

27 (1) notify the department of the official action and the  
 28 effective date that the school building will be closed, no longer  
 29 used, or no longer occupied;

30 (2) make the school building available for inspection by a  
 31 charter school or neighboring school corporation that notifies  
 32 the department that it is interested in leasing or purchasing  
 33 the school building described under section 3 of this chapter;  
 34 and

35 (3) make the following information available to a charter  
 36 school or neighboring school corporation described in  
 37 subdivision (2):

38 (A) Estimates of the operating expenses for the school  
 39 building for the past three (3) years.

40 (B) Written information regarding the condition of the  
 41 building, including the age of the roof and the HVAC  
 42 system, and any known conditions which, in the governing



1           body's opinion, require prompt repair or replacement.

2           (C) A description of the property as shown on the current  
3           tax statement.

4           (b) Within five (5) days of receiving notice under subsection  
5           (a)(1), the department shall provide written notification to each  
6           neighboring school corporation, each charter school authorizer  
7           (excluding school corporation authorizers as defined in  
8           IC 20-24-1-2.5(1)), and statewide organizations representing  
9           charter schools in Indiana of the school corporation's resolution or  
10          official action described in subsection (a), including the date when  
11          the school building will close, no longer be used, or become vacant.

12          (c) A charter school or neighboring school corporation may  
13          lease the school building for one dollar (\$1) per year for as long as  
14          the charter school or neighboring school corporation uses the  
15          school building for classroom instruction or for a term at the  
16          neighboring school corporation or charter school's discretion, or  
17          purchase the school building from the school corporation for one  
18          dollar (\$1), if the charter school or neighboring school corporation  
19          does the following:

20           (1) Within thirty (30) days of receiving the department's  
21           notice under subsection (b), a charter school or neighboring  
22           school corporation must submit a preliminary request to  
23           purchase or lease the school building.

24           (2) Subject to subsection (d), within ninety (90) days of  
25           receiving the department's notice under subsection (b), a  
26           charter school or neighboring school corporation must submit  
27           to the school corporation the following information:

28           (A) The name of the charter school or neighboring school  
29           corporation that is interested in leasing or purchasing the  
30           vacant or unused school building.

31           (B) A time frame, which may not exceed two (2) years from  
32           the date that the school building is to be closed, no longer  
33           used, or no longer occupied, in which the charter school or  
34           neighboring school corporation intends to begin providing  
35           classroom instruction in the vacant or unused school  
36           building.

37           (C) A resolution, adopted by the board of the charter  
38           school or a resolution of the governing body of a  
39           neighboring school corporation stating that the board has  
40           determined that, after the charter school or neighboring  
41           school corporation has made any necessary repairs or  
42           modifications, the school building will be sufficient to meet



1 the neighboring school corporation or charter school's  
 2 needs and can be operated within the neighboring school  
 3 corporation or charter school's budget.

4 **(D)** This clause applies to a vacant or unused school  
 5 building with more than two hundred fifty thousand  
 6 (250,000) gross square feet. In addition to the information  
 7 provided in clauses (A) through (C), a charter school shall  
 8 submit the following:

9 (i) The charter school's projected enrollment when all of  
 10 the grade levels are added.

11 (ii) A letter from the charter school's authorizer or  
 12 prospective authorizer that indicates that the charter  
 13 school's authorizer or prospective authorizer has  
 14 reviewed the items described in clauses (B) through (D)  
 15 and that the projected enrollment of the charter school  
 16 when all of the grade levels are added or fully  
 17 implemented will be fifty percent (50%) or greater than  
 18 the capacity of the school building as validated by the  
 19 state fire marshal.

20 **(d)** If the department does not receive any preliminary requests  
 21 to purchase or lease a school building within the time frame  
 22 described in subsection (c)(1) and except as provided in section 7  
 23 of this chapter, the department shall send notification to the school  
 24 corporation that the department has not received any preliminary  
 25 requests to purchase or lease the school building. Upon receipt of  
 26 the notification under this subsection, the school corporation may  
 27 sell or otherwise dispose of the school building in accordance with  
 28 IC 36-1-11.

29 **(e)** In the event that two (2) or more charter schools submit a  
 30 preliminary request to purchase or lease a charter school within  
 31 the time frame described in subsection (c)(1), the department shall  
 32 send notification to an authorizer described in IC 20-24-1-2.5(3)  
 33 and each statewide charter school authorizer and statewide  
 34 organization representing charter schools in Indiana (excluding  
 35 school corporation authorizers as defined in IC 20-24-1-2.5(1)) and  
 36 the school corporation that the department has received two (2) or  
 37 more preliminary requests under this section. An authorizer  
 38 committee shall be established, with each statewide authorizer  
 39 appointing a representative, with the committee to establish the  
 40 chair person, and procedures for the committee. Within sixty (60)  
 41 days of receiving notice under this subsection, the committee shall  
 42 select which charter school may proceed to purchase or lease the



1 school building or determine if two (2) or more charter schools  
 2 should co-locate within the school building. In the event that the  
 3 committee determines that two (2) or more charter schools should  
 4 co-locate in the school building, the charter school or charter  
 5 schools have sixty (60) days to submit a memorandum of  
 6 understanding stating that the charter schools shall be jointly and  
 7 severally liable for the obligations related to the sale or lease of the  
 8 school building, and specifying how the charter schools will utilize  
 9 the school building and share responsibility for operational,  
 10 maintenance, and renovation expenses.

11 (f) A school corporation shall lease the school building for one  
 12 dollar (\$1) per year for as long as the charter school or  
 13 neighboring school corporation uses the school building for  
 14 classroom instruction or for a term at the neighboring school  
 15 corporation or charter school's discretion, or sell the school  
 16 building to the charter school or neighboring school corporation  
 17 for one dollar (\$1), if the charter school or neighboring school  
 18 corporation has met the requirements set forth in subsection (c). If  
 19 a charter school or neighboring school corporation has not met the  
 20 requirements under subsection (c), the school corporation may,  
 21 subject to section 7 of this chapter, sell or otherwise dispose of the  
 22 school building in accordance with IC 36-1-11.

23 Sec. 5. (a) If a school building is sold to a charter school or  
 24 neighboring school corporation under section 4 of this chapter and  
 25 the neighboring school corporation, charter school, or any entity  
 26 related to the neighboring school corporation or charter school  
 27 subsequently sells or transfers the school building to a third party,  
 28 the charter school, neighboring school corporation, or related  
 29 entity must transfer an amount equal to the gain in the property  
 30 minus the adjusted basis (including costs of improvements to the  
 31 school building) to the school corporation that initially sold the  
 32 vacant school building to the charter school. Gain and adjusted  
 33 basis shall be determined in the manner prescribed by the Internal  
 34 Revenue Code and the applicable Internal Revenue Service  
 35 regulations and guidelines.

36 (b) In the event a charter school or neighboring school  
 37 corporation does not use the school building for classroom  
 38 instruction within two (2) years after acquiring the school building,  
 39 the school building shall revert to the school corporation, which  
 40 may sell or otherwise dispose of the school building under  
 41 IC 36-1-11.

42 Sec. 6. During the term of a lease under section 4 of this chapter,





1 the charter school or neighboring school corporation is responsible  
 2 for the direct expenses related to the school building leased,  
 3 including utilities, insurance, maintenance, repairs, and  
 4 remodeling. The school corporation is responsible for any debt  
 5 incurred for or liens that attached to the school building before the  
 6 charter school or neighboring school corporation leased the school  
 7 building.

8 **Sec. 7. Notwithstanding IC 36-1-11, if the school corporation**  
 9 **does receive notification from the department that the department**  
 10 **has not received any preliminary requests to purchase or lease a**  
 11 **vacant or unused school building under section 4(c)(1) of this**  
 12 **chapter or a charter school or neighboring school corporation has**  
 13 **not met the requirements under section 4(c)(2) or 4(e) of this**  
 14 **chapter, the school corporation must sell a vacant school building**  
 15 **to a nonpublic school, postsecondary educational institution, or**  
 16 **nonprofit organization that sends a letter of intent to the school**  
 17 **corporation to purchase the vacant or unused school building for**  
 18 **an amount not more than the fair market value of the vacant or**  
 19 **unused school building determined in accordance with IC 36-1-11.**  
 20 **The nonpublic school, postsecondary educational institution, or**  
 21 **nonprofit organization must submit its letter of intent to purchase**  
 22 **the school building within thirty (30) days of the date the school**  
 23 **corporation passing a resolution or taking other official action to**  
 24 **close, no longer use, or no longer occupy a school building that was**  
 25 **previously used for classroom instruction. However, in the event**  
 26 **that a charter school or neighboring school corporation has**  
 27 **submitted a preliminary request to purchase or lease a school**  
 28 **building, the nonpublic school, postsecondary educational**  
 29 **institution, or nonprofit organization may send a letter of intent to**  
 30 **purchase or lease the school building within ninety (90) days of the**  
 31 **date that the school corporation passed a resolution or took official**  
 32 **action to close, no longer use, or no longer occupy a school**  
 33 **building.**

34 **Sec. 8. If a school corporation does not comply with the**  
 35 **requirements provided in this chapter, the school corporation shall**  
 36 **submit any proceeds from the sale of the vacant school building to**  
 37 **the state board to provide grants under the charter school and**  
 38 **innovation grant program under IC 20-24-13.**

39 SECTION 13. IC 20-26-16-1, AS ADDED BY P.L.132-2007,  
 40 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2019]: Sec. 1. This chapter applies to a school corporation,  
 42 including a school city (as defined in IC 20-25-2-12) **and a charter**



1 **school.**

2 SECTION 14. IC 20-26-16-2, AS ADDED BY P.L.132-2007,  
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2019]: Sec. 2. The governing body of a school corporation **or**  
5 **charter school** may establish a school corporation **or charter school**  
6 police department under this chapter.

7 SECTION 15. IC 20-26-16-3, AS ADDED BY P.L.132-2007,  
8 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2019]: Sec. 3. The governing body of a school corporation **or**  
10 **the equivalent for a charter school** may do the following for the  
11 school corporation **or charter school** police department:

- 12 (1) Appoint school corporation **or charter school** police officers.  
13 (2) Prescribe the duties and direct the conduct of school  
14 corporation **or charter school** police officers.  
15 (3) Prescribe distinctive uniforms.  
16 (4) Provide emergency vehicles.

17 SECTION 16. IC 20-26-16-4, AS ADDED BY P.L.132-2007,  
18 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 JULY 1, 2019]: Sec. 4. An individual appointed as a school corporation  
20 **or charter school** police officer must successfully complete at least:

- 21 (1) the pre-basic training course established under IC 5-2-1-9(f);  
22 and  
23 (2) the minimum basic training and educational requirements  
24 adopted by the law enforcement training board under IC 5-2-1-9  
25 as necessary for employment as a law enforcement officer.

26 SECTION 17. IC 20-26-16-5, AS ADDED BY P.L.132-2007,  
27 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2019]: Sec. 5. (a) Notwithstanding section 4 of this chapter  
29 and IC 5-2-1-9, an individual appointed as a school corporation police  
30 officer before July 1, 2007, must complete, not later than July 1, 2010,  
31 at least:

- 32 (1) the pre-basic training course established under IC 5-2-1-9(f);  
33 and  
34 (2) the minimum basic training and educational requirements  
35 adopted by the law enforcement training board under IC 5-2-1-9  
36 as necessary for employment as a law enforcement officer.

37 (b) As set forth in IC 5-2-1-9, an individual appointed as a school  
38 corporation **or charter school** police officer may not:

- 39 (1) make an arrest;  
40 (2) conduct a search or a seizure of a person or property; or  
41 (3) carry a firearm;

42 unless the school corporation **or charter school** police officer



1 successfully completes a pre-basic training course under IC 5-2-1-9(f).

2 SECTION 18. IC 20-26-16-6, AS ADDED BY P.L.132-2007,  
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2019]: Sec. 6. (a) A school corporation **or charter school**  
5 police officer appointed under this chapter:

6 (1) is a law enforcement officer (as defined in IC 5-2-1-2(1));

7 (2) must take an appropriate oath of office in a form and manner  
8 prescribed by the governing body **or the equivalent for a charter**  
9 **school;**

10 (3) serves at the governing body's (**or the equivalent for a**  
11 **charter school**) pleasure; and

12 (4) performs the duties that the governing body **or the equivalent**  
13 **for a charter school** assigns.

14 (b) School corporation **or charter school** police officers appointed  
15 under this chapter have general police powers, including the power to  
16 arrest, without process, all persons who within their view commit any  
17 offense. They have the same common law and statutory powers,  
18 privileges, and immunities as sheriffs and constables, except that they  
19 are empowered to serve civil process only to the extent authorized by  
20 the employing governing body **or the equivalent for a school**  
21 **corporation;** however, any powers may be expressly forbidden them  
22 by the governing body (**or the equivalent for a charter school**)  
23 employing them. In addition to any other powers or duties, such police  
24 officers shall enforce and assist the educators and administrators of  
25 their school corporation **or charter school** in the enforcement of the  
26 rules and regulations of the school corporation **or charter school** and  
27 assist and cooperate with other law enforcement agencies and officers.

28 (c) Such police officers may exercise the powers granted under this  
29 section only upon any property owned, leased, or occupied by the  
30 school corporation **or charter school**, including the streets passing  
31 through and adjacent to the property. Additional jurisdiction may be  
32 established by agreement with the chief of police of the municipality  
33 or sheriff of the county or the appropriate law enforcement agency  
34 where the property is located, dependent upon the jurisdiction  
35 involved.

36 SECTION 19. IC 20-27-9-2, AS ADDED BY P.L.1-2005,  
37 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
38 JULY 1, 2019]: Sec. 2. The governing body of a school corporation  
39 may allow, by written authorization, the use of a school bus **or a**  
40 **special purpose bus** for the transportation of adults at least sixty-five  
41 (65) years of age **or disabled adults.**

42 SECTION 20. IC 20-27-9-5, AS AMENDED BY P.L.228-2017,



1 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2019]: Sec. 5. (a) A special purpose bus may be used:

3 (1) by a school corporation to provide regular transportation of a  
4 student between one (1) school and another school but not  
5 between the student's residence and the school;

6 (2) to transport students and their supervisors, including coaches,  
7 managers, and sponsors to athletic or other extracurricular school  
8 activities and field trips;

9 (3) by a school corporation to provide transportation between an  
10 individual's residence and the school for an individual enrolled in  
11 a special program for the habilitation or rehabilitation of persons  
12 with a developmental or physical disability, and, if applicable, the  
13 individual's sibling; ~~and~~

14 (4) to transport homeless students under IC 20-27-12; **and**

15 **(5) to transport adults under section 2 of this chapter.**

16 (b) The mileage limitation of section 3 of this chapter does not apply  
17 to special purpose buses.

18 (c) The operator of a special purpose bus must be at least  
19 twenty-one (21) years of age, be authorized by the school corporation,  
20 and meet the following requirements:

21 (1) If the special purpose bus has a capacity of less than sixteen  
22 (16) passengers, the operator must hold a valid:

23 (A) operator's;

24 (B) chauffeur's;

25 (C) public passenger chauffeur's; or

26 (D) commercial driver's;

27 license.

28 (2) If the special purpose bus has a capacity of more than fifteen  
29 (15) passengers, the operator must meet the requirements for a  
30 school bus driver set out in IC 20-27-8.

31 (d) A special purpose bus is not required to be constructed,  
32 equipped, or painted as specified for school buses under this article or  
33 by the rules of the committee.

34 (e) An owner or operator of a special purpose bus, other than a  
35 special purpose bus owned or operated by a school corporation or a  
36 nonpublic school, is subject to IC 8-2.1.

37 SECTION 21. IC 20-31-9-9, AS ADDED BY P.L.33-2014,  
38 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2019]: Sec. 9. (a) Not later than December 31 of the fifth year  
40 of an intervention under this chapter, the state board shall take one (1)  
41 of the following actions:

42 (1) Return the school to the school corporation for operation.

**HB 1641—LS 7242/DI 116**



- 1 (2) Direct the special management team to apply to a charter  
 2 school authorizer for charter school status for the school.
- 3 (3) Implement a new intervention under section 4(b) of this  
 4 chapter.
- 5 (b) In making a determination under this section, the state board  
 6 may consider all relevant factors, including the overall performance of  
 7 the school corporation and the special management team.
- 8 (c) Before making a final determination to take an action under  
 9 subsection (a), the state board shall hold at least one (1) public hearing  
 10 in the school corporation in which the school is located during the fall  
 11 semester of the fifth year of an intervention to consider and hear  
 12 testimony.
- 13 (d) If the state board directs the special management team to apply  
 14 for charter school status under subsection (a)(2), the school is entitled  
 15 to continue to use the school's facilities in the same manner as a charter  
 16 school that acquires school facilities under ~~IC 20-26-7-1~~ **IC 20-26-7.1**  
 17 is entitled to use school facilities.
- 18 SECTION 22. IC 20-35-3-1, AS AMENDED BY P.L.2-2007,  
 19 SECTION 232, IS AMENDED TO READ AS FOLLOWS  
 20 [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) The state superintendent shall  
 21 appoint a state advisory council on the education of children with  
 22 disabilities. The state advisory council's duties consist of providing  
 23 policy guidance concerning special education and related services for  
 24 children with disabilities. The state superintendent shall appoint at least  
 25 seventeen (17) members who serve for a term of four (4) years.  
 26 Vacancies shall be filled in the same manner for the unexpired balance  
 27 of the term.
- 28 (b) The members of the state advisory council must be:  
 29 (1) citizens of Indiana;  
 30 (2) representative of the state's population; and  
 31 (3) selected on the basis of their involvement in or concern with  
 32 the education of children with disabilities.
- 33 (c) A majority of the members of the state advisory council must be  
 34 individuals with disabilities or the parents of children with disabilities.  
 35 Members must include the following:  
 36 (1) Parents of children with disabilities.  
 37 (2) Individuals with disabilities.  
 38 (3) Teachers.  
 39 (4) Representatives of postsecondary educational institutions that  
 40 prepare special education and related services personnel.  
 41 (5) State and local education officials.  
 42 (6) Administrators of programs for children with disabilities.



- 1 (7) Representatives of state agencies involved in the financing or
- 2 delivery of related services to children with disabilities, including
- 3 the following:
- 4 (A) The commissioner of the state department of health or the
- 5 commissioner's designee.
- 6 (B) The director of the division of disability and rehabilitative
- 7 services or the director's designee.
- 8 (C) The director of the division of mental health and addiction
- 9 or the director's designee.
- 10 (D) The director of the department of child services or the
- 11 director's designee.
- 12 (8) Representatives of nonpublic schools and freeway schools.
- 13 (9) One (1) or more representatives of vocational, community, or
- 14 business organizations concerned with the provision of
- 15 transitional services to children with disabilities.
- 16 (10) Representatives of the department of correction.
- 17 (11) A representative from each of the following:
- 18 (A) The Indiana School for the Blind and Visually Impaired
- 19 board.
- 20 (B) The Indiana School for the Deaf board.
- 21 **(12) A representative from the Arc of Indiana.**
- 22 (d) The responsibilities of the state advisory council are as follows:
- 23 (1) To advise the state superintendent and the state board
- 24 regarding all rules pertaining to children with disabilities.
- 25 (2) To recommend approval or rejection of completed
- 26 comprehensive plans submitted by school corporations acting
- 27 individually or on a joint school services program basis with other
- 28 corporations.
- 29 (3) To advise the department of unmet needs within Indiana in the
- 30 education of children with disabilities.
- 31 (4) To provide public comment on rules proposed by the state
- 32 board regarding the education of children with disabilities.
- 33 (5) To advise the department in developing evaluations and
- 34 reporting data to the United States Secretary of Education under
- 35 20 U.S.C. 1418.
- 36 (6) To advise the department in developing corrective action
- 37 plans to address findings identified in federal monitoring reports
- 38 under 20 U.S.C. 1400 et seq.
- 39 (7) To advise the department in developing and implementing
- 40 policies related to the coordination of services for children with
- 41 disabilities.
- 42 (e) The state advisory council shall do the following:



- 1 (1) Organize with a chairperson selected by the state  
2 superintendent.
- 3 (2) Meet as often as necessary to conduct the council's business  
4 at the call of the chairperson, upon ten (10) days written notice,  
5 but not less than four (4) times a year.
- 6 (f) Members of the state advisory council are entitled to reasonable  
7 amounts for expenses necessarily incurred in the performance of their  
8 duties.
- 9 (g) The state superintendent shall do the following:
- 10 (1) Designate the director to act as executive secretary of the state  
11 advisory council.
- 12 (2) Furnish all professional and clerical assistance necessary for  
13 the performance of the state advisory council's powers and duties.
- 14 (h) The affirmative votes of a majority of the members appointed to  
15 the state advisory council are required for the state advisory council to  
16 take action.
- 17 SECTION 23. IC 36-1-11-1, AS AMENDED BY P.L.286-2013,  
18 SECTION 128, IS AMENDED TO READ AS FOLLOWS  
19 [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) Except as provided in  
20 subsection (b), this chapter applies to the disposal of property by:
- 21 (1) political subdivisions; and  
22 (2) agencies of political subdivisions.
- 23 (b) This chapter does not apply to the following:
- 24 (1) The disposal of property under an urban homesteading  
25 program under IC 36-7-17 or IC 36-7-17.1.  
26 (2) The lease of school buildings under IC 20-47.  
27 (3) The sale of land to a lessor in a lease-purchase contract under  
28 IC 36-1-10.  
29 (4) The disposal of property by a redevelopment commission  
30 established under IC 36-7.  
31 (5) The leasing of property by a board of aviation commissioners  
32 established under IC 8-22-2 or an airport authority established  
33 under IC 8-22-3.  
34 (6) The disposal of a municipally owned utility under IC 8-1.5.  
35 (7) **Except as provided in sections 5.5 and 5.6 of this chapter,**  
36 the sale or lease of property by a unit to an Indiana nonprofit  
37 corporation organized for educational, literary, scientific,  
38 religious, or charitable purposes that is exempt from federal  
39 income taxation under Section 501 of the Internal Revenue Code  
40 or the sale or reletting of that property by the nonprofit  
41 corporation.  
42 (8) The disposal of surplus property by a hospital established and



- 1 operated under IC 16-22-1 through IC 16-22-5, IC 16-22-8,  
 2 IC 16-23-1, or IC 16-24-1.
- 3 (9) The sale or lease of property acquired under IC 36-7-13 for  
 4 industrial development.
- 5 (10) The sale, lease, or disposal of property by a local hospital  
 6 authority under IC 5-1-4.
- 7 (11) The sale or other disposition of property by a county or  
 8 municipality to finance housing under IC 5-20-2.
- 9 (12) The disposition of property by a soil and water conservation  
 10 district under IC 14-32.
- 11 (13) The sale, lease, or disposal of property by the health and  
 12 hospital corporation established and operated under IC 16-22-8.
- 13 (14) The disposal of personal property by a library board under  
 14 IC 36-12-3-5(c).
- 15 (15) The sale or disposal of property by the historic preservation  
 16 commission under IC 36-7-11.1.
- 17 (16) The disposal of an interest in property by a housing authority  
 18 under IC 36-7-18.
- 19 (17) The disposal of property under IC 36-9-37-26.
- 20 (18) The disposal of property used for park purposes under  
 21 IC 36-10-7-8.
- 22 (19) The disposal of curricular materials that will no longer be  
 23 used by school corporations under IC 20-26-12.
- 24 (20) The disposal of residential structures or improvements by a  
 25 municipal corporation without consideration to:
- 26 (A) a governmental entity; or
- 27 (B) a nonprofit corporation that is organized to expand the  
 28 supply or sustain the existing supply of good quality,  
 29 affordable housing for residents of Indiana having low or  
 30 moderate incomes.
- 31 (21) The disposal of historic property without consideration to a  
 32 nonprofit corporation whose charter or articles of incorporation  
 33 allows the corporation to take action for the preservation of  
 34 historic property. As used in this subdivision, "historic property"  
 35 means property that is:
- 36 (A) listed on the National Register of Historic Places; or
- 37 (B) eligible for listing on the National Register of Historic  
 38 Places, as determined by the division of historic preservation  
 39 and archeology of the department of natural resources.
- 40 (22) The disposal of real property without consideration to:
- 41 (A) a governmental agency; or
- 42 (B) a nonprofit corporation that exists for the primary purpose





1           of enhancing the environment;  
2           when the property is to be used for compliance with a permit or  
3           an order issued by a federal or state regulatory agency to mitigate  
4           an adverse environmental impact.  
5           (23) The disposal of property to a person under an agreement  
6           between the person and a political subdivision or an agency of a  
7           political subdivision under IC 5-23.  
8           (24) The disposal of residential real property pursuant to a federal  
9           aviation regulation (14 CFR 150) Airport Noise Compatibility  
10          Planning Program as approved by the Federal Aviation  
11          Administration.



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1641, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 11, strike "and".

Page 4, line 16, delete "." and insert "; and".

Page 4, between lines 16 and 17, begin a new line block indented and insert:

**"(6) allow each student who attends a charter school that is co-located with the charter school to receive preference for admission to the charter school if the preference is specifically provided for in the charter school's charter and is approved by the charter school's authorizer."**

Page 4, delete lines 41 through 42.

Page 5, delete lines 1 through 21.

Page 13, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 11. IC 20-26-5-32.2, AS AMENDED BY P.L.6-2012, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 32.2. (a) Notwithstanding IC 22-2-5-1, a school corporation, **educational service center**, or charter school and:

- (1) an employee if there is no representative described under subdivision (2) or (3) for that employee;
- (2) the exclusive representative of its certificated employees with respect to those employees; or
- (3) a labor organization representing its noncertificated employees with respect to those employees;

may agree in writing to a wage payment arrangement.

(b) A wage payment arrangement under subsection (a) may provide that compensation earned during a school year may be paid:

- (1) using equal installments or any other method; and
- (2) over:

(A) all or part of that school year; or

(B) any other period that begins not earlier than the first day of that school year and ends not later than thirteen (13) months after the wage payment arrangement period begins.

Such an arrangement may provide that compensation earned in a calendar year is paid in the next calendar year, so long as all the compensation is paid within the thirteen (13) month period beginning with the first day of the school year.



(c) A wage payment arrangement under subsection (a) must be structured in such a manner so that it is not considered:

- (1) a nonqualified deferred compensation plan for purposes of Section 409A of the Internal Revenue Code; or
- (2) deferred compensation for purposes of Section 457(f) of the Internal Revenue Code.

(d) Absent an agreement under subsection (a), a school corporation, **educational service center**, or charter school remains subject to IC 22-2-5-1.

(e) Wage payments required under a wage payment arrangement entered into under subsection (a) are enforceable under IC 22-2-5-2.

(f) If an employee leaves employment for any reason, either permanently or temporarily, the amount due the employee under IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and unpaid. If the employment relationship ends at the conclusion of a school year, the school corporation, **educational service center**, or charter school may pay the employee the remaining wages owed as provided in the written wage payment arrangement.

(g) Employment with a school corporation, **educational service center**, or charter school may not be conditioned upon the acceptance of a wage payment arrangement under subsection (a).

(h) An employee may revoke a wage payment arrangement under subsection (a) at the beginning of each school year.

(i) A wage payment arrangement under this chapter may not contain any terms beyond those permitted to be bargained under IC 20-29-6-4."

Page 13, line 34, after "not" insert "**enter into a lease agreement or**".

Page 17, delete lines 7 through 42, begin a new paragraph and insert:

"SECTION 12. IC 20-26-7.1 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2019]:

**Chapter 7.1. Transfers of Vacant School Buildings to Charter Schools or Neighboring School Corporations.**

**Sec. 1. This chapter does not apply to a school building that on July 1, 2011, is leased or loaned by the school corporation that owns the school building to another entity, if the entity is not a building corporation or other entity that is related in any way to, or created by, the school corporation or the governing body.**

**Sec. 2. The following definitions apply throughout this chapter:**

- (1) "Charter school" has the meaning set forth in IC 20-24-1-4



and includes an entity that has filed an application with an authorizer and is seeking approval from the authorizer to operate a charter school under IC 20-24-3.

(2) "Neighboring school corporation" refers to a school corporation that shares a common boundary with the school corporation that owns a vacant or unused school building under this chapter.

**Sec. 3. (a)** Before a governing body may sell or exchange a building described in this section in accordance with IC 20-25-4-14, IC 20-26-5-4(7), or IC 20-26-7-1, and except as provided in subsections (b), (c), and (d), a governing body shall make available for lease or purchase to any charter school or neighboring school corporation any school building owned by the school corporation or any other entity that is related in any way to, or created by, the school corporation or the governing body, including but not limited to a building corporation, that:

(1) is not used in whole or in part for classroom instruction at the time the charter school or neighboring school corporation seeks to lease the building; and

(2) was previously used for classroom instruction;

in order for the charter school or neighboring school corporation to conduct classroom instruction.

(b) The following are not required to comply with the requirements provided in section 4 of this chapter:

(1) A governing body that vacates a school building in order to renovate or demolish the school building and build a new school building on the same site as the demolished building.

(2) An emergency manager of a distressed school corporation under IC 6-1.1-20.3.

(3) The governing body of the School City of East Chicago school corporation for the Carrie Gosch Elementary School building.

(c) Notwithstanding subsection (a), a lease entered into by a governing body under IC 20-26-5-4(7) prior to July 1, 2019, with an accredited nonpublic school shall remain in full force and effect. In addition, the governing body may, during or at the expiration of the term of such lease, sell the school building leased under IC 20-26-5-4(7) to the nonpublic school at a purchase price mutually agreed to by the governing body and the nonpublic school.

(d) This subsection applies to a vacant or unused school building with more than two hundred fifty thousand (250,000) gross square



feet. A school corporation shall make appropriate space available as part of the school corporation's disposition of the school building, or to cause the acquirer of the school building to make appropriate space available as part of the acquirer's initial development of the school building site, for lease by the charter school or neighboring school corporation on the real estate occupied by the unused or vacant school building at fifty percent (50%) or less than the current market rate for similar property. In the event that the charter school or neighboring school corporation does not enter into a lease for the appropriate space as part of the initial development of the school building parcel, the school corporation or the acquirer of the school building is not required to make the space available for use by another charter school or neighboring school corporation.

**Sec. 4. (a)** Not later than ten (10) days after passing a resolution or taking other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction, the governing body shall:

- (1) notify the department of the official action and the effective date that the school building will be closed, no longer used, or no longer occupied;
- (2) make the school building available for inspection by a charter school or neighboring school corporation that notifies the department that it is interested in leasing or purchasing the school building described under section 3 of this chapter; and
- (3) make the following information available to a charter school or neighboring school corporation described in subdivision (2):
  - (A) Estimates of the operating expenses for the school building for the past three (3) years.
  - (B) Written information regarding the condition of the building, including the age of the roof and the HVAC system, and any known conditions which, in the governing body's opinion, require prompt repair or replacement.
  - (C) A description of the property as shown on the current tax statement.

(b) Within five (5) days of receiving notice under subsection (a)(1), the department shall provide written notification to each neighboring school corporation, each charter school authorizer (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)), and statewide organizations representing



charter schools in Indiana of the school corporation's resolution or official action described in subsection (a), including the date when the school building will close, no longer be used, or become vacant.

(c) A charter school or neighboring school corporation may lease the school building for one dollar (\$1) per year for as long as the charter school or neighboring school corporation uses the school building for classroom instruction or for a term at the neighboring school corporation or charter school's discretion, or purchase the school building from the school corporation for one dollar (\$1), if the charter school or neighboring school corporation does the following:

(1) Within thirty (30) days of receiving the department's notice under subsection (b), a charter school or neighboring school corporation must submit a preliminary request to purchase or lease the school building.

(2) Subject to subsection (d), within ninety (90) days of receiving the department's notice under subsection (b), a charter school or neighboring school corporation must submit to the school corporation the following information:

(A) The name of the charter school or neighboring school corporation that is interested in leasing or purchasing the vacant or unused school building.

(B) A time frame, which may not exceed two (2) years from the date that the school building is to be closed, no longer used, or no longer occupied, in which the charter school or neighboring school corporation intends to begin providing classroom instruction in the vacant or unused school building.

(C) A resolution, adopted by the board of the charter school or a resolution of the governing body of a neighboring school corporation stating that the board has determined that, after the charter school or neighboring school corporation has made any necessary repairs or modifications, the school building will be sufficient to meet the neighboring school corporation or charter school's needs and can be operated within the neighboring school corporation or charter school's budget.

(D) This clause applies to a vacant or unused school building with more than two hundred fifty thousand (250,000) gross square feet. In addition to the information provided in clauses (A) through (C), a charter school shall submit the following:



(i) The charter school's projected enrollment when all of the grade levels are added.

(ii) A letter from the charter school's authorizer or prospective authorizer that indicates that the charter school's authorizer or prospective authorizer has reviewed the items described in clauses (B) through (D) and that the projected enrollment of the charter school when all of the grade levels are added or fully implemented will be fifty percent (50%) or greater than the capacity of the school building as validated by the state fire marshal.

(d) If the department does not receive any preliminary requests to purchase or lease a school building within the time frame described in subsection (c)(1) and except as provided in section 7 of this chapter, the department shall send notification to the school corporation that the department has not received any preliminary requests to purchase or lease the school building. Upon receipt of the notification under this subsection, the school corporation may sell or otherwise dispose of the school building in accordance with IC 36-1-11.

(e) In the event that two (2) or more charter schools submit a preliminary request to purchase or lease a charter school within the time frame described in subsection (c)(1), the department shall send notification to an authorizer described in IC 20-24-1-2.5(3) and each statewide charter school authorizer and statewide organization representing charter schools in Indiana (excluding school corporation authorizers as defined in IC 20-24-1-2.5(1)) and the school corporation that the department has received two (2) or more preliminary requests under this section. An authorizer committee shall be established, with each statewide authorizer appointing a representative, with the committee to establish the chair person, and procedures for the committee. Within sixty (60) days of receiving notice under this subsection, the committee shall select which charter school may proceed to purchase or lease the school building or determine if two (2) or more charter schools should co-locate within the school building. In the event that the committee determines that two (2) or more charter schools should co-locate in the school building, the charter school or charter schools have sixty (60) days to submit a memorandum of understanding stating that the charter schools shall be jointly and severally liable for the obligations related to the sale or lease of the school building, and specifying how the charter schools will utilize



the school building and share responsibility for operational, maintenance, and renovation expenses.

(f) A school corporation shall lease the school building for one dollar (\$1) per year for as long as the charter school or neighboring school corporation uses the school building for classroom instruction or for a term at the neighboring school corporation or charter school's discretion, or sell the school building to the charter school or neighboring school corporation for one dollar (\$1), if the charter school or neighboring school corporation has met the requirements set forth in subsection (c). If a charter school or neighboring school corporation has not met the requirements under subsection (c), the school corporation may, subject to section 7 of this chapter, sell or otherwise dispose of the school building in accordance with IC 36-1-11.

Sec. 5. (a) If a school building is sold to a charter school or neighboring school corporation under section 4 of this chapter and the neighboring school corporation, charter school, or any entity related to the neighboring school corporation or charter school subsequently sells or transfers the school building to a third party, the charter school, neighboring school corporation, or related entity must transfer an amount equal to the gain in the property minus the adjusted basis (including costs of improvements to the school building) to the school corporation that initially sold the vacant school building to the charter school. Gain and adjusted basis shall be determined in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service regulations and guidelines.

(b) In the event a charter school or neighboring school corporation does not use the school building for classroom instruction within two (2) years after acquiring the school building, the school building shall revert to the school corporation, which may sell or otherwise dispose of the school building under IC 36-1-11.

Sec. 6. During the term of a lease under section 4 of this chapter, the charter school or neighboring school corporation is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. The school corporation is responsible for any debt incurred for or liens that attached to the school building before the charter school or neighboring school corporation leased the school building.

Sec. 7. Notwithstanding IC 36-1-11, if the school corporation





does receive notification from the department that the department has not received any preliminary requests to purchase or lease a vacant or unused school building under section 4(c)(1) of this chapter or a charter school or neighboring school corporation has not met the requirements under section 4(c)(2) or 4(e) of this chapter, the school corporation must sell a vacant school building to a nonpublic school, postsecondary educational institution, or nonprofit organization that sends a letter of intent to the school corporation to purchase the vacant or unused school building for an amount not more than the fair market value of the vacant or unused school building determined in accordance with IC 36-1-11. The nonpublic school, postsecondary educational institution, or nonprofit organization must submit its letter of intent to purchase the school building within thirty (30) days of the date the school corporation passing a resolution or taking other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction. However, in the event that a charter school or neighboring school corporation has submitted a preliminary request to purchase or lease a school building, the nonpublic school, postsecondary educational institution, or nonprofit organization may send a letter of intent to purchase or lease the school building within ninety (90) days of the date that the school corporation passed a resolution or took official action to close, no longer use, or no longer occupy a school building.

**Sec. 8. If a school corporation does not comply with the requirements provided in this chapter, the school corporation shall submit any proceeds from the sale of the vacant school building to the state board to provide grants under the charter school and innovation grant program under IC 20-24-13."**

Delete pages 18 through 20.

Page 21, delete lines 1 through 19.

Page 21, between lines 19 and 20, begin a new paragraph and insert:  
**"SECTION 13. IC 20-26-16-1, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. This chapter applies to a school corporation, including a school city (as defined in IC 20-25-2-12) and a charter school.**

**SECTION 14. IC 20-26-16-2, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. The governing body of a school corporation or charter school may establish a school corporation or charter school**



police department under this chapter.

SECTION 15. IC 20-26-16-3, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. The governing body of a school corporation **or the equivalent for a charter school** may do the following for the school corporation **or charter school** police department:

- (1) Appoint school corporation **or charter school** police officers.
- (2) Prescribe the duties and direct the conduct of school corporation **or charter school** police officers.
- (3) Prescribe distinctive uniforms.
- (4) Provide emergency vehicles.

SECTION 16. IC 20-26-16-4, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. An individual appointed as a school corporation **or charter school** police officer must successfully complete at least:

- (1) the pre-basic training course established under IC 5-2-1-9(f); and
- (2) the minimum basic training and educational requirements adopted by the law enforcement training board under IC 5-2-1-9 as necessary for employment as a law enforcement officer.

SECTION 17. IC 20-26-16-5, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) Notwithstanding section 4 of this chapter and IC 5-2-1-9, an individual appointed as a school corporation police officer before July 1, 2007, must complete, not later than July 1, 2010, at least:

- (1) the pre-basic training course established under IC 5-2-1-9(f); and
- (2) the minimum basic training and educational requirements adopted by the law enforcement training board under IC 5-2-1-9 as necessary for employment as a law enforcement officer.

(b) As set forth in IC 5-2-1-9, an individual appointed as a school corporation **or charter school** police officer may not:

- (1) make an arrest;
- (2) conduct a search or a seizure of a person or property; or
- (3) carry a firearm;

unless the school corporation **or charter school** police officer successfully completes a pre-basic training course under IC 5-2-1-9(f).

SECTION 18. IC 20-26-16-6, AS ADDED BY P.L.132-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) A school corporation **or charter school** police officer appointed under this chapter:



- (1) is a law enforcement officer (as defined in IC 5-2-1-2(1));
- (2) must take an appropriate oath of office in a form and manner prescribed by the governing body **or the equivalent for a charter school**;
- (3) serves at the governing body's (**or the equivalent for a charter school**) pleasure; and
- (4) performs the duties that the governing body **or the equivalent for a charter school** assigns.

(b) School corporation **or charter school** police officers appointed under this chapter have general police powers, including the power to arrest, without process, all persons who within their view commit any offense. They have the same common law and statutory powers, privileges, and immunities as sheriffs and constables, except that they are empowered to serve civil process only to the extent authorized by the employing governing body **or the equivalent for a school corporation**; however, any powers may be expressly forbidden them by the governing body (**or the equivalent for a charter school**) employing them. In addition to any other powers or duties, such police officers shall enforce and assist the educators and administrators of their school corporation **or charter school** in the enforcement of the rules and regulations of the school corporation **or charter school** and assist and cooperate with other law enforcement agencies and officers.

(c) Such police officers may exercise the powers granted under this section only upon any property owned, leased, or occupied by the school corporation **or charter school**, including the streets passing through and adjacent to the property. Additional jurisdiction may be established by agreement with the chief of police of the municipality or sheriff of the county or the appropriate law enforcement agency where the property is located, dependent upon the jurisdiction involved.

SECTION 19. IC 20-27-9-2, AS ADDED BY P.L.1-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. The governing body of a school corporation may allow, by written authorization, the use of a school bus **or a special purpose bus** for the transportation of adults at least sixty-five (65) years of age **or disabled adults**.

SECTION 14. IC 20-27-9-5, AS AMENDED BY P.L.228-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) A special purpose bus may be used:

- (1) by a school corporation to provide regular transportation of a student between one (1) school and another school but not between the student's residence and the school;



(2) to transport students and their supervisors, including coaches, managers, and sponsors to athletic or other extracurricular school activities and field trips;

(3) by a school corporation to provide transportation between an individual's residence and the school for an individual enrolled in a special program for the habilitation or rehabilitation of persons with a developmental or physical disability, and, if applicable, the individual's sibling; ~~and~~

(4) to transport homeless students under IC 20-27-12; **and**

**(5) to transport adults under section 2 of this chapter.**

(b) The mileage limitation of section 3 of this chapter does not apply to special purpose buses.

(c) The operator of a special purpose bus must be at least twenty-one (21) years of age, be authorized by the school corporation, and meet the following requirements:

(1) If the special purpose bus has a capacity of less than sixteen (16) passengers, the operator must hold a valid:

- (A) operator's;
- (B) chauffeur's;
- (C) public passenger chauffeur's; or
- (D) commercial driver's;

license.

(2) If the special purpose bus has a capacity of more than fifteen (15) passengers, the operator must meet the requirements for a school bus driver set out in IC 20-27-8.

(d) A special purpose bus is not required to be constructed, equipped, or painted as specified for school buses under this article or by the rules of the committee.

(e) An owner or operator of a special purpose bus, other than a special purpose bus owned or operated by a school corporation or a nonpublic school, is subject to IC 8-2.1."

Page 23, delete line 42.

Delete pages 24 through 26.

Page 27, delete lines 1 through 31.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1641 as introduced.)

BEHNING

Committee Vote: yeas 9, nays 4.

**HB 1641—LS 7242/DI 116**

