

ISTA Staff Legislative Briefing

January 9, 2025

This legislative update will cover:

- This week's committee bills that have started moving.
- Floor and other bill actions as of this session week.
- Preview of upcoming bills next week, including bills that are of serious concern.
- Reminder of upcoming ISTA GR briefings and Day of Action information.



Committee Bills This Week

HOUSE EDUCATION COMMITTEE

HB 1137: Ultra-processed Foods and Beverages in Schools (Rep. Julie McGuire; R-Indianapolis):

- The bill bans a specific list of chemicals and/or ingredients considered ultra-processed foods (although not defined) that are prohibited from access during the school day. The bill attempts to ensure that meals served through federally funded school programs better support students' health, focus, and long-term well-being.
- The bill also requires schools to post menus and ingredients online.
- While ISTA would usually support a bill around student health and well-being, there are political red flags all over this bill. It is coming from RFK Jr's agenda, especially noting the author McGuire was Gov. Braun's intended running mate and MAGA.

Status: Held until next week for amend and vote.

ISTA Position: For the above underlying political agenda and motives of this bill, also with consultation with several school nutrition organizations both state and national, ISTA chose to stay away from this bill, which in some ways is a political trap door.



Committee Bills This Week

HOUSE EDUCATION COMMITTEE

HB 1176: Various Education Matters (Rep. Jake Teshka; R-South Bend):

- The bill signals a significant expansion of charter and charter-like governance models at the expense of traditional public schools, local control and fiscal transparency.
- Several provisions allow school corporations to convert multiple public schools into charter schools under a single charter and expand innovation network charter schools across multiple districts. These concepts bear some resemblance, while not as far-reaching, to last year's proposal aimed at dismantling Indianapolis Public Schools. Although less immediate in scope, this bill could steadily expand statewide, including into rural districts. Evidence from Indiana and elsewhere shows that large-scale charter takeovers have failed to produce consistent academic improvement while increasing costs and instability.
- The bill further expands where innovation network charter schools may operate and allows organizers to contract with multiple districts, despite a limited track record of success. These changes weaken local governance and oversight while shifting public dollars away from traditional public school classrooms.
- ISTA also has concerns about fiscal equity. Provisions preventing unused education and career scholarship funds from reverting to the state general fund continue to favor school choice programs. Traditional public schools should also receive parity with respect to utilizing reversion dollars. Indiana's traditional public schools educate the vast majority of Hoosier students while simultaneously absorbing increasing responsibilities with fewer resources.
- There is one positive element of the bill, requiring parental notice for students at-risk academically.

Status: Passed committee 9-2.

ISTA Position: Oppose most of the bill on grounds of school choice expansion, potentially charterizing districts entirely.



Committee Bills this Week

HOUSE EDUCATION COMMITTEE

HB 1266: IDEOE Matters and Various Education Matters (Rep. Bob Behning – House Ed Chair; R-Indianapolis):

This bill has some positives, including:

- Efforts to expand career pathways through data science and CTE and provide clarifications around math standards and instruction. (NOTE: ISTA also has some language to discuss around math education).
- The bill also includes some proactive measures around school safety and summer school programming.
- Additionally, the interstate teacher mobility compact, an issue discussed for some time now, improves recruitment of high-quality teachers so that every Hoosier kid has a classroom learning environment conducive to learning.

There are also many negative provisions:

- The underlying and primary concern is the bill's wide reach, reduction of local decision-making and the lack of educator involvement in decisions that directly affect teaching and learning. Provisions related to teacher appreciation grants (TAG), salary differentiation tied to endorsements and grant eligibility raises concerns about bypassing established bargaining processes and diminishing educator voice. These sections of the bill reduce bargaining in some ways regarding differentiated pay.
- Further, the bill's approach to intervening in academically or fiscally underperforming schools is reminiscent of past state takeovers that failed to deliver sustainable improvement or significant outcome gains. ISTA urges caution against repeating strategies that remove local control without evidence of success. Multiple sections of the bill expand eligibility for various grants and funding to nonpublic schools without the same level of accountability. This continues a pattern of diverting public resources away from traditional public schools and the students who depend on them.
- Additionally, while limiting emergency permits to two renewal cycles may be an improvement over current practice – and we have heard for years about perpetual emergency permits being granted to candidates who have not completed or shown progress towards full licensure – continued reliance on emergency permits and other types of alternative pathways brings risks around weakening the teaching profession and undermining student learning.
- Regarding the voucher and related scholarship provisions, changes to choice scholarships and transportation funding continue to expand voucher programs without addressing their fiscal impact on public schools.

Status: Passed committee 10-0.

ISTA Position: Oppose TAG changes; Oppose school takeover language; Oppose voucher provision; Support school safety measures, summer school programming and career pathways language.



Committee Bills this Week

SENATE EDUCATION COMMITTEE

SB 78: Wireless Communication Device Ban in Schools (Sen. Jeff Raatz, Senate Chairman; R-Richmond):

The bill expands upon a bill a few years ago by requiring stricter enforcement of cell phone and related device bans for the entire school day.

Promoting Learning by Reducing Distraction

Teachers across the state report that cell phones are the number one classroom distraction. Social media notifications, messages and entertainment compete constantly with academic tasks. Even when phones remain in students' pockets, the anticipation of alerts interrupts concentration.

- A public opinion poll by NEA, through GBAO – an independent polling and research firm – found some alarming trends:
 - Student behavior is becoming a larger concern.
 - Students' academic performance and lack of motivation are major concerns.
 - Cell phones are a severe distraction during class.
- The poll also found that 90 percent of teachers support a device ban during instructional time and 75 percent a “bell-to-bell” ban for the entire school day. Nearly 75 percent of adults also support bans during instructional time.
- By removing this source of distraction, we give students the opportunity to engage more deeply with lessons and build strong academic habits. Schools that have implemented phone-free policies with strong enforcement consistently see increased participation, improved grades, and more meaningful classroom discussion.



Committee Bills this Week

SENATE EDUCATION COMMITTEE

SB 78: Wireless Communication Device Ban in Schools (Sen. Jeff Raatz, Senate Chairman; R-Richmond):

Strengthening Student Well-Being

- This legislation also supports student mental health. Numerous studies show that constant access to social media increases anxiety, peer comparison, and cyberbullying. When students receive a break from the digital world during the school day, they experience lower stress and more face-to-face connection.
- A phone-free environment also encourages healthier social interactions.

Supporting Teachers and School Climate

- Teachers also benefit from device bans. A consistent statewide policy takes the pressure off educators who currently struggle to enforce rules that vary classroom by classroom or school by school. When expectations are clear and uniform, teachers can focus on instruction rather than policing devices. As we know from the Teacher Injury Report, incidents of violence occur regularly across the state. In some of these incidents as has been reported to us, it is sparked by a teacher removing a students' cell phone. Schools with phone-free systems report fewer disciplinary issues, fewer conflicts sparked online, and a calmer, more respectful school culture .

Preparing Students for Future Success

- This policy helps students develop essential life skills. In life post-graduation, the ability to focus, manage time, and communicate face-to-face is essential. By giving students structured time away from their devices, teachers can help them build habits of self-control and attentiveness that will serve them well after graduation.

Status: Passed committee 12-1.

ISTA Position: Support with recommendations.



Committee Bills this Week

SENATE EDUCATION COMMITTEE

SB 159: School Technology Programs and Policies (Sen. Spencer Deer; R-West Lafayette):

- The bill requires schools develop thoughtful, local plans to ensure the appropriate use of technological devices in schools. As technology continues to play a central role in education, it is reasonable and responsible for schools to establish clear expectations around device use, screen time, and instructional purpose. In that regard, this bill aligns with recent efforts to address distractions in the classroom, including legislation related to cell phone use, and it recognizes the importance of creating learning environments that prioritize student engagement and well-being.
- The requirement that schools develop local technology plans, rather than a one-size-fits-all mandate, is another strength of the bill. Local control allows schools to respond to the unique needs of their students, educators, and communities. Additionally, language that clarifies the use of school-issued devices during the school day may help districts better manage instructional technology and protect student data and privacy.
- One area that warrants careful attention is the provision allowing parents to exercise complete control over a student's use and access to a device while at school. While parental involvement is critically important, this level of individualized control could create significant administrative and instructional challenges for schools. Teachers and administrators may be placed in the difficult position of managing different rules for different students within the same classroom, potentially disrupting instruction and equity.
- Additionally, the bill includes language that could allow schools to limit device usage and screen time even outside of school hours, unless there is direct parental sign-off. Even though this provision is not necessarily mandatory, it raises concerns about overreach and boundaries between school authority and family decision-making—particularly in the current climate around parents' rights. There may also be legal and practical challenges in enforcing or monitoring such policies, and we anticipate that this language may require further clarification or amendment as the bill moves forward.
- Finally, we encourage lawmakers to consider the potential burden on schools as they develop, communicate, and enforce these plans, especially without additional guidance or resources.

ISTA Position: Support mostly with recommendations and noted concerns.



Committee Bills this Week

SENATE EDUCATION COMMITTEE

SB 161: School Technology Programs and Policies (Sen. Jeff Raatz, Senate Ed Chair; R-Richmond):

Scholarship-Granting Organizations (SGOs) and vouchers: The bill expands the definition and scope of SGOs and appears to further increase tax credits for private school vouchers. Indiana already provides near-universal access to vouchers, and additional expansion is unnecessary. We oppose these provisions, as they divert critical public funds from public schools and create inequities in access to high-quality education.

- With regard to the provisions on scholarship granting organizations (SGO's), Indiana currently commits \$18.5 million each year to hand out to mostly wealthy taxpayers state tax credits for their contributions to SGOs. According to the fiscal note, \$17.7 million was claimed most recently. The state credit is 50% of the donation and there is no limit on the donation amount. Unused credits can be carried forward for up to nine years. And, currently, a donation to an SGO may be deducted from a taxpayer's federal return as well if they itemize.
- This bill calls for the incorporation of the new federal SGO tax credit which is capped at \$1700 per taxpayer. If a taxpayer's state credit totals more than \$1700, the federal credit is not available because the amount of the state credit is subtracted from what the taxpayer may be claiming—but if it is less than \$1700, the federal credit is the difference between \$1700 and the amount of credit. This is likely to incentivize the claiming of smaller credits on both the state and federal sides.
- ISTA recommends that now is a good time to repeal the state SGO donation credit. The federal government has stepped in to offer up these tax credits to taxpayers who are inclined to make these donations. There is no need for the state to continue to subsidize wealthy taxpayers for donations made to a private school funding system that is now characterized as universally funded by the state anyway.

Higher education degree labeling: The bill's language restricting funding for certain "low-wage degrees" raises concerns. While this is primarily a higher education issue, such policies can have unintended consequences for K-12 students and education pathways.

Oversight and federal compliance language: Some sections reference authority from the U.S. Treasurer and federal tax law. While compliance is important, we urge caution to ensure that oversight and decision-making remain transparent and focused on serving Indiana students.

Status: Held.

ISTA Position: Oppose most of the bill with expectations ISTA will work with the author.



Committee Bills this Week

SENATE EDUCATION COMMITTEE

SB 199: Various Education Matters (Sen. Jeff Raatz, Senate Ed Chair; R-Richmond):

- **Paid Leave for School Employees:** ISTA strongly supports the requirement for the Indiana Department of Education to identify school corporations providing paid leave for employees in circumstances such as childbirth, stillbirth, and adoption. While this is a first step and does not cover all life situations, it aligns with ISTA's ongoing advocacy for employee well-being. This was a priority brought by the Governor and legislative leadership last session, but the final fiscal forecast and other compounding fiscal issues during that time delayed movement on paid leave.
- **Teacher Preparation Standards:** The bill's clarification of admissions standards for teacher candidates aligns with efforts to maintain high-quality preparation programs in Indiana.
- **CSA Accounts:** While ISTA does not have problems with limiting administrative spending to 5 percent, the association opposes CSAs and any other form of voucher.
- **Higher Education Restrictions:** The proposal to limit majors based on "low-wage outcomes" may interfere with institutional autonomy and student choice. Many of these majors and fields of study are vital in creating well-rounded, civically engaged and critically thinking citizens. The value of these programs should not be diminished.
- **Social Media Provisions:** Restrictions and penalties related to minors' social media use could conflict with parental rights and classroom authority, requiring further legal and practical analysis. However, given the rise in youth mental health issues, bullying, distractions from learning and various other negative impacts shown by research, ISTA supports stronger controls over student social media use. Several bills, including the wireless communication device ban that ISTA supports, highlight that these are serious matters.

Status: Will be recommitted to Tax and Fiscal Policy.

ISTA Position: Support paid leave depending on whether it undoes current local contracts; Support social media protections; Oppose CSA and all related voucher expansion; Oppose judging college majors and "low-wage" assumptions.



Committee Bills this Week

HOUSE WAYS AND MEANS COMMITTEE

HB 1259: Local Income Tax (Rep. Jeff Thompson, House Ways and Means Chair; R-Lizton):

- This is in response to the loss of property tax revenue under SEA 1-2025. For schools, there is one provision in there that is at most the possibility of local income tax revenue coming to schools from the county council's local income tax dollars. Effective July 1, 2027, HB 1225 allows (permits) a county council to adopt an ordinance to impose a component local income tax (LIT) rate that is a part of the county's total general-purpose rate to provide distributions to school districts within the county. The rate imposed is phased down over 4 years beginning with 0.12% in year 1, 0.09% in year 2, 0.06% in year 3 and 0.03% in year 4. The distribution of this LIT revenue within the county would generally be based on ADM counts. According to the fiscal note, if every county imposed the maximum rate, the statewide distribution of LIT would total \$340m in 2028 and \$267.5m in 2029. Since this is permissive on the part of the county, this maximum expected revenue stream is unlikely.
- This bill is a recognition that lawmakers are aware of the negative fiscal impact resulting from SEA1-2025. It is not bona fide replacement dollars. ISTA's testimony recognized this as a very small step but urged the author and the committee to make it a "shall" provision. There were several school superintendents who testified similarly and they each gave real world examples of the types of fiscal gymnastics they are doing and will expect to do based upon the SEA-1 consequences. All the public school testifiers, including ISTA, spoke to one of the chief consequences of these losses which is the transfer of tuition support dollars from the district's education fund to its operations fund to make up for operations shortfalls. These education fund dollars were meant for classroom/teaching purposes, and they routinely are diverted to pay for buses, buildings, and utilities. NOTE: Indiana law allows transfers of up to 15% of total revenue from education to operations.
- STATUS: The bill was held. If the Chair does move it, he is going to let it sit for a couple weeks to consider amendments. ISTA is meeting with the author and members of the committee to share specific information about these new fiscal burdens and to urge that that the language in the bill goes from "may" to "shall" and that there be included more specific ability for the elected school board to play a part in the imposition of the LIT.

ISTA Position: This is a bill ISTA needs to monitor moving forward – some positive direction but also not a complete "fix."



Committee Bills this Week

SENATE PENSIONS AND LABOR COMMITTEE

SB 63 Retiree 13th Check (Sen. David Niezgodski; D-South Bend)

- SB 63 moved out of the committee amended to be a companion bill to HB 1145 on Wednesday, Jan. 7.
- The \$50 stipend that would have been funded by the SRA was stripped out of SB 63 and amended to mirror HB 1145. Both bills have effective dates of July 1, 2026. This would be for one year at the full amount of previous 13th checks, not like the fall of 2025 with the 5% reduction.
- SB 63 was voted out of committee with all bipartisan support. The bill was voted to re-commit the bill to the Senate Appropriations committee due to the fiscal involved.

Status: Passed committee 10-0.

ISTA Position: Support.

Looking Ahead to Next Week So Far...

HOUSE EDUCATION COMMITTEE

HB 1423: IPS School Corporation (Rep. Bob Behning, House Ed Chair; R-Indianapolis):

- The bill is the result of the law enacted last session creating the Indianapolis Local Education Alliance (ILEA). It establishes a new Indiana Public Education Corporation (Corporation) and Board (Corporation Board). The existing IPS school board is referred to as the school city in the bill. This bill goes into effect upon passage (essentially March 2026). The bill empowers the corporation with fixing and reviewing of budgets, tax rates, and tax levies and removes certain powers and duties from the school city. That said, the county auditor must distribute the revenue collected from the local levies to the school city.
- Currently, local property tax dollars are targeted for operations fund costs: bussing/transportation, buildings, maintenance, utilities, etc...not direct teacher and classroom learning costs.
- Going forward, only the state charter board, the mayor of Indianapolis, or the IPS school city may grant a charter. Existing charters not authorized by one of these bodies can continue until the term of the charter expires, but then that charter expires. An existing school can be renewed but must be renewed by one of the three grantors listed here.
- The bill specifically gives the school city any powers that are not otherwise granted to the corporation.
- The list of what the corporation is authorized to do is widespread, including (1) establishing a unified transportation system for students within IPS and charter schools within the IPS boundaries; (2) a unified system for school property matters, and a unified school performance system within the school city.
- The corporation board's make-up is 9 members all appointed by the mayor of Indianapolis with three (3) who are leaders of participating innovation network charters or charter schools, three(3) who are members of the school city, and three (3) who have expertise in management, capital planning, facilities transportation, or logistics or experience working with vulnerable student populations and communities. The initial terms are staggered.



Looking Ahead to Next Week So Far...

HOUSE EDUCATION COMMITTEE

HB 1423: IPS School Corporation (Rep. Bob Behning, House Ed Chair; R-Indianapolis):

- There shall be a meeting at least once every 3 months. Members on the corporation board receive no compensation. Final votes must record votes as aye and nay and on any other item if at least 2 (two) members request a recorded vote.
- There will be an executive director of the corporation board chosen by the board as recommended by the mayor. The executive director must reside within the school city. Salaries and other staff salaries shall be set by the corporation board.
- In addition to the transportation and facilities duties, the corporation board also is tasked with the following: (1) developing and implementing a single school performance framework that applies to all the participating schools, (2) Developing a unified enrollment system, (3) creating a tracking system to monitor qualitative and quantitative data to measure outcomes and to publicly report data in a manner prescribed by the mayor; (4) making and executing contracts and other instruments as are necessary; (5) acquiring personal property that the board considers necessary; (6) making rules, and (7) carrying out any other power and making any expenditure in carrying out the powers granted in this law that are reasonable from a business or educational standpoint.
- The corporation board may establish advisory committees.
- Any unified transportation plan must be submitted to the legislative council at least one year before the date the plan is implemented.
- The corporation is subject to required audits and all applicable laws subjecting a school corporation to regulation.
- No existing contract may be impaired by this law. However, after the effective date of this law, the school city may not enter into, renew, or extend a contract that is not in compliance with this article.
- Removes IPS from the \$1 charter school building law.
- **STATUS:** Being heard Monday morning at 9:30; House Education Committee.
- **ISTA POSITION:** Oppose as introduced. Seeking multiple amendments.



GENERAL SESSION + LOBBY DAYS | JANUARY – FEBRUARY 2026

JANUARY

Monday, January 5: Session Reconvenes

 **Monday, January 5: Member Update (virtual) + Session Preview + LAT meeting follow-up (virtual)**

 **Tuesday, January 6: Statehouse Day of Action (virtual with a special guests)**

Wednesday, January 7: House bill filing deadline (2pm) + Senators may begin filing just two bills per day

Wednesday, January 7: Committee Day

Friday, January 9: GR Review with Field (virtual) + Senate bill filing deadline (4pm)

 **Monday, January 12: Member Update (virtual) + LAT meeting follow-up (virtual)**

 **Tuesday, January 13: Statehouse Day of Action (in person)**

Wednesday, January 14: Committee Day

Friday, January 16: GR Review with Field (virtual)

Monday, January 19: Martin Luther King Holiday (no session)

 **Tuesday, January 20 (on Tuesday (due to Dr. MLK Jr. Day): Member Update (virtual) + LAT meeting follow-up (virtual)**

Wednesday, January 21: Committee Day

Friday, January 23: GR Review with Field (virtual)

Wednesday, January 28: Committee Day + 2nd Reading Deadline

Thursday, January 29: 3rd Reading Deadline

Friday, January 30: GR Review with Field (virtual)

FEBRUARY

 **Monday, February 2: Member Update (virtual) + LAT meeting follow-up (virtual)**

 **Tuesday, February 3: Statehouse Day of Action (in person)**

Friday, February 6: GR Review with Field (virtual)

Wednesday, February 11: Committee Day

Friday, February 13: GR Review with Field (virtual)

 **Monday, February 16: President's Day (session in) + Member Update (virtual) + LAT meeting follow-up (virtual)**

 **Tuesday, February 17: Statehouse Day of Action (in person)**

Wednesday, February 18: Committee Day

Friday, February 20: GR Review with Field (virtual)

Monday, February 23: 2nd Reading Deadline

 **Tuesday, February 24: 3rd Reading Deadline + Conference Committees + Statehouse Day of Action (in person—tentative)**

Friday, February 27: Anticipated Sine Die