

# ISTA LEGISLATIVE UPDATE

Feb. 21, 2025

## IMPORTANT NOTES

### Virtual Legislative Briefings

Stay ahead of key legislative developments and register for our legislative briefings that are held virtually every other Monday. These virtual sessions will be held from 5 – 6 p.m. ET / 4 - 5 p.m. CT on Zoom.

Register: <https://www.mobilize.us/ista-in/event/745885>

### ISTA Days of Action

Days of Action are your opportunity to meet directly with your state legislators and advocate for policies that support our students, educators, and public schools. All events are scheduled from 10 a.m. to 1 p.m. ET / 9 a.m. to 12 p.m. CT on the following dates:

- Tues., March 4
- Mon., April 14

Register: <https://www.mobilize.us/ista-in/event/744835>

### Calls to Action

HB 1001: State Budget – [Take Action: Help Strengthen Indiana’s Public Schools](#)

Monitor the [ISTA Action Center](#) for future calls to action.

### Priority Bills (School Funding).

#### HB 1001: Biennial Budget (Rep. Jeff Thompson; R-Lizton)

Lawmakers traditionally start crafting the budget that reflects the Governor’s priorities, with the House and Senate making further changes throughout the session.

Here are some points to consider for this version:

1. The current inflation rate is 3%.
2. The December revenue forecast indicated that revenue growth would be 3.3% in year one and 0.3% in year two
3. The \$160M appropriation to schools to help offset curricular material costs is rolled into the school funding formula in year 1, artificially inflating increases for schools. The \$160M from the curricular materials line essentially covers all of traditional public school’s tuition support funding for year one.
4. Including the curricular materials fund transfer, traditional public schools are provided a 2.1% and 0.9% increase in each of the next two years.
5. With a few exceptions, most line items in the budget have been straight-lined (no increase).
6. Notable Changes in Categorical Program Funding:



*Our kids. Our schools. Our future.*

- a. Creation of the Freedom & Opportunity in Education Grant funded with \$86M each year that is essentially a block grant to the IDOE for “initiatives to improve academic performance and increase freedom and opportunity in education.” (For context, this amount equals about 1% on the funding formula.)
    - i. The IDOE determines how monies in this fund will be expended. The bill lists some specific programs that *may* be funded under this block grant (but are not *required* to be funded at all), such as expanding the current ILEARN checkpoint pilot initiatives to statewide application, funding an interactive tool to support the new diploma requirements, addressing real-time educator supply and demand marketplace, recruiting teachers in high needs areas and guidance counselors, drop-out prevention, expanding computer science, Science of Reading, reading intervention, literacy achievement and student learning recovery grants.
    - ii. In this current biennium, there has been an Academic Improvement Grant (AIG) of \$50M each year that specifically funded particular programs. The AIG is not included in this budget. It is likely the Freedom grant is replacing the AIG, but with a \$36M increase and no definitive indication on how IDOE will expend it.
  - b. TAG funding is maintained at existing levels (note; HB 1500 proposes changes to TAG).
  - c. Indiana Secured Schools Grants are increased by 10% in year one and straight-lined in year two.
  - d. Dual Immersion pilot is eliminated.
7. Privatization
- a. Removes all income eligibility guidelines to receive private school vouchers, ESAs and CSAs. LSA estimates that the fiscal impact to the state is \$88.6M in year one and \$94.6M in year two.
  - b. Increases per student funding for virtual education to 100% of the student foundation amount. Currently, those operated by traditional public schools receive 85% of the foundation amount and those operated by charter schools receive 90% of the foundation amount.

**Status:** Passed the House 66-28.

**ISTA Position:** ISTA continues to work on the budget bill all session. Teacher shortages, rising student mental health needs and insufficient resources are putting a strain on our schools and educators. Investing in teacher pay and student support services helps ensure every child in Indiana thrives in a high-quality public education system while strengthening our communities. See the current call to action on the budget.



### **SB 1: Property Tax Relief (Sen. Holdman; R-Markle)**

As introduced, the bill was one of several property tax reduction bills this session and generally was reflective of Gov. Braun's property tax reforms. The bill also restricts school referenda to general elections in the fall. Under LSA's fiscal note, school property tax losses would total around \$2 billion over the next three years. Property taxes pay for supportive services and programs that complement the education programs, such as transportation, building maintenance and repair, construction, administration and technology. As amended, the negative fiscal impact to school districts has been dramatically reduced from the introduced version by removing certain property tax reforms from the bill and focusing on some targeted taxpayer reductions. However, there remain projected losses for school districts totaling \$370M over the next three years. The restriction on referenda to the General Elections remains in the bill.

**Status:** Passed the Senate 37-10.

**Position:** ISTA will be working on these property tax measures all session, calling for replacement revenue when losses to schools are projected. This bill will be crafted alongside HB 1001, the budget bill. Stay tuned.

### **Additional Bills that Passed 1<sup>st</sup> Half**

#### **HOUSE**

#### **HB 1134: Executive Sessions (Rep. Ben Smaltz; R-Auburn)**

Allows meetings of a state or local agency governing body concerning the following topics to be held in executive session:

1. Employee health care options with respect to special exceptions to coverage.
2. Employee handbook changes.
3. Review of negotiations on the performance of publicly bid contracts, when public knowledge may result in increased cost.
4. Solicitation of contract proposals containing a bidder's proprietary information.

**Status:** Passed the House 91-4.

**ISTA Position:** Concerns with the authorization to school boards to discuss employee handbook changes in executive session.



**HB 1230: School Board Elections (Rep. JD Prescott; R-Winchester)**

As introduced, creates partisan school board elections by requiring school board candidates to claim a political party affiliation or to claim as independent if no such affiliation. Currently, school board races in Indiana are non-partisan. However, candidates have the choice to use party affiliation in their campaign materials.

As amended, the bill requires school board candidates to claim a political party affiliation, to claim as independent if no such affiliation, or to elect to be listed on the ballot as nonpartisan.

**Status:** DEAD. A similar bill, SB 287 passed out of the Senate.

**ISTA Position:** Opposed.

**HB 1241: Trauma Informed Care (Rep. Vanessa Summers; D-Indianapolis)**

Establishes the trauma informed care commission. Provides that the commission shall:

1. Study and make recommendations for use by health, educational, and other social service providers;
2. Recommend best practices and research models to specified entities; and
3. Submit a report to the general assembly regarding best practices with respect to children, youth, and families who have experienced trauma.

Urges the legislative council to assign to an appropriate study committee the task of studying various issues pertaining to teachers and education.

**Status:** Passed the House 71-15.

**ISTA Position:** Support.



## **HB 1285: Special Education/Cameras and Interventionists (Rep. Becky Cash; R-Zionsville)**

As introduced, this bill:

1. Established the special education classroom grant program to assist school corporations in complying with certain camera-in-classrooms requirements;
2. Required school corporations to have electronic recording equipment in each designated special education classroom, seclusion area, sensory room, and time-out area not later than January 1, 2026; and
3. Required each school corporation to have a trained behavioral interventionist on school grounds.

However, all of these provisions were removed by the committee. As amended, this bill requires:

1. School corporations to provide the parent of a student with the opportunity to collect the student's property under certain conditions; and
2. The IDOE to review nonviolent crisis intervention training programs and make recommendations to school corporations.
3. School corporations have at least one employee present in each school building who has obtained nonviolent training who is available for de-escalation responses, including responses to any use of chemical or mechanical restraints, seclusion or time-outs.

**Status:** Passed the House 90-0.

**ISTA Position:** Had concerns in its prior versions. Neutral.

## **HB 1326: Student and Teaching Scholarships**

The bill deals both with student scholarships (vouchers) and teacher scholarships. The bill expands the eligible age for SGO (Scholarship Granting Organizations) scholarships from age 4 to 3; it removes income eligibility at 400 percent of FRPL and would have no income cap for SGO scholarships. The other part of the bill frees up state funding for Transition to Teach scholarships.

**Status:** Passed the House 65-28.

**ISTA Position:** ISTA supports expanding dollars for teacher scholarships as long as existing scholarships are not reduced; Oppose the SGO expansion.



**HB 1376: Emergency Opioid Overdose Medication in Schools (Rep. Pat Boy; D-Michigan City)**

As introduced, the bill established requirements for schools to maintain a supply of FDA-approved medication to counteract opioid overdose and for school staff (nurses) to administer medication.

As amended, the bill removes the maintenance of supply provisions and adds to the definition of "emergency medication" in Indiana law for school districts to specifically include "an FDA-approved opioid overdose reversal medication, including nasal spray."

**Status:** Passed the House 90-0.

**ISTA Position:** Support.

**HB 1404: Parental Support Services (Rep. Dale Devon; R-South Bend)**

Provides that the governing body of a school corporation shall adopt rules for establishing a safety plan that provides steps for the school corporation to request assistance from the department of child services to ensure a student is receiving appropriate intervention. Requires the department to initiate an assessment for alleged child abuse or neglect if the report comes from school personnel if certain conditions are met. Allows the department to release unredacted reports to a school's designated liaison in certain circumstances. Amends certain child in need of services provisions to include bullying or abusive behavior for which a child's parent fails to participate in disciplinary proceedings with the child's school.

**Status:** DEAD.

**ISTA Position:** Support.



## **HB 1499: Literacy (Rep. Robert Behning; R-Indianapolis)**

As introduced:

1. Requires the SBOE to work with the IDOE to establish and require a literacy endorsement for administrators and included an online module.
2. Requires the SBOE to incorporate oral language development as a core component of certain literacy endorsements.
3. Requires certain schools to administer the determinant evaluation at least twice in the summer (current law says once).
4. Requires the IDOE to establish a registration process to exempt a school that has a student population comprised of at least 50% multilingual learners from compliance with the determinative evaluation.

As amended:

1. Removed the administrator literacy endorsement provisions.
2. Added language to permit a school to satisfy Indiana's career fair requirement by holding a career fair that is not on school property if transportation is provided to all students.
3. Requires the SBOE to incorporate oral language development as a core component of certain literacy endorsements.
4. Requires certain schools to administer the determinant evaluation at least twice in the summer (current law says once).
5. Requires the IDOE to establish a registration process to exempt a school that has a student population comprised of at least 50% multilingual learners from compliance with the determinative evaluation. Sunsets this provision July 1, 2028.
6. Under the EARN (Employment Aid and Readiness Network) Indiana Work Study Program, reduces the minimum average number of hours in which a student must be employed from 12 hours per week to 10 hours per week.

**Status:** Passed the House 95-0.

**ISTA Position:** Neutral.



## **HB 1500: Teacher Appreciation Grants (Rep. Bob Behning; R-Indianapolis)**

The bill changes the existing Teacher Appreciation Grants (TAG) into a more selective award. The bill would remove all references to the current teacher evaluation rating system of highly effective, effective and ineffective and empower school districts to create their own evaluation system.

The proposed TAG uses a different set of labels to qualify for an award, while also enabling awards to be given to someone teaching in an IDOE-designated high need area or geographic shortage area.

1. The amounts of a TAG grant are:
  - a. Recognized: at least \$3k but not more than \$5k.
  - b. Exemplary: at least \$5k but not more than \$7.5k.
  - c. Master: at least \$7.5k but not more than \$10k.
  - d. High Needs/Geographic Shortage Area: at least \$5k but not more than \$10k.
2. The definitions of the new labels are as follows:
  - a. Recognized: Whether the teacher demonstrates high performance in teaching based on student outcomes together with any other criteria the IDOE designates.
  - b. Exemplary: Whether the teacher qualifies under recognized and also mentors or coaches another teacher to improve student outcomes.
  - c. Master: Whether the teacher qualifies under recognized, whether the teacher mentors and manages teachers across multiple classrooms, whether the teacher provides instructional leadership to improve student outcomes across multiple classrooms, and any other criteria the IDOE designates.

Under the bill, when a teacher receives a new TAG, the stipend flows for two consecutive years. In the third year, the stipend becomes a permanent part of their base salary—funded by the same pool used for all teacher salaries.

HB 1001 straight-lines the total amount of TAG funds at \$37.5m each of the next two years. Under the current program, IPS teachers were awarded a total of \$755k in TAG funds in December 2024.

**Status:** Passed the House 66-28.

**ISTA Position:** Reforming the TAG program is a top priority for Gov. Braun and House Republicans. ISTA has expressed concerns about existing teachers' expectations around the current TAG program, the instability in funding this program could generate by committing future base salary levels, the lack of teacher input, that some factors (like assignments) are not in the control of the teacher, the diversion of attention and valuation from direct classroom service and the degree to which decisions around the TAG remain subjective. Currently, TAG is funded by the state with \$37.5M each year. The funding levels for this new TAG program are unclear until we see a version of the budget that would fund this new version of the program.





### **HB 1531: Immigration Matters (Rep. Prescott; R-Union City)**

As introduced, this bill addressed a variety of issues around the state and local enforcement of federal immigration law. A section of the bill would require public schools to report unlawfully present students, non-English dominant students and other student data to the IDOE.

The bill was amended in committee and the requirements for schools was completely removed from the bill.

**Status:** Passed the House 64-26.

**Position:** Monitoring; ISTA supported the amendment removing school requirements and is evaluating any further possible impact on K-12 schools.

### **HB 1539: Education Matters/Bullying (Rep. Vern Smith; D- Gary)**

As introduced:

1. Provides that a student transfer request made by a student takes effect if the transferee district approves the transfer request not more than 30 days after receiving the request by mail (current law requires both the transferee and transferor district to approve).
2. Revises the definition of bullying.
3. Stipulates timetables for reporting bullying incidents to parents of both the bully and the victim (not more than 1 day after the incident).

As amended:

1. Requires that when a student makes an allegation of misconduct against an employee, the public school must notify a parent of the student within 24 hours after the allegation is made; and
2. If the public school determines that the allegation is unsubstantiated or otherwise dismissed, the public school must notify the employee and the parent that the allegation has been determined to be unsubstantiated or otherwise dismissed.
3. Revises the definition of bullying.
4. Stipulates timetables for reporting bullying incidents to parents of both the bully and the victim (not more than 1 day after the incident).
5. Adds provisions on transferring a bullying victim or the alleged bully of a severe incident to another school if certain conditions are met.

**Status:** Passed the House 92-0.

**ISTA Position:** Support.



## SENATE

### **SB 250: Pension Matters (Sen. Brian Buchanan; R-Lebanon)**

This bill originated from the Pension Management and Oversight Committee during the interim session. It modifies the definition of "average of the annual compensation" for a member of the public employees' retirement fund (PERF) who retires after December 31, 2026. The bill specifies that compensation received in contemplation of retirement is excluded from the average of the annual compensation for particular members of PERF and the Indiana state teachers' retirement fund (TRF). It repeals a provision requiring the board of trustees of the Indiana public retirement system (board) to maintain separate accounts for each unit of local government. Provides that the amounts forfeited under the public employees defined contribution plan must be used as determined by the board. (Current law requires these amounts to be used to reduce the unfunded accrued liability of PERF.) Specifies a process by which a fully vested member of the public employees' defined contribution plan or the teachers' defined contribution plan may irrevocably elect to participate in PERF or TRF, as applicable. Modifies the information that must be included in a delinquency notice to a delinquent political subdivision.

**Status:** Passed the Senate 49-0.

**ISTA Position:** ISTA supports most of the provisions; discussing some with the author.

### **SB 287: Partisan School Board Elections (Sen. Gary Byrne; Byrneville)**

Would require school board candidates to be nominated in party primaries. Also modifies the school board member annual pay from \$2,000 to an amount not to exceed 10% of the lowest starting teacher salary in the district.

**Status:** Passed the Senate 34-13.

**ISTA Position:** Oppose.



## **SB 358: Various Education Matters (Sen. Jeff Raatz; R-Richmond)**

As introduced, the bill, among other things:

1. Provides that a school may be an eligible choice scholarship if the school obtains provisional accreditation from a national or regional accreditation body that the SBOE recognizes;
2. Requires the IDOE to compile a report regarding results for the IREAD and the determinant evaluation of reading skills;
3. Requires the IDOE to evaluate and approve a list of high quality curricular materials for use in English/language arts;
4. Requires the IDOE to study the feasibility of making certain math and English/language arts curricular materials available to public schools.

The bill was recommitted to Senate Appropriations where it removed items (1) and (4) above.

**Status:** Passed the Senate 39-10.

**Position:** Neutral.

## **SB 403 Charter School Requirements (Sen. Greg Taylor; D-Indianapolis)**

The bill requires that charter schools comply with financial data access protocols.

**Status:** Passed the Senate 49-0.

**ISTA Position:** Support as a good step in improving charter school accountability.



## **SB 518; School Property Taxes/Sharing Revenue with Charter Schools (Sen. Rogers; R-Granger)**

SB 518 would require traditional public schools to share their respective operations fund property tax revenue and debt service levies with nearly all charter schools located in their districts on a multi-year phase-in on the sharing. The debt service levy sharing would begin in CY 2026. The sharing on the operations fund levy would begin in 2028. Districts would also be required to share debt service levy revenue with charter schools. The amount shared with charters is dependent on the number of students who reside in the school district but who attend a charter in the district. Charter schools with fewer than 100 students in the district would not qualify for the sharing scheme. The amended bill would also stipulate that any charter school that is in line to receive shared property tax revenue, that charter school must include on its governing body at least one member appointed by either the mayor or by the county board of commissioners in other cases.

Charter schools have long received a state-funded grant that was created to replace whatever local property taxes they did not receive for the purposes of what property taxes pay for in traditional public schools. The current appropriation for the Charter School Innovation Network School Grant is \$52.6m each year. Under the bill, the amount of grant a charter school qualifies would be reduced by the amount of property taxes it would receive in the share. In this way, the bill shifts the burden of funding charter schools from the state to local property taxpayers.

**Status:** Passed the Senate 28-21.

**Position:** Opposed.

## **STATUS OF PRIOR RELEVANT BILLS**

### **HOUSE**

#### **HB 1002: Deregulation (Rep. Bob Behning; R-Indianapolis)**

**Status:** Passed House 3<sup>rd</sup> reading 75-16.

**ISTA Position:** Oppose some removals from Indiana Code.

#### **HB 1016: School Safety Commission (Rep. Matt Commons; R-Williamsport)**

**Status:** Passed House 3<sup>rd</sup> reading 90-0.

**ISTA Position:** Support.

#### **HB 1102: Contracting with Private Schools for Pre-K (Rep. Matt Commons; R-Williamsport)**

**Status:** Passed House 3<sup>rd</sup> reading 91-0.

**ISTA Position:** Issues with privatization; outside K-12 space.



**HB 1201: Student Absenteeism (Rep. Bob Behning; R-Indianapolis)**

**Status:** Passed House 3<sup>rd</sup> reading 87-0.

**ISTA Position:** Support with further recommendations.

**HB 1220: Attorney General's Office (Rep. Mike Karickhoff; R-Kokomo)**

**Status:** Passed House 91-0.

**ISTA Position:** Neutral

**HB 1221: Pensions (Rep. Mike Karickhoff; R-Kokomo)**

**Status:** Passed House 3<sup>rd</sup> reading 89-0.

**ISTA Position:** Support most of the bill; continuing to work with author.

**HB 1348: Nonaccredited Nonpublic Schools/Diplomas (Rep. Tim Wesco; R-Osceola)**

**Status:** Passed House 3<sup>rd</sup> reading 62-29.

**ISTA Position:** Oppose concept, but not directly impacting public schools.

**HB 1498: School Accountability/A-F (Rep. Bob Behning; R-Indianapolis)**

**Status:** Passed House 3<sup>rd</sup> reading 62-28.

**ISTA Position:** Oppose use of A-F letter grades as labels; Supportive of multiple accountability measures and dashboard.

**HB 1634: Math Education (Rep. Jake Teshka; R-South Bend)**

**Status:** Passed 90-0.

**ISTA Position:** Neutral as long as no new "Science of Math" endorsements are required.

**SENATE**

**SB 9: Maximum Levy Growth Quotient (Sen. Scott Baldwin; R-Noblesville)**

**Status:** DEAD.

**ISTA Position:** ISTA acknowledges property tax reform but requests replacement revenue as to school funding.

**SB 146: Teacher Compensation (Sen. Linda Rogers; R-Granger)**

**Status:** Passed Senate 3<sup>rd</sup> reading 50-0.

**ISTA Position:** Support current version as amended in Appropriations; monitor for further developments with TAG and other issues.

**SB 235: Anti-DEI/Limitations on DEI (Sen. Tyler Johnson; R-Leo)**

**Status:** DEAD; elements incorporated into SB 289.

**ISTA Position:** Oppose.



**SB 249: Teacher Compensation (Sen. Spencer Deery; R-West Lafayette)**

**Status:** Passed Senate 3<sup>rd</sup> reading 39-10.

**ISTA Position:** Oppose the supplemental pay changes.

**SB 255: Education Matters/Licensure (Sen. Spencer Deer; R-West Lafayette)**

**Status:** Passed Senate 3<sup>rd</sup> reading 49-0.

**ISTA Position:** Concerns with some provisions; working with the author.

**SB 257: Civics Education (Sen. Spencer Deery; R-West Lafayette)**

**Status:** Died in committee.

**Position:** Opposed.

**SB 289 Nondiscrimination in Employment and Education (Sen. Byrne; R-Byrnesville)**

**Status:** Passed Senate 3<sup>rd</sup> reading 34-13.

**ISTA Position:** Worked with the author to protect teaching of topics. Concerns with remainder of the bill.

**SB 359: Student Well-being and Resiliency (Sen. Scott Alexander; R-Muncie)**

**Status:** Passed Senate 3<sup>rd</sup> reading 42-4.

**ISTA Position:** Support.

**SB 366: Education Matters (Sen. Linda Rogers, R-Granger)**

**Status:** Passed Senate 3<sup>rd</sup> reading 30-16.

**ISTA Position:** Oppose some provisions, specifically removal of evaluations from discussion with superintendents and removal of committee appointments. ISTA is continuing to work with Senators to prevent the amendment from being included later.

**SB 442: Instruction Concerning Human Sexuality (Sen. Gary Byrne; R-Byrneville)**

**Status:** Passed 39-9.

**ISTA Position:** Concerns with some provisions around reporting.

**SB 482: Absenteeism (Sen. Stacey Donato; R-Logansport)**

**Status:** Passed Senate 3<sup>rd</sup> reading 49-0.

**ISTA Position:** Support.

**SB 523: School Chaplains (Sen. Stacey Donato; R-Logansport)**

**Status:** Passed 32-16.

**ISTA Position:** Neutral. ISTA does not believe school chaplains are the solution to the school counselor shortage. There are also equity concerns around religion in schools with diverse students.



**If you have any questions, please don't hesitate to contact ISTA staff:**

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