



Dear ISBA Members:

Week #14 of the budget session is now complete—two weeks to go! We are finished with the standing committee process and any bills that did not move out of the assigned committee in the second chamber is dead. However, because these bills passed in one chamber, they would remain eligible for amendment into another bill during the conference committee process. The third reading deadline of bills in the second chamber will be Monday in the House, and Tuesday in the Senate. The ISBA Tracking List will be updated after the third reading deadline to remove dead bills or bills that are no longer relevant to K-12 education and school board governance. At this juncture it looks like that there are still 50+ bills moving that may become law of interest to ISBA. Wow!

The big event this week was yesterday with the passage of the Senate Republican biennial budget (HB 1001) out of the Appropriations Committee. ISBA commends Senator Mishler and the other Senate fiscal leaders for developing a tremendous budget for K-12 public schools, with one exception (more on this to follow). Before the final 2-year budget emerges, there will be issuance of an updated state revenue forecast next week on Wednesday.

Key Bill Activity for Week #14

Senate Appropriations Committee:

The Senate Appropriations Committee met yesterday and not only passed out a new version of the state budget, but also processed many bills recommitted to the committee, including nine other K-12 education bills.

HB 1001 State Budget (Author: Representative Thompson; Sponsor: Senator Mishler). The two-year state budget, or biennial budget, covers Fiscal Years 2024 and 2025 and appropriates more than \$43 billion to pay for state-funded programs. K-12 education spending consumes 48% of the state budget while Medicaid spending that is growing consumes the second largest percentage of the state budget at 17%. Of the K-12 education funding, this budget version appropriates \$17.5 billion over the biennium to K-12 tuition support. ISBA commends the Senate for including the following funding items:

- Increases tuition support by \$1.1 billion over the biennium and includes formula increases of 4.68% in FY '24 and an incredible 9.43% in FY '25 (compared to the governor's and House budgets that only had 2% increases in FY '25)
- Increases special education funding by \$240 million and ELL funding by \$46 million over the biennium
- Increases Complexity grant funding by \$95 million over the biennium
- Funds the elimination of the textbook rental fees with a separate line-item appropriation of \$160 million/year as a categorical fund
- Provides an additional contribution of \$1 billion in FY 2023 to the pre-1996 TRF account
- Increases the Indiana Secured School Safety Grant by the same amount as the House budget, or \$5.5 million additional per year to \$24.6 m/year.
- Increases eligibility of the On My Way Prekindergarten program from 127% to 150% of the federal poverty level
- Provides \$100 million to the Student Learning Recovery Program
- Does not increase funding for the Choice Scholarship voucher program

Again, a tremendous budget for K-12 public education! There was one disappointing surprise with this budget in that it moved

Additional Pupil Count (APC) funding for CTE programs provided by our high schools and area vocational/CTE centers into the basic grant within the tuition support formula. This action removes the dedicated funding for CTE programming, which could lead to underfunding and support, and ultimately cancellation, of many Next Level Programs of Study CTE courses. ISBA joins with the Indiana Association of Career and Technical Education Directors (IACTED) and other associations to have this funding restored as it has been funded for decades.

The other disappointment is that a joint proposal from ISBA, IAPSS, IASBO, the Indiana Association of School Counselors, and the Indiana Association of School Psychologists to create a Teacher Retention and Support Services Grant program was not funded. Our organizations had called on the repurposing of the \$37.5 million/year appropriation for the Teacher Appreciation Grant to address the ongoing challenges faced by school corporations with teacher retention and shortages in critical student support services areas.

- To view the overview summary of the Senate Majority budget click here: [Senate Majority Budget Proposal Overview PPT](#)
- To view the tuition support formula projects by school corporation click here: [FY 2024-2025 Funding Formula Simulation](#)

[HB 1002 Education and Workforce Matters](#) (Author: Representative Goodrich) is a bill that would create Career Scholarship Accounts (CSAs) with \$5,000/student to use to enroll in work-based learning (WBL) or modern youth apprenticeship programs. The Senate Appropriations Committee stripped the bill with a major amendment to leave only the creation of a Career Advising Grant program and fund (that is funded at \$1.5 million/year in HB 1001). This grant would be used to fund “career advising providers” to partner with a school to provide career advising for students in Grades 9-12 enrolled in the school. While this dedicated funding is appreciated by ISBA, we continue to advocate for dedicated funding that will support school corporations to recruit, hire, and retain more school counselors, career coaches, and other support services professionals. Indiana presently ranks last in the nation on the number of students per counselor at 694:1.

Other Bill Activity

SB 72 Reporting on School Curriculum (Author: Senator Leising) passed out of the House Education Committee on Monday. As reported last week, the amended bill requires (1) public elementary schools to report to the Department of Education whether they provide instruction on cursive writing, (2) the State Board of Education to create a process that allows a student who is currently enrolled in high school to retake any high school course that was taken virtually during the public health emergency and, if retaken, gives the student full credit for the course and replaces the grade received when the course was taken virtually, and (3) the Department of Education, when revising academic standards, to consider the skills, knowledge, and practices that are necessary to understand and utilize emerging technologies as well as the skills, knowledge, and practices that may be rendered obsolete by emerging technologies. The bill passed out of the House on second and third readings this week with no further amendments. It returns to the Senate for concurrence on the amendments made by the House.

SB 380 Various Education Matters (Author: Senator Raatz) passed out of the House Education Committee on Monday without a vote on the proposed amendment that would have added various provisions from SB 12 regarding materials harmful to minors. Thus, the provisions in the bill require schools to post graduation rates on their websites and allow a school board to adopt a policy concerning student dress code or distracting behavior. The bill passed out of the House on second and third readings this week with no further amendments. It returns to the Senate for concurrence on the amendments made by the House.

SB 369 Automated External Defibrillator Requirements (Author: Senator Rogers) passed by a 95-0 third reading vote in the House of Representatives yesterday, after being amended on Wednesday to change the "shall" to a "may" regarding to have an AED available during extracurricular activities and accessible within three minutes of a cardiac arrest emergency. ISBA continues to advocate to make purchases of AEDs and eligible expense under the Indiana Secured School Safety Grant via HB 1492. We have asked Senator Crider,

Senate sponsor of HB 1492, to consider this second reading amendment request.

[SB 486 Education Matters](#) (Author: Senator Rogers) passed out of the House Education Committee on Monday with an amendment reinstating current laws regarding (1) seclusion and restraint training, identifying and reporting human trafficking, and use of bleeding control kits, (2) reporting information on the results of staff performance evaluations, and (3) conducting a public meeting before bargaining begins. The House, on second reading of the bill, adopted another amendment. As amended, the bill allows the Department of Education to establish an online platform for teaching training on such topics as youth suicide, bloodborne pathogens, bullying prevention, and child abuse and neglect. The bill requires teacher preparation programs to include within the curriculum information on criminal gang organization awareness, homeless students, and signs and symptoms of seizures. Additionally, the bill allows schools to adopt locally-determined staff performance evaluation plans and permits school administrators to discuss with individual teachers or groups of teachers any topic that significantly impacts teachers' working conditions or the educational quality of their students. The amended bill is eligible for a third reading in the House.

[HB 1499 Various Tax Matters](#) (Author: Representative Thompson; Sponsor: Senator Holdman). This bill originated as a major property tax relief package advocated by House Republicans that would lowered tax caps on residential property to 0.95% in CY 2024 and 0.975% in CY 2025, which in turn would diminish Operations Fund levies by \$180 million over three years to school corporations. The House Republican proposal would also change many provisions regarding Controlled Project statutes, triggering a mandatory referendum for facility financing for any school corporation with a Debt Service tax rate above \$0.80/\$100 AV. The Senate Tax & Fiscal Policy Committee stripped these provisions from HB 1499, and once passed by the Senate, the bill will go to conference committee and these changes to the bill will be debated and negotiated.

Bill Tracking List

Checkout the always new ISBA Bill Tracking List [HERE](#). As action happens on any bill on the Tracking List, it is updated in real time.

Thank you for reading the ISBA Weekly Legislative Update and your efforts and contributions to engage in the ISBA Legislative Action Network!

Sincerely,



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